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PRIYA INTERNATIONAL LIMITED

31st ANNUAL REPORT 2013 - 2014

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31st ANNUAL GENERAL MEETING

VENUE : “Hall of Quest”, Nehru Planetarium, Nehru Centre,
Dr. Annie Besant Road, Worli, Mumbai-400 018.

Day : Wednesday

Date : 20th August, 2014

Time : 10:30 A.M.

BOARD OF DIRECTORS

A. K. BHUWANIA : Chairman

ADITYA BHUWANIA : Director

SAROJ BHUWANIA : Whole Time Director

P. V. HARIHARAN : Whole Time Director

REGISTERED OFFICE : 4th Floor, Kimatrai Building, 77 - 79,
Maharshi Karve Marg, Marine Lines (E),
Mumbai 400002
Tel: 022 4220 3100

BANKERS : VIJAYA BANK
: INDIAN BANK

AUDITORS : **M/s. M. L. BHUWANIA & CO.**
Chartered Accountants

STOCK EXCHANGES : Delhi, Calcutta and Uttar Pradesh.

**REGISTRAR & SHARE TRANSFER
AGENT (COMMON AGENCY)** : Bigshare Services Pvt. Ltd.
E-2/3, Ansa Industrial Estate, Sakivihar
Road, Saki Naka, Andheri (E), Mumbai-400 072.
Tel: 022-4043 0200, 2847 0652

WEBSITE : www.priyagroup.com

NOTICE

NOTICE is hereby given that the **Thirty-First Annual General Meeting** of the members of **PRIYA INTERNATIONAL LIMITED** (CIN:L99999MH1983PLC086840) will be held at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018 on Wednesday, the 20th day of August, 2014 at 10:30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2014 and Statement of Profit & Loss for the year ended on that date together with the Auditors' and Directors' Report thereon.
2. To declare dividend for the Financial Year 2013-14.
3. To appoint a Director in place of Mr. P. V. Hariharan (DIN:03196975), who retires by rotation being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**

"RESOLVED THAT pursuant to the provisions of Sections 139 and other applicable provisions, if any, of the Companies Act, 2013, M/s. M. L. Bhuwania & Co., Chartered Accountants having Registration No. 101484W issued by the Institute of Chartered Accountants of India, be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting of the Company, on a remuneration to be fixed by the Board of Directors of the Company, in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company for the year ending March 31, 2015"

SPECIAL BUSINESS:

5. **To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013**

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable

provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

NOTES:

1. **MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE MEMBER OF THE COMPANY.**
2. The proxy form, in order to be effective, must be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.
3. The register of members and the share transfer books of the Company will remain closed from 14th August, 2014 to 20th August, 2014 (both days inclusive).
4. Dividend recommended for the year ended 31st March, 2014 if approved by the members will be paid to those eligible members whose names appear:
 - I. As Beneficial Owners, as on 14th August, 2014, as per the list to be furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd., in respect of shares held in electronic form; and
 - II. As Members in the Register of Members of the Company as on 14th August, 2014.
5. Members, who have not given the Bank Account Details earlier, are requested to send the same immediately to enable the Company to pay dividend accordingly.
6. Members are requested to bring their copy of the Annual Report to the Meeting.

7. Members/proxies attending the Meeting should bring the Attendance Slip, duly filled, for handing over at the venue of the meeting.
8. (a) Members holding shares in physical form are requested to advise immediately change in their address, if any, quoting their folio number(s) to the Registrar & Share Transfer Agent of the Company.
(b) Members holding shares in the electronic form are requested to advise immediately change in their address, if any, quoting their Client ID no., to their respective Depository Participants.
9. Members are hereby informed that Dividends which remain unclaimed/unpaid over a period of 7 years from the date of transfer to the Unpaid Dividend Account have been transferred by the Company, pursuant to sub-section (5) of Section 205A of the Companies Act, 1956, to a fund called the Investor Education & Protection Fund established by the Central Government under sub-section (1) of Section 205C of the Companies Act, 1956. Accordingly, the unpaid/unclaimed dividend for the year 2006-07 will become transferable at the end of seventh year from the date of transfer of the same to Unpaid Dividend Account, to the said Investor Education & Protection Fund. Please note that no claim shall lie against the Fund or the Company in respect of the dividend amount so transferred to the Investor Education & Protection Fund. The shareholders are, therefore, advised to send their request for issue of Duplicate Dividend Warrants / revalidation of un-encashed Dividend Warrants to the Company before the amount becomes due for transfer to the above Fund.
10. Members may avail dematerialisation facility by opening Demat Accounts with the Depository Participants of either National Securities Depository Limited or Central Depository Services (India) Limited and get the equity share certificates held by them dematerialised. The ISIN No. of the Company is **INE557E01013**.
11. Members desirous of getting any information in respect of accounts of the Company and proposed resolutions, are requested to send their queries in writing to the Company at its registered office atleast 7 days before the date of the meeting, so that the required information can be made available at the meeting.
12. Members, who have not registered their e-mail addresses, are requested to register their e-mail address in respect of electronic holdings with the depository through their concerned Depository Participants and members who hold shares in physical form are requested to send their details to Bigshare Services Pvt. Ltd (Registrar & Transfer agent) in order to enable the company to serve the notice/Documents including Annual Report through e-mail as an initiative in consonance with circular issued by Ministry of Corporate Affairs allowing paperless compliances by the companies.
13. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically instead of casting their vote at the Meeting.
- 14. The procedure and instructions for the voting through electronic means is, as follows:**
 - i. Log on to the e-voting website : www.evotingindia.com during the voting period.
 - ii. Click on "Shareholders" tab.
 - iii. Now, select the "PRIYA INTERNATIONAL LIMITED" from the drop down menu and click on "SUBMIT"
 - iv. Now, enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - v. Next enter the Image Verification as displayed and Click on Login.
 - vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - vii. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

viii. After entering these details appropriately, click on "SUBMIT" tab.

ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi. Click on the EVSN for the relevant <PRIYA INTERNATIONAL LIMITED> on which you choose to vote.

xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm

your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xviii. Note for Institutional Shareholders & Custodians:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if

any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

15. The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company.

16. E-voting period will commence from 14th August, 2014 at 10:00 a.m. and will end on 16th August 2014 at 6.00 p.m.

17. Mr. Sanjay Parab, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner, whose e-mail address is sanjay.parabcs@gmail.com.

18. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock

the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

19. The Results shall be declared on or after the date of AGM of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.priyagroup.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company.

For and on behalf of the Board
For **Priya International Limited**

Aditya Bhuwania
Director

Registered Office:

4th Floor, Kimatrai Building,
Maharshi Karve Marg, Marine Lines (E)
Mumbai 400002

Place: Mumbai

Dated: 16th May, 2014.

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

Item No. 5

The existing Articles of Association (“AoA”) are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act.

The New Companies Act, 2013 (“Act”) is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs (“MCA”) had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections. With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table ‘F’ of the Act which sets out the model articles of association for a company limited by shares.

The Directors commend the Resolutions at Item No.5 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolutions at Item No.5.

DIRECTORS' REPORT DIRECTORS

To,

The Members,

Your Directors have pleasure in presenting the Thirty-First Annual Report along with the audited accounts for the financial year ended 31st March, 2014.

FINANCIAL RESULTS

	(Rs. in Lakhs)	
	Year Ended 31-03-2014	Year Ended 31-03-2013
Revenue from operations	1060.28	1112.36
Other Income	35.63	30.89
	1095.91	1143.25
Profit before Tax & Extra ordinary items	112.04	70.87
Extra Ordinary Items	--	--
Profit before Tax	112.04	70.87
Less: Provision for taxation- Current Tax	39.25	22.01
Provision for taxation- Deferred Tax	(6.09)	(3.07)
	78.88	51.93
(Add) / Less: Tax for earlier years	(1.77)	1.98
Profit After Tax	80.65	49.95
Add: Balance brought forward	378.43	348.46
Profit available for appropriation	459.08	398.41
APPROPRIATIONS		
Proposed Dividend	14.94	14.94
Corporate Dividend Tax	2.54	2.54
General Reserve	4.03	2.50
Balance carried to Balance sheet	437.57	378.43
	459.08	398.41

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs. 1.50 per share (@ 15%) on 9,96,000 Equity shares of Rs.10/- each amounting to Rs. 14,94,000/-.

OPERATIONS

The turnover of your Company has marginally decreased to Rs.1060.28 Lac from Rs.1112.36 Lac in the year under review, and the profit after tax & extra-ordinary items has increased to Rs.80.65 Lac from Rs. 49.95 Lac for the financial year 2012-2013.

As per the provisions of Section 152 of the Companies Act, 2013, Mr. P. V. Hariharan, Director of the Company, is liable to retire by rotation at the ensuing Annual general Meeting and being eligible, offer himself for re-appointment.

AUDITORS

M/s. M. L. Bhuwania & Co., Chartered Accountants who are to retire at the conclusion of the forthcoming Annual General meeting, have offered themselves for re-appointment as Auditors of the Company. A written certificate to the effect that their appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013, has been obtained by the Company from them. The members are requested to consider their reappointment and fix their remuneration.

AUDITORS REPORT

The observations of the Auditors in their report read together with the Notes to Accounts are self explanatory and therefore, in the opinion of the Directors, do not call for any further explanation. The auditor's reports do not contain any reservation, qualification & adverse remark for the financial year under review.

COMPLIANCE CERTIFICATE

A Compliance Certificate pursuant to section 383A of the Companies Act, 1956 is annexed to the Directors Report for the financial year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information as required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 is given below:

CONSERVATION OF ENERGY:

The scope for conservation of energy is limited in the type of industry in which your Company is engaged. However, the Company continues to accord high priority to conservation of energy by opting for more power effective replacements of equipment and electrical installations. No specific investment proposals are envisaged.

Form "A" of Companies (Disclosure of Particulars

in the Report of Board of Directors) Rules, 1988 is not required to be filed as our industry is not included in the Schedule to the said Rules.

TECHNOLOGY ABSORPTION:

Your Company continues to utilize the R & D facilities available with it. The Company has not imported any technology during year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The relevant information in respect of the foreign exchange earnings and outgo has been given in the Notes forming part of the Accounts for the year ended on 31st March, 2014.

PARTICULARS OF EMPLOYEES

As required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, the Company has no employees who were in receipt of the remuneration of Rs.60,00,000/- or more per annum during the year ended 31st March, 2014 or Rs.5,00,000/- or more per month during any part of the said year.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of **Section 217 (2AA)** of the Companies Act, 1956, the directors confirm that:

- i) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure;
- ii) Appropriate accounting policies have been selected and have applied them consistently and 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 2013-2014 and Profit of the Company for that the year ended on 31st March, 2014;
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts have been prepared on a going concern basis.

HUMAN RESOURCE

Your Company enjoys cordial relations with its employees. The key focus of your Company is to attract, retain and develop talent. The Board wishes to place on record its appreciation of the contribution made by all employees during the year.

LISTING OF SHARES

Company's shares have been listed with Delhi Stock Exchange, Calcutta Stock Exchange, Uttar Pradesh Stock Exchange. The listing fees of all the stock exchanges, for the financial year 2013-2014 were duly paid.

APPRECIATION

Your Directors wish to place on record their grateful thanks to the Bank and various Government Authorities for their valuable assistance and co-operation and for the trust and confidence reposed in the Company by the shareholders.

For and on behalf of the Board
For **Priya International Limited**

Aditya Bhuwania
Director

Saroj Bhuwania
Director

Place: Mumbai
Dated: 16th May, 2014.

COMPLIANCE CERTIFICATE

To,
 The Members,
PRIYA INTERNATIONAL LIMITED
 4th Floor, Kimatrai Building, 77-79,
 Maharishi Karve Marg,
 Marine Lines (E), Mumbai - 400 002.

We have examined the necessary registers, records, books and papers of **PRIYA INTERNATIONAL LIMITED** ('the Company') required to be maintained under the Companies Act, 1956 & notified sections of the Companies Act, 2013 read with applicable rules made there under and the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2014. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year.

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions of Act and the rules made there under and entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Maharashtra or such other authorities as required under the Act and the rules made there under.
3. The Company being Public Limited Company and accordingly no comments are required.
4. The Board of Directors duly met 4 (Four) times on 11.05.2013, 13.08.2013, 11.11.2013 and 06.02.2014 respectively, in respect of which meetings proper notices were given and the proceedings were properly recorded, signed and kept in the Minutes Book maintained for the purpose. Further a resolution was also passed by circulation, pursuant to Section 289 of the Act dated 29.04.2013 and 25.06.2013 in respect of which, proper notice along with necessary papers were circulated to all directors in India and the same have been approved by majority of directors.
5. The Company has closed the Register of members from 31st August 2013 to 06th September, 2013 (both days inclusive) and has complied with the provisions of Section 154 of the Act.
6. The Annual General Meeting for the financial year ended 31st March, 2013 was held on 6th September, 2013 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year ended 31st March, 2014.
8. The company has not advanced any loan to its directors or persons or firms or companies referred in the Section 295 of the Act, save otherwise than exemptions specified by the Act.
9. The Company has complied with the provisions of Section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the company was not required to obtain any approvals from the Board of Directors, Members or the Central Government.
12. The Company has not issued any duplicate certificates during the financial year under review.
13. The Company has:
 - (i) not issued or allotted any new shares during the year. The Company has delivered all the certificates on lodgment thereof for transfer / transmission or for any other purpose in accordance with the provisions of the Act.
 - (ii) deposited the amount of final dividend in a separate bank account in respect of the dividend declared at Annual General Meeting held on 6th September, 2013 within prescribed period.
 - (iii) paid / posted warrants/ demand draft/electronic clearing service for dividends to all the members within a period of 30 (Thirty) days from the date of declaration and that subsequently all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account of the Company with HDFC Bank opened for the purpose of dividend disbursement.
 - (iv) Has transferred the amount due/ outstanding in the "Unpaid Dividend Account" towards the Investor Education and Protection Fund

- (IEPF) during the year under review. There was no need to transfer any amount to IEPF in respect of share application money due for refund, maturing fixed deposits or debentures as same are not applicable in respect of the Company, being not availed by the Company during the year under review.
- (v) The Company has complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment / re-appointment of any additional director, alternate director and/ or director to fill casual vacancies was effected during the financial year under review.
 15. The Company has not appointed Managing Director/ Whole-time director /Manager during the financial year under review.
 16. The Company has not appointed any sole-selling agents during the financial year under review.
 17. The Company has received an approval from Ministry of Corporate Affairs, New Delhi for payment of increased remuneration upto Rs.42,00,000/- p.a.to Mr. P.V. Hariharan, Whole-time Director of the Company for a period starting from 01/04/2012 to 31/03/2015. Except this no other approval were sought and or received from any other authority during the period under review.
 18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
 19. The Company has not issued and allotted any shares debentures or other securities during the financial year.
 20. The Company has not bought back any shares during the financial year ending 31st March, 2014.
 21. Since the Company have no preference shares / debentures, no special comment is required.
 22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
 23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of the provisions of Sections 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975 during the financial year under review.
 24. The amount borrowed by the Company during the financial period ending 31st March, 2014 are within the borrowing limits of the Company and the Company were not required to pass any resolution in terms of the provisions of Section 293 (1)(d) of the Act.
 25. The Company has not made any loans/ advances out of its retained earnings and complied with the provisions of the Act by making entries in the register kept for the purpose. The Company has not given guarantees or provided securities to any other bodies corporate during the year under review.
 26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the financial year under review.
 27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the financial year under review.
 28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the financial under review.
 29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the financial year under review.
 30. The Company has not altered any provisions of its Articles of Association during the financial year under review.
 31. As per management confirmation, there were no prosecution initiated against or show cause notice being received by the Company for alleged offenses under the Act and no fines and penalties or any other punishment was imposed on the company during the financial year.
 32. The Company has not received any money as security from its employees during the financial year under review.
 33. The Company has deposited both employee's and employer's contribution to provident fund with prescribed authorities.

SANJAY PARAB

Place: Mumbai

Company Secretaries

Dated: 16/05/2014

FCS No. 6613 C.P.No.: 7093

Annexure: A

Sr. No.	Registers maintained by the Company	Under Section
01.	Register of Charges	143
02.	Register of Members (In the form of Index)	150 / 151
03.	Minutes Books of Proceedings of: A. General Meetings: B. Meetings of Board of Directors:	193
04.	Register of Contracts, Companies and firms in which Directors are interested.	301(3)
05.	Register of Directors	303
06.	Register of Directors' Shareholding	307
07.	Register of Investment / Loan etc.	372A
08.	Register of Transfer	Voluntary
09.	Attendance Book for Board Meetings	Voluntary
10.	Register of Share Application & Allotment	Voluntary

Place: Mumbai
Dated: 16/05/2014

SANJAY PARAB
Company Secretaries
FCS No. 6613 C.P.No.: 7093

Annexure B

Sr.	Form No.& SRN	Under Section and purpose	Whether filed in Time (Y/N)
1.	Balance Sheet (As on 31.03.2013) Form 23ACXBRL & 23ACAXBRL SRN Q13052469	U/s 210 – Annual Filing	10.10.2013 (N)
2.	Compliance Certificate Form 66 SRN Q11433505	U/s 383A & as required under the (Issuance of Compliance Certificate Rules, 2001).	20.09.2013 (Y)
3.	Annual Return (Form 20B) SRN Q21823018	U/s 159 & as per Requirement	31.10.2013 (Y)
4.	Form 23B SRN S22234850	U/s 224, Appointment of Auditor	12.09.2013 (Y)
5.	Form 1 INV SRN B94797586	Pursuant to rule 3 of the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001) Statement of amounts credited to investor education and protection fund	29.01.2014 (Y)

Place: Mumbai
Dated: 16/05/2014

SANJAY PARAB
Company Secretaries
FCS No. 6613 C.P.No.: 7093

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PRIYA INTERNATIONAL LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Priya International Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and 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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the 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, 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 Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - e. On the basis of the written representations received from the Directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For and on behalf of
M. L. Bhuwania & Co.
Chartered Accountants
Firm's Registration No. 101484W

J. P. Bairagra
Partner

Place: Mumbai
Dated: 16th May, 2014

Membership No.12839

Annexure referred to in paragraph titled as "Report on other Legal and Regulatory Requirements" of Auditor's report to the members of Priya International Limited for the year ended 31st March 2014.

On the basis of the records produced to us for our verification / perusal, such checks as we considered appropriate, and in terms of information and explanation given to us on our enquiries, we state that:

- (i) (a) The company is maintaining the proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and discrepancies noticed between the book records and the physical inventories were not material and have been properly dealt with in the accounts.
- (c) In our opinion and according to the information and explanation given to us, no substantial part of the fixed assets has been disposed off by the Company during the year.
- (ii) (a) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations 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 the records of inventories, 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 the book records were not material

and have been properly dealt with in the books of account.

- (iii) During the year, the Company has granted unsecured loan to a Company, covered in register maintained under Section 301 of the Companies Act, 1956. The rate of interest and other terms and conditions are prima facie not prejudicial to the interest of the Company. There are no stipulations with respect to the repayment of the loan and the interest thereon. The details of loan transactions are as under:

No. of parties	Total amount of loan given	Maximum balance outstanding during the year.	Amount receivable at the end of the year.
1	34,525,000	39,507,583	30,832,583

During the year, the Company has not taken any loan from companies and other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clause (iii) of the Order is not Applicable to the Company.

- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no weakness has been noticed in the internal controls.
- (v) (a) According to the information and explanation given to us, we are of the opinion that during the year, the particulars of the contracts/arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) According to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956, and exceeding the value of rupees five lacs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

- (vi) The Company has not accepted any deposits from the public during the year. Accordingly, clause 4 (vi) of the Order is not applicable to the Company.
- (vii) The Company has an internal audit system which in our opinion is commensurate with the size and nature of its business.
- (viii) The Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956, for any of the products of the Company.
- (ix) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty, Cess and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable were outstanding at the year end for a period of more than six months from the date they became payable.
- According to the records of the Company, there are no dues of Income tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty or Cess which have not been deposited on account of any dispute.
- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
- (xi) The Company has not borrowed from the banks, financial institutions and does not have any borrowings by way of debentures. Accordingly, clause 4 (xi) of the order is not applicable to the Company.
- (xii) Based on our examination of documents and records, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, clause 4 (xii) of the order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute application to chit fund and nidhi/mutual benefit fund/societies. Accordingly, clause 4 (xiii) of the order is not applicable to the Company.
- (xiv) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion, the Company is not dealing / trading in shares, securities, debentures and other investment. Accordingly, clause 4 (xiv) of the order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, clause 4 (xv) of the order is not applicable to the Company.
- (xvi) The Company has not taken any term loan during the year. Accordingly, clause 4(xvi) of the order is not applicable to the Company.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds have been raised on short term basis by the Company. Accordingly, clause 4(xvii.) of the order is not applicable to the Company.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money through a public issue during the year.
- (xxi) Based upon the audit procedures performed and 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 the year ended March 31, 2014.

For and on behalf of
M. L. Bhuwania & Co.
Chartered Accountants
 Firm's Registration No. 101484W

J. P. Bairagra
Partner

Place: Mumbai
 Dated: 16th May, 2014

Membership No.12839

BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Note No.	March 31, 2014 Rs.	March 31, 2013 Rs.
I EQUITY AND LIABILITIES			
(1) Shareholder's funds			
(a) Share capital	1	9,960,000	9,960,000
(b) Reserves & surplus	2	54,157,057	47,839,793
(2) Non - current liabilities			
(a) Long - term provisions	3	5,195,116	5,010,636
(3) Current liabilities			
(a) Trade payables	4	12,275,163	6,030,467
(b) Other current liabilities	5	2,100,171	2,046,712
(c) Short - term provisions	6	9,270,356	7,311,671
TOTAL		92,957,863	78,199,279
II ASSETS			
(1) Non - current assets			
(a) <u>Fixed assets</u>			
(i) Tangible assets	7	1,671,513	2,047,780
(b) Non - current investment	8	4,601,500	4,601,500
(c) Deferred tax assets	9	4,419,124	3,810,370
(d) Long - term loans and advances	10	1,464,857	1,135,763
(2) Current assets			
(a) Inventories	11	27,674,126	16,766,826
(b) Trade receivables	12	13,315,870	14,025,973
(c) Cash & bank balances	13	5,184,479	3,212,826
(d) Short - term loans and advances	14	32,040,413	30,501,627
(e) Other current assets	15	2,585,981	2,096,614
TOTAL		92,957,863	78,199,279
Contingent Liabilities and Commitments	16		
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS	1 TO 36		

The notes referred above form an integral part of the Balance Sheet.

As per our report attached of even date

FOR **M. L. BHUWANIA & CO.**
 CHARTERED ACCOUNTANTS
 Firm Registration Number : 101484W

FOR AND ON BEHALF OF THE BOARD

J.P.BAIRAGRA
 PARTNER
 MEMBERSHIP NO. 12839

ADITYA BHUWANIA
 DIRECTOR

SAROJ BHUWANIA
 WHOLE TIME DIRECTOR

PLACE : MUMBAI
 DATED : 16th May, 2014

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

Particulars	Note No.	2013-14	2012-13
		Rs.	Rs.
Revenue from operations	17	106,028,519	111,236,471
Other income	18	3,562,742	3,089,307
Total Revenue		109,591,261	114,325,778
<u>Expenses:</u>			
Purchases of stock - in - trade	19	77,280,257	75,070,842
Changes in inventories of stock-in-trade	20	(10,907,300)	1,760,394
Employee benefit expenses	21	13,145,982	11,858,177
Finance costs	22	-	84,047
Depreciation & amortization expense	7	478,524	623,843
Other expenses	23	18,389,299	17,841,277
Total Expenses		98,386,762	107,238,580
Profit before exceptional and extraordinary items & tax		11,204,499	7,087,198
Exceptional items		-	-
Profit before extraordinary items and tax		11,204,499	7,087,198
Extraordinary items		-	-
Profit before tax		11,204,499	7,087,198
Less: Tax expense			
(1) <u>Current tax</u>			
of Current year		3,925,000	2,201,000
of Earlier years		(176,917)	198,411
(2) Deferred tax		(608,754)	(307,297)
Profit for the period		8,065,170	4,995,084
Basic & Diluted Earning Per Share	24	8.10	5.02
Face Value Per Equity Share		10.00	10.00
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS	1 TO 36		

The notes referred above form an integral part of the Balance Sheet.

As per our report attached of even date

FOR **M. L. BHUWANIA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration Number : 101484W

FOR AND ON BEHALF OF THE BOARD

J.P.BAIRAGRA
PARTNER
MEMBERSHIP NO. 12839

ADITYA BHUWANIA
DIRECTOR

SAROJ BHUWANIA
WHOLE TIME DIRECTOR

PLACE : MUMBAI
DATED : 16th May, 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

	2013-14 Rs.	2012-13 Rs.	
A) CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax & Extraordinary Items	11,204,499		7,087,198
Adjustment for :			
Dividend Received	(308,800)	(312,800)	
Depreciation	478,524	623,843	
Bad Debts Written Off/Allowance for Bad and Doubtful Debts	53,915	16,075	
Interest income	(3,253,942)	(2,732,849)	
Interest expense	-	84,047	
Obsolence /Loss of Assets written off	-	65,201	
Sundry balance written off (Net)	2,060	9,782	
Exchange Rate Fluctuation (Net)	(90,307)	(5,413)	(2,252,114)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	8,085,949		4,835,084
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :			
Inventories	(10,907,300)	4,298,794	
Trade receivables	674,608	7,480,582	
Short-term Loans and Advances	(114,116)	1,102,529	
Long -term Loans and Advances	(152,177)	130,075	
Trade Payable	6,314,523	(15,311,913)	
Short- term Provision	948,037	5,317,814	
Long- term Provision	184,480	(5,045,318)	
Other Current Liabilities	53,984	644,495	(1,382,942)
Cash Generated from Operations	5,087,988		3,452,142
Direct Taxes paid (Net of Refund)	2,914,353		2,459,064
NET CASH FROM OPERATING ACTIVITIES	2,173,635		993,078
B) CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets	(102,257)	(65,003)	
Inter Corporate Deposit	(1,425,000)	(2,534,070)	
Interest Received	2,764,575	2,677,819	
Dividend Received	308,800	1,546,118	391,546
NET CASH USED IN INVESTING ACTIVITIES	1,546,118		391,546
C) CASH FLOW FROM FINANCING ACTIVITIES			
Interest Paid	-	(160,844)	
Dividend Paid (Including Dividend Tax)	(1,748,430)	(1,734,088)	
Repayment of Borrowings	-	(1,767,524)	(3,662,456)
NET CASH USED IN FINANCING ACTIVITIES	(1,748,430)		(3,662,456)
NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	1,971,323		(2,277,832)
OPENING BALANCE OF CASH & CASH EQUIVALENTS	81,050		2,358,882
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	2,052,373		81,050
	1,971,323		(2,277,832)

Notes

- CASH & CASH EQUIVALENTS INCLUDES (Refer Note No. 13) :

Cash in Hand	22,832	29,499
BALANCE WITH SCHEDULED BANKS		
In current account	2,029,541	51,551
	2,052,373	81,050
- Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

As per our report attached of even date

FOR M. L. BHUWANIA & CO.
 CHARTERED ACCOUNTANTS
 Firm Registration Number : 101484W

FOR AND ON BEHALF OF THE BOARD

J.P.BAIRAGRA
 PARTNER
 MEMBERSHIP NO. 12839

ADITYA BHUWANIA
 DIRECTOR

SAROJ BHUWANIA
 WHOLE TIME DIRECTOR

PLACE : MUMBAI
 DATED : 16th May, 2014

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014
1 SHARE CAPITAL

Particulars	As at	
	March 31,2014	March 31,2013
Authorized Shares		
1,000,000 Equity shares, Rs. 10 /-par value (Previous year : 1,000,000 Equity shares, Rs. 10 /-par value)	10,000,000	10,000,000
	10,000,000	10,000,000
Issued, Subscribed and Fully Paid Up Shares		
996,000 Equity shares, Rs. 10 /- par value (Previous year : 996,000 Equity shares, Rs. 10 /-par value)	9,960,000	9,960,000
Total Issued, Subscribed and Fully Paid Up Share Capital	9,960,000	9,960,000

Note No. 1.1 The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2014 :

Particulars	As at March 31, 2014		As at March 31, 2013	
	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
Number of shares at the beginning	996,000	9,960,000	996,000	9,960,000
Add: Shares issued during the year	-	-	-	-
Less : Shares Bought back	-	-	-	-
Number of shares at the end	996,000	9,960,000	996,000	9,960,000

Note No. 1.2 Terms/rights attached to equity shares

- (A) The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (B) 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.

Note No. 1.3 The details of shareholders holding more than 5% shares in the company :

Name of the shareholders	No. of shares held	% held as at	
		March 31,2014	March 31,2013
Saroj Bhuwania	258,200	25.92	25.92
Arun Kumar Bhuwnia	239,300	24.03	24.03
Ashish Bhuwania	136,100	13.66	11.45
Aditya Bhuwania	106,350	10.68	10.68
Mini Bhuwania	66,200	6.65	6.65
Shruti Bhuwania	60,600	6.08	6.08

2 RESERVE & SURPLUS

Particulars	As at March 31,2014		As at March 31,2013	
General reserve				
Opening Balance	9,996,254		9,746,500	
Add: Transferred from surplus	403,258	10,399,512	249,754	9,996,254
Surplus - Opening balance	37,843,539		34,846,114	
Add: Net profit after tax transferred from statement of profit & loss	8,065,170		4,995,084	
Amount available for appropriation	45,908,709		39,841,198	
Less : Appropriations				
Proposed Dividend	1,494,000		1,494,000	
Corporate Dividend Tax	253,906		253,905	
Amount transferred to general reserve	403,258		249,754	
Surplus Closing Balance		43,757,545		37,843,539
Total of Reserve & Surplus		54,157,057		47,839,793

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)
3 LONG TERM PROVISIONS

Particulars	As at March 31, 2014	As at March 31, 2013
<u>Provisions for Employee Benefits</u>		
Gratuity (Refer Note No. 28)	4,460,986	4,123,253
Leave Encashment (Refer Note No. 28)	734,130	887,383
	5,195,116	5,010,636

4 TRADE PAYABLES

Particulars	As at March 31, 2014	As at March 31, 2013
Sundry Creditors For Goods (Refer Note No. 4.1)	11,452,222	5,677,718
Sundry Creditors For Expenses (Refer Note No. 4.1)	822,941	352,749
	12,275,163	6,030,467

Note No. 4.1

The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act, have not been given. The same has been relied upon by the Auditors.

5 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2014	As at March 31, 2013
Unpaid Dividends	122,325	122,850
<u>Other Liabilities</u>		
Bank Overdraft	-	211,916
Advance From Customers	32,855	132,009
Employee Benefits Payable	1,572,399	1,029,391
Statutory Dues Payable	372,592	550,546
	2,100,171	2,046,712

6 SHORT TERM PROVISIONS

Particulars	As at March 31, 2014	As at March 31, 2013
<u>Provision for Employee Benefits</u>		
Gratuity (Refer Note No. 28)	5,632,408	4,948,198
Leave Encashment (Refer Note No. 28)	879,395	615,568
<u>Others</u>		
Provision For Income Tax {Net of Provision for Tax Rs. 3,925,000/- (Previous year Nil)}	1,010,647	-
Proposed Dividends (Refer Note No. 6.1)	1,494,000	1,494,000
Corporate Dividend Tax (Refer Note No. 6.1)	253,906	253,905
	9,270,356	7,311,671

Note No. 6.1

The amount of per share dividend of Rs. 1.50/- (Previous year Rs. 1.50/-) has been proposed to be distributed to equity shareholders for the year ended 31/03/2014. The total amount of dividend shall be Rs. 1,747,906/- (Including Dividend Distribution Tax Rs. 253,906/-). (Previous year Rs. 1,747,906/- (Including Dividend Distribution Tax Rs. 253,905/-)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)
7 FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS ON 01/04/2013	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31/03/2014	AS ON 01/04/2013	FOR THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31/03/2014	AS AT 31/03/2014	AS AT 31/03/2013
<u>TANGIBLES ASSETS :</u>										
Office Premises	1,036,034	-	-	1,036,034	688,954	17,354	-	706,308	329,726	347,080
Furniture & Fixture	16,993	6,000	-	22,993	16,138	527	-	16,665	6,328	855
Vehicles	3,684,796	-	-	3,684,796	2,257,566	369,509	-	2,627,075	1,057,721	1,427,230
Office Equipment	255,084	64,757	-	319,841	109,964	31,676	-	141,640	178,201	145,120
Computer	405,952	31,500	-	437,452	278,457	59,458	-	337,915	99,537	127,495
TOTAL	5,398,859	102,257	-	5,501,116	3,351,079	478,524	-	3,829,603	1,671,513	2,047,780
PREVIOUS YEAR	8,128,087	65,003	2,794,231	5,398,859	5,456,266	623,843	2,729,030	3,351,079	2,047,780	

8 NON CURRENT INVESTMENT

Particulars	As at March 31, 2014			As at March 31, 2013	
	Face Value	Qty	Amount (Rs.)	Qty	Amount (Rs.)
<u>NON TRADE INVESTMENTS</u>					
<u>Quoted</u>					
<u>In Equity Instruments</u> (Refer Note No. 8.1)					
Dhanuka Agritech Ltd.	2	10,000	20,000	10,000	20,000
Priya Limited	10	275,800	4,481,500	275,800	4,481,500
Total Value of Quoted Investments			4,501,500		4,501,500
<u>Unquoted</u>					
<u>In Equity Instruments</u>					
Gaurav Electrochem Pvt. Ltd.	100	500	100,000	500	100,000
Total Value of Unquoted Investments			100,000		100,000
Total of Long Term Investments			4,601,500		4,601,500
Less: Provision For Diminution In Value Of Quoted Investments			-		-
Net Value of Investment			4,601,500		4,601,500

Note No. 8.1

Aggregate market value of Quoted Investments Rs. 9,676,220/- (Previous year Rs. 10,075,760/-)

9 DEFERRED TAX ASSETS

Particulars	As at March 31, 2014	As at March 31, 2013
on account of Expenses allowable under income tax on payment basis	4,057,736	3,448,431
on account of Provision for doubtful debts on account of difference in depreciation as per books and income tax	9,265	16,435
	352,123	345,504
	4,419,124	3,810,370

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)
10 LONG TERM LOANS & ADVANCES

Particulars	As at March 31, 2014	As at March 31, 2013
(Unsecured, Considered Good, unless specified otherwise)		
<u>Loans and Advance to Related Parties</u>		
Deposits (Refer Note No. 10.1)	100,000	100,000
<u>Other Loans and Advances</u>		
Advance Recoverable in Cash or Kind or for Value to be Received	-	1,110
Advances to Staff	999,251	975,000
Deposits	129,036	-
Advance Income Tax And Tax Deducted At Source {Net of Provision for Tax Rs. 2,024,083/- (Previous year Rs. 2,201,000/-)}	236,570	59,653
	1,464,857	1,135,763

Note No. 10.1
Loan and Advances due by directors or other officers, etc.

Particulars	As at March 31, 2014	As at March 31, 2013
<u>Deposits- Rental</u>	100,000	100,000
Company in which directors are interested	100,000	100,000

11 INVENTORIES

Particulars	As at March 31, 2014	As at March 31, 2013
<u>Stock - In - Trade</u>		
Chemicals	27,674,126	16,766,826
	27,674,126	16,766,826

12 TRADE RECEIVABLES

Particulars	As at March 31, 2014	As at March 31, 2013
(Unsecured, Considered Good, unless specified otherwise)		
Outstanding For More Than Six Months from the date they are due for payment		
Considered Doubtful	28,555	53,188
Less : Allowance for bad and doubtful debts	28,555	53,188
Considered Good	-	39,854
Others Debts	13,315,870	13,986,119
	13,315,870	14,025,973

13 CASH & BANK BALANCES

Particulars	As at March 31, 2014	As at March 31, 2013
Cash & cash equivalents		
Cash on Hand	22,832	29,499
<u>Balance with bank</u>		
In Current Account	2,029,541	2,052,373
Other bank balances		
In Unpaid Dividend Account	122,325	122,850
In Margin Money deposits (Refer Note No. 13.1)	3,009,781	3,008,926
	5,184,479	3,212,826

Note No. 13.1

In Margin Money deposits amounting to Rs. 3,009,781/- (Previous year Rs. 3,008,926/-) are lying with bank against Bank Guarantees and Letter of Credit.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

14 SHORT TERM LOANS & ADVANCES

Particulars	As at March 31, 2014	As at March 31, 2013
(Unsecured, Considered Good, unless specified otherwise)		
<u>Loans and Advance to Related Parties</u>		
Inter Corporate Deposits	30,832,583	29,407,583
<u>Other Loans and Advances</u>		
Advance Recoverable in Cash or Kind or for Value to be Received	294,959	173,297
Advance Tax & Tax Deducted at Source	259,397	259,397
Advances to Staff	653,474	661,350
	32,040,413	30,501,627

15 OTHER CURRENT ASSETS

Particulars	As at March 31, 2014	As at March 31, 2013
Interest Receivable on Loans, Deposits	2,585,981	2,096,614
	2,585,981	2,096,614

16 CONTINGENT LIABILITY

Particulars	As at March 31, 2014	As at March 31, 2013
Disputed Income Tax Liability	134,060	134,060
	134,060	134,060

17 REVENUE FROM OPERATIONS

Particulars	2013-14	2012-13
Sale of Products (Refer Note No. 17.1)	84,258,609	92,821,896
Sale of Services (Refer Note No. 17.2)	21,769,910	18,414,575
	106,028,519	111,236,471

Note No. 17.1 Sale of Products

Particulars	2013-14	2012-13
Chemical - Kathon	22,055,976	20,593,400
Chemical - Lanco	20,119,773	21,404,016
Chemical - Acetylacetone	4,133,730	4,314,826
Electronics / Software	15,940,882	20,198,587
Other Product	22,008,248	26,311,067
Total	84,258,609	92,821,896

Note No. 17.2 Sale of Services

Particulars	2013-14	2012-13
Indenting Commission	21,769,910	18,414,575
Total	21,769,910	18,414,575

18 OTHER INCOME

Particulars	2013-14	2012-13
Interest income (Refer Note No. 18.1)	3,253,942	2,732,849
Dividend Received on Long Term (Non Trade) Investment	308,800	312,800
Miscellaneous Income	-	43,658
	3,562,742	3,089,307

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

Note No. 18.1

Break-up of Interest income	2013-14	2012-13
Interest income on Inter Corporate Deposits	2,873,312	2,329,571
Interest income on Deposits with Banks	271,073	277,827
Interest income on Staff Loans	109,557	125,451
	3,253,942	2,732,849

19 PURCHASES OF STOCK IN TRADE

Particulars	2013-14	2012-13
Traded Items		
Traded goods (Refer Note No. 19.1) **	77,280,257	75,070,842
	77,280,257	75,070,842

Note No. 19.1 Trade Goods

Particulars	2013-14	2012-13
Chemical - Kathon	13,448,319	10,956,058
Chemical - Lanco	18,803,255	13,448,194
Chemical - Acetylacetone	2,582,206	2,378,508
Electronics / Software	14,830,507	18,963,046
Other Product	17,010,861	20,324,056
Total	66,675,148	66,069,862

** Includes expenses like custom duty, clearing & forwarding etc. amounting to Rs. 10,605,109/- (Previous year Rs. 9,000,980/-)

20 CHANGES IN INVENTORIES

Particulars	2013-14	2012-13
Stock In Trade - Chemicals		
Opening Stock of Traded Goods	16,766,826	18,527,220
Closing Stock of Traded Goods	27,674,126	16,766,826
Change in Stock of Stock in Traded Goods- Chemicals	(10,907,300)	1,760,394

21 EMPLOYEE BENEFIT EXPENSES

Particulars	2013-14	2012-13
Salaries, Wages and Bonus	11,637,137	10,600,849
Contribution to Provident and other fund	886,696	761,581
Staff Welfare Expenses	622,149	495,747
	13,145,982	11,858,177

22 FINANCE COST

Particulars	2013-14	2012-13
Interest Expenses (Refer Note No. 22.1)	-	84,047
	-	84,047

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

Note No. 22.1

Break-up of Interest Expenses

Interest Paid on Fixed Loans	-	31,328
Interest Paid on Income Tax Payment	-	2,075
Interest Paid to Parties	-	8,701
Interest Paid on Loan from Directors	-	41,943
Total	-	84,047

23 OTHER EXPENSES

Particulars	2013-14	2012-13
Rent, Service & Warehousing Charges	5,665,533	5,326,319
Insurance Charges	259,274	205,065
Rates and Taxes	417,096	258,782
Payment to Statutory Auditors (Refer Note No. 23.1)	329,216	275,619
Legal & Professional Fees	1,539,459	1,378,644
Advertisement, Publicity & Sales Promotion	250,303	488,411
Commission & Brokerage	422,890	601,777
<u>Repairs & Maintenance</u>		
Building	-	12,426
Others	79,148	40,811
Freight & Forwarding cost	417,270	331,110
Postage, Telephone, Telex & Fax Charges	1,080,303	1,045,749
Travelling & Conveyance	2,947,813	2,269,813
Electricity Charges	686,649	762,376
Bank Charges	359,602	576,388
Loss on Exchange Rate Fluctuation (Net)	1,666,068	1,874,539
Bad Debts	40,207	1,228
Less: Allowance for Bad and doubtful debts written off	38,341	-
Allowance for Bad and doubtful debts	13,708	14,847
Loss on Sale/Obsolescence of Fixed Assets	-	65,201
Miscellaneous Expenses	2,253,101	2,312,172
	18,389,299	17,841,277

Note No. 23.1

Payment to Statutory Auditors

Particulars	2013-14	2012-13
<u>As auditor :</u>		
Audit Fee	120,000	120,000
Tax Audit Fee	45,000	45,000
Limited review	45,000	19,800
Vat Audit Fee	25,000	25,000
Service Tax	29,046	25,931
	264,046	235,731
<u>In other capacity :</u>		
Taxation Matters	43,000	32,500
Other Services	15,000	3,000
Service Tax	7,170	4,388
	65,170	39,888
Total	329,216	275,619

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)
24 EARNING PER SHARE

Particulars	2013-14	2012-13
(A) Profit attributable to Equity Shareholders (Rs.)	8,065,170	4,995,084
(B) No. of Equity Share outstanding during the year.	996,000	996,000
(C) Face Value of each Equity Share (Rs.)	10	10
(D) Basic & Diluted earning per Share (Rs.)	8.10	5.02

INFORMATION TO PARA VIII OF PART II OF REVISED SCHEDULE VI OF COMPANIES ACT,1956
25 VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS IN RESPECT OF

Particulars	2013-14	2012-13
Traded Goods	51,196,223	56,096,393
	51,196,223	56,096,393

26 EXPENDITURE IN FOREIGN CURRENCY

Particulars	2013-14	2012-13
Travelling Expenses	309,841	119,138
Sales Promotion Expenses	39,015	14,932
	348,856	134,070

27 EARNINGS IN FOREIGN CURRENCY

Particulars	2013-14	2012-13
Export [On FOB Basis]	10,665,308	16,943,615
Freight	9,082	13,165
Indenting Commission	21,769,910	18,414,575
	32,444,300	35,371,355

28 Employee Benefits :

The Company's defined benefit plan includes Gratuity/ Leave Encashment. The liability in respect of Gratuity/ Leave Encashment has been determined using Projected Unit Credit Method by an independent actuary. The company's defined contribution plan includes Provident Fund and Superannuation Fund. The related disclosure are as under:

A. Defined Contribution Plan

Particulars	2013-14	2012-13
(i) Provident Fund	656,440	605,728
(ii) Contribution to Superannuation Fund	160,845	155,025

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)
B. Defined Benefit Plans

Particulars	2013-14 Gratuity	2012-13 Gratuity	2013-14 Leave Encashment	2012-13 Leave Encashment
(i) Assumptions				
Mortality	IALM(2006-08)Ult	LIC (1994-96) Ult	IALM(2006-08)Ult	LIC (1994-96) Ult
Discount Rate	9.16%	8.00%	9.16%	8.00%
Rate of increase in compensation	5.00%	5.00%	5.00%	5.00%
Rate of return (expected) on plan assets				
	Up to Age 30 :	Up to Age 30 :	Up to Age 30 :	Up to Age 30 :
Withdrawal rates	10%	10%	10%	10%
	31 to 40 : 5%	31 to 40 : 5%	31 to 40 : 5%	31 to 40 : 5%
	41 and above : 2%	41 and above : 2%	41 and above : 2%	41 and above : 2%
(ii) Changes in present value of obligations				
PVO at beginning of period	9,071,451	8,821,169	1,502,951	1,472,593
Interest cost	725,716	701,604	120,030	116,454
Current Service Cost	542,346	454,336	188,685	174,645
Liability Transferred In / (out) - Net	-	(115,948)	-	(620,216)
Benefits Paid	-	(736,212)	(5,145)	(139,065)
Actuarial (gain)/loss on obligation	(246,119)	(53,498)	(192,996)	498,540
PVO at end of period	10,093,394	9,071,451	1,613,525	1,502,951
(iii) Changes in fair value of Plan Assets				
Fair Value of Plan assets at beginning of period	-	-	-	-
Expected Return on Plan Assets	-	-	-	-
Contributions	-	736,212	5,145	139,065
Benefit Paid	-	(736,212)	(5,145)	(139,065)
Actuarial gain / (loss) on plan assets	-	-	-	-
Fair Value of Plan assets at end of period	-	-	-	-
(iv) Fair value of Plan Assets				
Fair Value of Plan assets at beginning of period	-	-	-	-
Actual Return on Plan Assets	-	-	-	-
Contributions	-	736,212	5,145	139,065
Benefit Paid	-	(736,212)	(5,145)	(139,065)
Fair Value of Plan assets at end of period	-	-	-	-
Funded Status	(10,093,394)	(9,071,451)	(1,613,525)	(1,502,951)
Excess of actual over estimated return on Plan Assets	-	-	-	-
(v) Actuarial Gain / (Loss) Recognized				
Actuarial Gain / (Loss) for the period (Obligation)	246,119	53,498	192,996	(498,540)
Actuarial Gain / (Loss) for the period (Plan Assets)	-	-	-	-
Total Gain / (Loss) for the period	246,119	53,498	192,996	(498,540)
Actuarial Gain / (Loss) recognized for the period	246,119	53,498	192,996	(498,540)
Unrecognized Actuarial Gain / (Loss) at end of period	-	-	-	-
(vi) Amounts to be recognized in the Balance Sheet and statement of Profit & Loss				
PVO at end of period	10,093,394	9,071,451	1,613,525	1,502,951
Fair Value of Plan assets at end of period	-	-	-	-
Funded Status	(10,093,394)	(9,071,451)	(1,613,525)	(1,502,951)
Unrecognized Actuarial Gain / (Loss)	-	-	-	-
Net Asset / (Liability) recognized in the Balance Sheet	(10,093,394)	(9,071,451)	(1,613,525)	(1,502,951)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

(vii) Expenses recognized the the statement of Profit & Loss

Current Service Cost	542,346	454,336	188,685	174,645
Interest Cost	725,716	701,604	120,030	116,454
Expected Return on Plan Assets	-	-	-	-
Net Actuarial (Gain) / Loss recognized for the period	(246,119)	(53,498)	(192,996)	498,540
Expense recognized in the statement of Profit & Loss	1,021,943	1,102,442	115,719	789,639

(viii) Movements in the Liability recognized in Balance Sheet

Opening Net Liability	9,071,451	8,821,169	1,502,951	1,472,593
Expenses as above	1,021,943	1,102,442	115,719	789,639
Contribution paid	-	(736,212)	(5,145)	(139,065)
Liability Transferred In / (out) - Net	-	(115,948)	-	(620,216)
Closing Net Liability	10,093,394	9,071,451	1,613,525	1,502,951

(ix) Experience Analysis - Liabilities

Actuarial (Gain)/Loss due to change in bases	(382,290)	102,341	(80,020)	19,388
Experience (Gain) / Loss due to Change in Experience	136,171	(155,839)	(112,976)	479,152
Total	(246,119)	(53,498)	(192,996)	498,540

Experience Analysis - Plan Assets

Experience (Gain) / Loss due to Change in Plan Assets	-	-	-	-
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(x) Schedule VI Details

Current Liability	5,632,408	4,948,198	879,395	615,568
Non-Current Liability	4,460,986	4,123,253	734,130	887,383

29 RELATED PARTY DISCLOSERS

A. Names of related parties and description of relationship:

Name of Party	Nature of Relationship
Mrs. Saroj Bhuwania	Key Management Personnel
Mr. A.K. Bhuwania	Key Management Personnel
Mr. Aditya Bhuwania	Key Management Personnel
Mr. P. V. Hariharan	Key Management Personnel
Mrs. Shruti Bhuwania	Relative of Key Management Personnel
Priya Ltd.	Entities where individual having control/significant influence or key management personnel or their relatives are able to exercise significant influence
Gaurav Electrochem Pvt. Ltd.	Entities where individual having control/significant influence or key management personnel or their relatives are able to exercise significant influence

B. Transactions that have taken place during the year with related parties by the Company

Name of Related Parties	Nature of Transaction during the year	2013-2014	2012-2013
Priya Ltd	Reimbursement of Services/ Expenses incurred on behalf of Priya Ltd	13,230	65,474
	Reimbursement of Services/ Expenses incurred by Priya Ltd	13,238,402	7,622,782
Gaurav Electrochem Pvt. Ltd.	Warehousing Charges	120,000	180,000
Mrs. Shruti Bhuwania	Salary paid during the Year	216,000	216,000
Mrs. Saroj Bhuwania	Director Remuneration	-	50,000
Mr. P. V. Hariharan	Director Remuneration	2,067,665	2,138,970
M/s. Priya Ltd.	Interest Received	2,873,312	2,329,571
Mr. A. K. Bhuwania	Interest Paid	-	2,505
Mrs. Saroj Bhuwania	Interest Paid	-	39,438
Mr. A. K. Bhuwania	Loan Received	-	2,864
Mrs. Saroj Bhuwania	Loan Received	-	923,933
M/s. Priya Ltd.	Inter Corporate deposit given	34,525,000	62,822,070
Mr. A. K. Bhuwania	Loan Repaid	-	36,133
Mrs. Saroj Bhuwania	Loan Repaid	-	1,854,192
M/s. Priya Ltd	Inter Corporate deposit given back	33,100,000	60,288,000

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

C. Balance at the year end.

M/s. Priya Ltd.	Inter Corporate deposit at the year end	30,832,583	29,407,583
Gaurav Electrochem Pvt. Ltd.	Deposit Warehouse	100,000	100,000
M/s. Priya Ltd.	Interest Receivable	2,585,981	2,096,614

30 SEGMENT REPORTING
Segment Information for the year ended 31st March, 2014

(i) Information about primary business segment :

Particulars	2013-14					2012-13				
	Segments			Unallocated	Total	Segments			Unallocated	Total
	Indenting Commis sion	Chemicals Trading	Electronics Trading			Indenting Commis sion	Chemicals Trading	Electronics Trading		
Revenue										
External Customers	21,769,910	68,317,727	15,940,882	-	106,028,519	18,414,575	62,472,288	30,349,608	-	111,236,471
Inter-segment				-	-	-	-	-	-	-
Total Revenue	21,769,910	68,317,727	15,940,882	-	106,028,519	18,414,575	62,472,288	30,349,608	-	111,236,471
Result										
Segment Results	15,238,802	16,796,926	(3,149,228)	-	28,886,500	11,632,078	12,200,891	256,099	-	24,089,068
Unallocated corporate expenses net of unallocated corporate income				(17,682,001)	(17,682,001)	-	-	-	(16,917,823)	(16,917,823)
Finance cost	-	-	-	-	-	-	-	-	(84,047)	(84,047)
Other Income	-	-	-	-	-	-	-	-	-	-
Profit Before Tax	15,238,802	16,796,926	(3,149,228)	(17,682,001)	11,204,499	11,632,078	12,200,891	256,099	(17,001,870)	7,087,198
Less: Provision for Tax (Net of Deferred Tax)	-	-	-	3,316,246	3,316,246	-	-	-	1,893,703	1,893,703
Net Profit After Tax & Before Prior Period Adjustments	15,238,802	16,796,926	(3,149,228)	(20,998,247)	7,888,253	11,632,078	12,200,891	256,099	(18,895,573)	5,193,495
Add : Prior Period Tax Adjustments	-	-	-	176,917	176,917	-	-	-	(198,411)	(198,411)
Net Profit After Tax	15,238,802	16,796,926	(3,149,228)	(20,821,330)	8,065,170	11,632,078	12,200,891	256,099	(19,093,984)	4,995,084
Other Information										
Segment Assets	1,897,485	40,134,975	-	55,863,840	97,896,300	3,118,503	31,964,156	-	45,317,619	80,400,278
Segment Liabilities	8,439,039	4,728,858	6,970,405	13,640,941	33,779,243	7,455,963	6,037,548	-	9,106,974	22,600,485
Capital Expenditure	-	-	-	102,257	102,257	-	-	-	65,003	65,003

(ii) Information about secondary geographical business segment :

	2013 - 14		2012 - 13	
	Within India	Outside India	Within India	Outside India
Segment Revenue	73,584,219	32,444,300	75,865,116	35,371,355
Segment Assets	96,722,439	1,173,861	78,419,185	1,981,093
Addition Fixed Assets	102,257	-	65,003	-

Notes:-

- (i) The company is into two main business segments, namely;
 - (a) Indenting Business
 - (b) Trading Business - Chemicals
 - (c) Trading Business - Electronics

Segments have been identified and reported, taking into account, the nature of products and services, the differing risks and returns, the organisation structure, and the internal financial reporting systems.

- (ii) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)
31 Derivatives:

UNHEDGED: The year end Foreign Currency exposures that have not been hedged by a derivative instrument as outstanding are as under:

a. Amount receivable in foreign currency on account of the following :

Particulars	As on 31.03.2014		As on 31.03.2013		Foreign Currency
	Amount in		Amount in		
	Rs.	Foreign Currency	Rs.	Foreign Currency	
Receivables	200,571	2,429	276,488	3,977	EURO
	944,735	15,730	1,767,562	32,528	USD

b. Amount payable in foreign currency on account of the following :

Particulars	As on 31.03.2014		As on 31.03.2013		Foreign Currency
	Amount in		Amount in		
	Rs.	Foreign Currency	Rs.	Foreign Currency	
Creditors	4,481,817	74,523	1,594,887	29,307	USD

32 Lease

The Company's leasing arrangements are in respect of office premises. These leasing arrangements, which is mostly cancelable, range between 11 months to 3 years and are usually renewable by mutual consent at mutually agreed terms & conditions. The lease payment of Rs. 5,133,052/- (Previous Year Rs. 5,129,581/-) has been recognised as expenses in the statement of Profit & Loss under the Note No. 23 "other expenses"

33 Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.

34 Significant Accounting Policies
(A) Basis of Preparation of financial statement

The financial statements have been prepared under the historical cost convention on an accrual basis and comply in all material respects with the mandatory accounting standards and the relevant provisions of the Companies Act, 1956 and the Companies Act, 2013 wherever applicable.

(B) Valuation of Inventories

Inventories are valued at lower of Cost and Net Realisable Value. Cost of traded goods is arrived at on FIFO basis.

(C) Revenue Recognition

Sales are recognise when the significant risk and reward of ownership of the goods are passed to the customer. Sales are net off sales return, quantity discount and exclusive of value added tax collected. Indenting commission is accounted as and when it becomes due. Interest income is accounted on accrual basis and dividend is accounted when the right to receive the dividend is established.

(D) Fixed Assets & Depreciation

(i) Fixed assets are stated at cost less accumulated depreciation.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

- (ii) Depreciation is provided on reducing balance method at the rates and manner specified in the schedule XIV of Companies Act, 1956, on the original Cost of the asset. Depreciation on additions of fixed assets costing less than Rs. 5000/- have been provided at 100% on pro-rata basis and depreciation on assets costing more than Rs. 5000/- have been provided on pro-rata basis from the date of are ready to use of such additions.

(E) Foreign Currency Transactions

- (i) Foreign exchange transaction are accounted at the exchange rate prevailing on the date of transaction. Resulted exchange differences arising on payment or conversion of liabilities are recognised as income or expense in the year in which they arise.
- (ii) At the year end all Foreign currency assets & liabilities are recorded at the exchange rate prevailing on that date. All such exchange rate difference on account of such conversion is recognised in the Statement of Profit & Loss.

(F) Investments

Long term Investments are stated at cost. Provision for diminution in value of long term investments is made only if such decline is other than temporary in the opinion of the management. Cost of Investment is arrived at on the basis of weighted average cost at the time of sale.

(G) Employee Benefit

- (i) Short term employee benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit & Loss for the year in which the related service is rendered .
- (ii) Contribution payable to the Provident Fund and Superannuation Scheme which is Defined Contribution Scheme is charged to Statement of Profit & Loss as and when incurred.
- (iii) Liabilities in respect of defined benefit plans - Gratuity and Leave encashment are determined based on actuarial valuation made by an independent actuary as at the balance sheet date and expenses is recognised based on the actuarial valuation. The actuarial gains or losses are recognised immediately in the Statement of Profit & Loss .

(H) Provision for Current Tax

- (i) Provision for Income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income- tax Act, 1961.
- (ii) The deferred tax for timing differences between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is a virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

(I) Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management 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 assets 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

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

indication that if 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 depreciated historical cost.

(J) Provision & Contingent Liability

The Company creates a provision when there is a 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. Where 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.

- 35** In the opinion of the Board, Current Assets, Loans and Advances have value in the ordinary course of business at least equal to the amount at which they are stated.
- 36** The previous year figures have been regrouped/reclassified, wherever necessary to confirm to the current presentation as per the revised schedule VI.

FOR M. L. BHUWANIA & CO.
CHARTERED ACCOUNTANTS
Firm Registration Number : 101484W

FOR AND ON BEHALF OF THE BOARD

J.P. BAIRAGRA
PARTNER
MEMBERSHIP NO. 12839

ADITYA BHUWANIA
DIRECTOR

SAROJ BHUWANIA
WHOLE TIME DIRECTOR

PLACE : MUMBAI
DATED : 16th May, 2014



PRIYA INTERNATIONAL LIMITED

CIN:L99999MH1983PLC086840

Regd. Office: 4th Floor, Kimatrai Building, 77-79, Maharshi Karve Marg,
Marine Lines (E), Mumbai-400002. www.priyagroup.com

ATTENDANCE SLIP

(To be presented at the entrance)

Regd. Folio No. /Client ID No. _____

No. of shares held _____

DP ID No. _____

I certify that I am a Member/Proxy for the member of the Company.

I hereby record my presence at the **31ST ANNUAL GENERAL MEETING** of the Company to be held at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018 on Wednesday, the 20th day of August, 2014 at 10.30 A.M.

Member's/ Proxy's name in BLOCK Letters _____

Signature of Member/Proxy _____

NOTE:Please fill up this attendance slip and hand it over at the entrance of the venue for the meeting.

Members are requested to bring their copy of the Annual Report to the meeting.

Tear Here -



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PROXY FORM - MGT-11

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014)

Name of the Member (s) : _____

Registered address: _____

E-mail Id: _____

Folio No./ Client ID No.* _____

DP ID No.* _____

I / We, being the member(s) of _____ Equity Shares of Priya International Limited, hereby appoint

1. Name : _____ Address : _____

E-mail Id : _____ Signature : _____, or failing him / her

2. Name: _____

Address: _____

E-mail Id: _____

Signature: _____, or failing him / her

3. Name: _____

Address: _____

E-mail Id: _____

Signature: _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the **31st Annual General Meeting** of the Company, to be held on Wednesday, the 20th day of August, 2014 at 10.30 a.m. at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Consider and adopt the Audited Financial Statement, Reports of the Board of Directors and Auditors.
2. Declaration of dividend for the Financial Year 2013-2014.
3. Re-appointment of Mr. P. V. Hariharan, who retires by rotation.
4. Appointment of Auditors and fixing their remuneration.
5. Adoption of new Article of Association of the Company.

Signed this day of..... 2014.

Signature of Shareholder

Signature of Proxy holder(s)



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.

TEAR HERE

If Undelivered Please return to:

PRIYA INTERNATIONAL LIMITED

4th Floor, Kimatrai Building 77-79, Maharshi Karve Marg,
Marine Lines (E), Mumbai - 400002