

**THIRTIETH ANNUAL REPORT
2013 - 2014**

Wadala Commodities Limited

Wadala Commodities Limited

(CIN NO. L15142MP1984PLC002382)

DIRECTORS	:	N. S. Nabar <i>Chairman</i> A. B. Choudhury Clement Pinto K. G. Mudaliar <i>(Appointed w.e.f. October 15, 2013)</i>
COMPANY SECRETARY	:	Pravin Patil
AUDITORS	:	Kalyaniwalla & Mistry Chartered Accountants
BANKERS	:	IDBI Bank Ltd. HDFC Bank Ltd.
REGISTERED OFFICE	:	107, Gold Arcade, 3/1 New Palasia, Opp. Curewell Hospital, Indore – 452001 (M.P.)
WEBSITE	:	www.wadalacommodities.co.in
ADMINISTRATIVE OFFICE	:	L. M. Nadkarni Marg, Near M. P. T Hospital, Wadala (E), Mumbai - 400 037

IMPORTANT NOTE

Please send all share transfer deeds, share certificates relating to registration of transfer, transmission etc. and other correspondence to our Registrars & Share Transfer Agents:

COMPUTECH SHARECAP LIMITED

147, Mahatma Gandhi Road, Opposite Jehangir Art Gallery,
Fort, Mumbai 400 001.
Phone : (022) 2263 5000 / 01 / 02
Fax : (022) 2263 5001
Email : helpdesk@computechsharecap.com

Intimation of Change of Address, if any, should reach our Registrars & Share Transfer Agents latest by September 12, 2014 to update our records.

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NOTICE

Notice is hereby given that the 30th Annual General Meeting of Wadala Commodities Limited will be held on September 12, 2014 at 12.00 Noon at the Registered Office of the Company situated at 107, Gold Arcade, 3/1, New Palasia, Opp. Curewell Hospital, Indore – 452001 (M.P.) to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the year ended March 31, 2014 which includes the Statement of Profit & Loss and Cash Flow Statement for the year ended March 31, 2014, the Balance Sheet as at that date, the Auditors' Report thereon and the Directors' Report.
2. To declare dividend on Preference Shares.
3. To appoint Auditors of the Company:

RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, M/s. Kalyaniwalla & Mistry, Chartered Accountants (Firm Registration No. 104607W), be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the fourth consecutive Annual General Meeting (subject to ratification of re-appointment by the members at every AGM held after this AGM) of the Company, on a remuneration as may be decided by the Board of Directors of the Company.

SPECIAL BUSINESS:

4. **Appointment of Mr. K. G. Mudaliar as an Independent Director of the Company:**

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 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and Clause 49 of the Listing Agreement (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) and subject to such other approvals as may be required, Mr. K. G. Mudaliar (DIN: 06658704), who was appointed by the Board of Directors vide resolution passed on October 15, 2013 as an Additional Director with effect from October 15, 2013, and who holds office

as such upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and is eligible for appointment as Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five years with effect from the date of this Annual General Meeting i.e. September 12, 2014.

5. **Appointment of Mr. N. S. Nabar as an Independent Director of the Company:**

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 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and Clause 49 of the Listing Agreement (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) and subject to such other approvals as may be required, and in respect of whom the Company has received a notice in writing, under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director, as an Independent Director of the Company not liable to retire by rotation, consent of the members of the Company be and is hereby accorded for appointment of Mr. N. S. Nabar (DIN: 06521655), as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. September 12, 2014.

6. **Appointment of Mr. A. B. Choudhury as an Independent Director of the Company:**

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 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and Clause 49 of the Listing Agreement (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) and subject to such other approvals as may be required, and in respect of whom the Company has received a notice in writing, under Section 160 of the Companies Act, 2013, from a member proposing his candidature

Wadala Commodities Limited

for the office of Director, as an Independent Director of the Company not liable to retire by rotation, consent of the members of the Company be and is hereby accorded for appointment of Mr. A. B. Choudhury (DIN: 00557547), as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. September 12, 2014.

7. **Appointment of Mr. Clement Pinto as an Independent Director of the Company:**

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 149, 150 and 152 read with Schedule IV and

September 12, 2014.

all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and Clause 49 of the Listing Agreement (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) and subject to such other approvals as may be required, and in respect of whom the Company has received a notice in writing, under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director, as an Independent Director of the Company not liable to retire by rotation, consent of the members of the Company be and is hereby accorded for appointment of Mr. Clement Pinto (DIN: 06575412), as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e.

By Order of the Board of Directors

Pravin Patil
Company Secretary

Place: Mumbai
Date: July 23, 2014

Registered Office:
107, Gold Arcade,
3/1 New Palasia, Opp. Curewell Hospital,
Indore – 452001 (M.P.)
Tel: (0731) 2535841
Website: www.wadalacommodities.co.in
CIN: L15142MP1984PLC002382

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect to business under Item Nos. 4 to 7 as set out in the Notice is annexed hereto.
2. Brief resume of Directors/persons proposed to be appointed / re-appointed, as stipulated under clause 49 of the listing agreement with the stock exchanges, are provided after the explanatory statement to this notice.
3. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON POLL, TO VOTE INSTEAD OF HIMSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING. A person can act as a proxy on behalf of a member not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person / shareholder.
4. All documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company during office hours on all days except Saturdays, Sundays and public holidays, up to the date of the Annual General Meeting.

5. The dividend on Preference Shares, if declared at the Annual General Meeting, will be payable by October 10, 2014.
6. The Register of Members and Share Transfer Books of the Company will be closed from September 11, 2014 to September 12, 2014 (both days inclusive).
7. In terms of Sections 149 and 152 read with Schedule IV of the Companies Act, 2013, Independent Directors are required to be appointed for a term upto five consecutive years and are not liable to retire by rotation. Accordingly, resolutions proposing appointment of Independent Directors are given at item no. 4 to 7 of this Notice. In terms of the Companies Act, 2013 and amended Clause 49 of the listing agreement notified by SEBI on April 17, 2014 (the "Amendment"), the Board of Directors has reviewed the declarations made by them that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and the Board is of the opinion that they fulfill the conditions specified in the said Act and the Rules made thereunder and are independent of the management.
8. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting are requested to send a certified copy of the board resolution authorising their representative to attend and vote on their behalf at the meeting.
9. The Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs, Government of India, has permitted companies to send official documents to their shareholders electronically as part of its green initiatives in corporate governance. Recognizing the spirit of the circulars issued by the Ministry of Corporate Affairs, we are sending documents like the Notice convening the General Meetings, Financial Statements, Directors' Report, Auditors' Report, etc, by electronic mode to those Members whose email addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. **Members who have not registered their email addresses so far are requested to register their email address with their Depository Participant only, for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**
10. Members/Proxies are requested to bring the Attendance Slip duly filled in for attending the meeting and also their copy of the Annual Report to the Annual General Meeting.
11. Members are requested to send in their queries at least a week in advance to the Company Secretary at the Registered Office of the Company to facilitate clarification during the meeting
12. In compliance with the provisions of Sections 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to provide the members the facility to exercise their vote for business to be transacted in this notice of Annual General Meeting by electronic means through e-voting facility provided by Central Depository Services Limited. Members who are holding shares in physical or dematerialized form as on August 8, 2014 shall exercise their vote by electronic means.
13. **E-voting:** The e-voting instructions for members receiving an e-mail or a physical copy of this notice of Annual General Meeting are as under:
 - (i) Log on to the e-voting website www.evotingindia.com
 - (ii) Click on "Shareholders" tab.
 - (iii) Select the "COMPANY NAME" 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 earlier for any company, then use your existing password.

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- (vii) If you are a first time user then follow the steps given below.

For Members holding shares in Demat / Physical Form

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.
DOB*	<p>Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio.</p> <p>OR</p>
Dividend Bank Details*	<p>Enter the Dividend as recorded in your demat account Bank or in the Company records for the said demat account or folio. Details*</p>
<p>* 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 number of shares held by you as on the cutoff date in the Dividend Bank details field.</p>	

- (viii) After entering these details click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly to 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 on 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 company name 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 Resolutions.
- (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 changed password then Enter the User ID and image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xviii) 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.
- (xix) They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- (xx) After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

- (xxi) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- (xxii) They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
14. The voting period begins on Sunday, September 7, 2014 at 00.01 hrs and ends on Monday, September 8, 2014 at 23.59 hrs. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 8, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
15. 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.
16. In case of Members who are attending the Annual General Meeting and are entitled to vote but have not exercised their right to vote by electronic means, the Chairman of the Company will order a poll on his own motion for all businesses specified in the accompanying Notice. **For clarity, please note that the Members who have exercised their right to vote by electronic means shall not vote by way of poll at the Meeting.** The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.
17. Mr. Ashish Garg, Practising Company Secretary, (Membership No. F5181) has been appointed as the Scrutinizer to scrutinize the e-voting process as well as the voting by way of poll, to be conducted at the Annual General Meeting, in a fair and transparent manner.
18. The Scrutinizer shall within a period not exceeding three working days from the date of close of e-voting unblock the votes in the presence of atleast two witnesses, not in the employment of the Company and make Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
19. The results of e-voting and poll on resolutions shall be aggregated and these resolutions will be deemed to be passed on the Annual General Meeting date, subject to receipt of the requisite numbers of votes in favour of the said resolutions.
20. The results declared alongwith the Scrutinizer's report shall be communicated to BSE Limited and made available on the Company's website viz.: www.wadalacommodities.co.in and on the website of CDSL viz.: www.cdslindia.com, within two days of passing of the resolutions at the Annual General Meeting of the Company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

Item No. 4 to 7

In accordance with the provisions of Section 149 of the Companies Act, 2013 which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors who are not liable to retire by rotation and who shall hold office for a term of consecutive five years.

The Board of Directors of the Company had appointed Mr. K. G. Mudaliar as Additional Director of the Company with effect from October 15, 2013, vide resolution passed on October 15, 2013 to hold office as such upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013. The Company had also appointed Mr. N. S. Nabar, Mr. A. B. Choudhury and Mr. Clement Pinto, as Non- Executive Directors, liable to retire by rotation under the Companies Act, 1956. These Directors are also Independent Directors pursuant to Clause 49 of the listing agreement.

Consequent to the applicability of the Companies Act, 2013, it is proposed to appoint Mr. K. G. Mudaliar, Mr. N.S. Nabar, Mr. A. B. Choudhury and Mr. Clement Pinto as Independent Directors of the Company for a term of consecutive five years with effect from the date of Annual General Meeting i.e. September 12, 2014 till September 11, 2019. The Company has received consent from these Independent Directors and also declaration confirming that they

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are not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as Clause 49 of the Listing Agreement with the Stock Exchanges.

In this regard requisite notice in writing from a member has been received proposing appointment of Mr. K. G. Mudaliar, Mr. N. S. Nabar, Mr. A. B. Choudhury and Mr. Clement Pinto as candidate for the office of Independent Director of the Company.

All these Independent Directors are Independent of the management and in the opinion of the Board they fulfil the conditions specified in the Companies Act, 2013 and rules made thereunder for appointment as an Independent Director of the Company. A copy of the draft letter for appointment as an Independent Director setting out the terms and conditions would be available for inspection without any fee to the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday. Other than the Independent Directors of the Company and their relatives, none of the Directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the proposed Resolutions as set out in item numbers 4 to 7 of this Notice. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges. The Board recommends the Ordinary Resolutions as set out at item numbers 4 to 7 of the Notice for approval by the shareholders.

A brief profile along with other details of the Independent Directors are provided at the end of this statement.

By Order of the Board of Directors

Place: Mumbai
Date: July 23, 2014

Pravin Patil
Company Secretary

Registered Office:
107, Gold Arcade,
3/1 New Palasia, Opp. Curewell Hospital,
Indore – 452001 (M.P.)
Tel: (0731) 2535841
Website: www.wadalacommodities.co.in
CIN: L15142MP1984PLC002382

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting (in pursuance of Clause-49 of the Listing Agreement)

Name of the Director	Mr. K. G. Mudaliar	Mr. N. S. Nabar	Mr. A. B. Choudhury	Mr. Clement Pinto
Age	61	50	71	43
Nationality	Indian	Indian	Indian	Indian
Date of appointment on the Board	October 15, 2013	March 15, 2013	October 24, 2005	May 15, 2013
Shareholding in the company	200	108	Nil	10
Qualification/s	B.Com	B. Sc. (Tech.), Management Graduate	Masters in Economics, M.M.S from JBIMS	C.A., C.W.A
Expertise in specific	Estates and Finance	Sales, Marketing, Commodities, Exports, Imports and Purchase	Marketing and General Management	Finance, Tax and Accounts
Directorships held in other companies	NIL	Godrej Industries Ltd. Ensemble Holdings and Finance Ltd.	Godrej Industries Ltd. Godrej Properties Ltd. Godrej Agrovet Ltd. Vora Soaps Ltd.	NIL
Chairmanships/ Memberships of committees in other companies	NIL	Member Stakeholders Relationship/ Shareholders Committee Godrej Industries Ltd.	Member – Audit Committee Godrej Industries Ltd. Member – Audit Committee Godrej Properties Ltd.	NIL
Relation with other Directors on the Board, if any	NIL	NIL	NIL	NIL

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DIRECTORS' REPORT

To the Shareholders,

Your Directors have pleasure in submitting the Annual Report along with the Audited Accounts for the year ended on March 31, 2014.

REVIEW OF OPERATIONS

Your Company's performance during the year as compared with that during the previous year is summarized below:

	For the Year ended 31-03-2014 ₹ in '000	For the Year ended 31-03-2013 ₹ in '000
Income from Operations	29,309	33,388
Other Income	1,586	1,122
Total Income	30,895	34,510
Total Expenditure	30,019	32,135
Profit for the year before tax	876	2,375
Provision for current tax	(284)	(560)
Profit after tax available for appropriation	592	1,815
Appropriations		
Proposed Preference Dividend	4	2
Dividend Tax	1	1
Balance brought forward from previous year	(53,966)	(55,778)
Surplus / (Deficit)	(53,379)	(53,966)

DIVIDEND

The Board of Directors of your Company recommend a final dividend of Rs. 4,500/- on 50,00,000, 0.01%, Redeemable Non-Cumulative Preference Shares of Rs.10/- each (Rs. 9/- called and paid up) for the year 2013-2014.

Since the profits of the Company are marginal, Board of Directors of your Company do not recommend payment of dividend on equity shares of the Company.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

There is a separate section on Management Discussion and Analysis in this Annual Report which, inter alia covers the following:

1. Industry Structure and Development
2. Discussion on financial performance with respect to operational performance
3. Segment – wise performance
4. Human Resources, Industrial Relations
5. Opportunities and Threats

6. Control Systems and their adequacy
7. Risks and concerns
8. Outlook

The same is appended as Annexure A to the Directors' Report.

FINANCIAL POSITION

The main area of operations of the Company is trading in vegetable oils. In view of the intense volatility of the market, as in the past few years, the management decided to engage in trading only where there was no risk of losses. As a result, the income from operations for the year was Rs. 293.09 lac. During the year, there was a profit after tax of Rs. 5.92 lac as against a profit of Rs. 18.15 lac in the previous year. The accumulated loss as on March 31, 2014 stood at Rs. 533.79 lac as compared to Rs. 539.66 lac as at March 31, 2013. The Company has no loan funds as at the end of the previous year.

INDUSTRIAL RELATIONS

Your Company maintained healthy and harmonious industrial relations at all levels.

FIXED DEPOSITS

Your Company is not accepting Fixed Deposits from the public.

DEPOSITORY SYSTEM

Your Company's equity shares are available for dematerialisation through National Securities Depository Limited and Central Depository Services (India) Limited. As of March 31, 2014, 99.18 % of the equity shares of your Company were held in demat form.

DIRECTORS

The Board of Directors of your Company had appointed Mr. K.G. Mudaliar as Additional Director, designated as Independent Director of the Company with effect from October 15, 2013, vide resolution passed on October 15, 2013 to hold office as such upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013. Your Company had also appointed Mr. N. S. Nabar, Mr. A. B. Choudhury and Mr. Clement Pinto as Non- Executive Directors, liable to retire by rotation under the Companies Act, 1956. All these Directors are also the Independent Directors pursuant to the provisions of Clause 49 of the Listing Agreements entered into with Stock Exchanges.

As per section 149 of the Companies Act, 2013 (Act), which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors. These Independent Directors are not liable to retire by rotation. Accordingly, it is proposed to appoint

Mr. K. G. Mudaliar, Mr. N. S. Nabar, Mr. A. B. Choudhury and Mr. Clement Pinto, as Independent Directors, in accordance with the provisions of section 149 of the Act, to hold office as per their tenure of appointment mentioned in the Notice of the Annual General Meeting of the Company.

AUDITORS

You are requested to appoint Auditors and to authorise the Board to fix their remuneration. The retiring auditors, Kalyaniwalla & Mistry, Chartered Accountants [Firm Registration No.: 104607W], are eligible for re-appointment. A certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the prescribed limit.

AUDIT COMMITTEE

The Audit Committee, which was constituted pursuant to the provisions of Companies Act and the listing agreement, has reviewed the accounts for the year ended March 31, 2014. The members of the Audit Committee are Mr. Clement Pinto, Mr. N. S. Nabar, Mr. A. B. Choudhury and Mr. K. G. Mudaliar, all are Independent Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956, the Directors of your Company confirm:

- i. that in preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- ii. that such accounting policies have been selected and applied consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company, for preventing and detecting fraud and other irregularities;
- iv. that the annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement with the Stock Exchange, a detailed report on Corporate Governance is included in the Annual Report. The Auditors have certified the Company's compliance of

the requirements of the Corporate Governance in terms of Clause 49 of the Listing Agreement and the same is annexed to the report on Corporate Governance.

ADDITIONAL INFORMATION

During the year under review, the Board of Directors of your Company had on February 7, 2014 approved the proposal of scheme of amalgamation of your Company with Godrej Industries Limited. BSE Limited had conveyed its 'No objection' for the said scheme of amalgamation. Your Company had approached the Hon'ble High Court of judicature at Madhya Pradesh, Indore Bench and the High Court had directed to seek the approval of the equity shareholders for the scheme of amalgamation. Accordingly, a court convened meeting of the equity shareholders of your Company has been called on July 4, 2014. Also pursuant to the terms of para 5.16 of Circular Number CIR/CFD/DIL/5/2013 dated February 4, 2013 issued by Securities and Exchange Board of India (SEBI) read with para 7 of Circular Number CIR/CFD/ DIL/8/2013 dated May 21, 2013 issued by SEBI ("SEBI Circular") and pursuant to Section 110 of the Companies Act, 2013 and applicable rules thereunder, your Company is seeking the approval of the equity shareholders for the scheme by way of Postal Ballot. The results of the said postal ballot will be declared by the Chairman of the Company on July 25, 2014.

Information in respect of Conservation of Energy and Technology required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors') Rules, 1988 is not applicable to your Company. There are no persons employed throughout or part of the financial year for whom, information about the particulars required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 needs to be given.

ACKNOWLEDGEMENT

Your Directors thank the Union Government, the Government of Madhya Pradesh and Maharashtra, as also all the Government agencies, banks, shareholders, customers, employees, vendors and other related organizations who, through their continued support and co-operation helped as partners in progress of your Company.

For and on behalf of the Board of Directors

Place: Mumbai
Date: April 30, 2014

N. S. Nabar
Chairman

ANNEXURE 'A' FORMING PART OF DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE & DEVELOPMENT:

The vegetable oil market continued to show high volatility in the prices as in the past few years. Since your Company operates in vegetable oil trading, in the given situation the objective was to avoid any undue risk. The performance and outlook have been covered separately in this report.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The highlights of overall performance are as follows:

	For the Year ended 31-03-2014 ₹ in '000	For the Year ended 31-03-2013 ₹ in '000
Income from Operations	29,309	33,388
Other Income	1,586	1,122
Total Income	30,895	34,510
Profit Before Tax	876	2,375
Provision for current Tax	(284)	(560)
Profit after Current Tax	592	1,815
Profitability ratios are as follows :		
PBDIT/Sales	2.99	7.11
PBT/Sales	2.99	7.11
PAT/Sales	2.02	5.44
Basic EPS (Rs.)	0.03	0.08

SEGMENTAL PERFORMANCE:

The Company is engaged in the business of bulk trading of vegetable oils, which is its only segment. There is no identifiable secondary segment.

HUMAN RESOURCE AND INDUSTRIAL RELATIONS:

Industrial Relations with the employees were cordial. The total number of persons employed in your company as on March 31, 2014 were 2.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly. The internal control is supplemented by documented policies, guidelines and procedures and an extensive programme of internal and external audit and periodic review by management. The system is designed to ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability for assets.

OPPORTUNITIES AND THREATS:

Due to large edible oil demand, deficit indigenous production and necessity to import, trading opportunity exists.

RISKS AND CONCERNS:

The business of the Company is likely to be affected by vagaries of weather (local and international), demand for oil, oilseed production and the high price volatility in the market could lead to high risk in trading.

OUTLOOK FOR 2014-15:

In the past your Company has avoided undue risk due to price volatility in the market. The focus of the Company would continue to be avoiding undue risk while looking for profitable business opportunities.

CAUTIONARY STATEMENT:

Some of the statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in industry, significant changes in political and economic environment in India, tax laws, import duties, litigation and labour relations.

For and on behalf of the Board of Directors

Place: Mumbai
Date: April 30, 2014

N. S. Nabar
Chairman

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company has always adhered to the standards of Corporate Governance and disclosures. It has over the years established and implemented transparent practices that have resulted in holding the confidence of its various stakeholders.

2. BOARD OF DIRECTORS

(a) Composition of the Board:

The Board consists of four Directors as on March 31, 2014, all of whom are non-executive Independent Directors. Composition of the Board and category of Directors is given below in **Table - 1**.

All the Independent Directors of the Company furnish a declaration at the time of their appointment as also annually that they qualify the conditions of their being independent as laid down under Clause 49. All such declarations are placed before the Board. No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956.

(b) Board meetings held and Directors' Attendance Record:

During the Financial Year 2013-14, 5 (five) Board Meetings were held on April 26, 2013, July 19, 2013; October 15, 2013; January 28, 2014 and February 7, 2014.

Table - 1: Details of the Board of Directors and meetings attended by Directors during the Financial Year:

Name of Director	Category	No. of Board Meetings		Whether Attended Last AGM	Directorships held in other public companies incorporated in India as at year end ¹	No. of Chairmanship/ membership in Board Committees in other companies as at year end ²	
		Held ³	Attended			As Chairman	As Member
Mr. N. S. Nabar ⁴	Non-Executive & Independent Director	5	5	No	2(1)	-	1
Mr. Clement Pinto ⁵	Non-Executive & Independent Director	4	4	Yes	-	-	-
Mr. A.B. Choudhury	Non-Executive & Independent Director	5	5	No	4(2)	-	2
Mr. K. G. Mudaliar ⁶	Non-Executive & Independent Director	3	3	No	-	-	-
Mr. M. Eipe ⁷	Non-Executive & Independent Director	1	1	Yes	3(1)	-	1
Mr. Ravi Venkateswar ⁷	Non-Executive & Independent Director	1	1	No	-	-	-

1. *Alternate Directorships and Directorships in private companies, foreign companies and associations are excluded.*
2. *In accordance with Clause 49, chairmanship / membership of only the Audit Committees and Shareholders Committees in all public limited companies (except Wadala Commodities Limited) have been considered.*
3. *Board Meetings held during the year represent the number of meetings held during the tenure of that Director.*
Figures in () denotes listed Companies.
4. *Mr. N.S. Nabar was appointed as an Additional Director w.e.f. March 15, 2013 and Chairman of the Company w.e.f. May 1, 2013.*
5. *At the meeting of Board of Directors of the Company held on April 26, 2013, Mr. Clement Pinto*

Wadala Commodities Limited

was appointed as an Additional Director w.e.f. May 15, 2013 and as a Chairman of the Audit Committee w.e.f. June 1, 2013.

6. Mr. K. G. Mudaliar was appointed as an Additional Director w.e.f. October 15, 2013 and Member of Audit Committee and Remuneration Committee w.e.f. October 15, 2013.
7. Mr. Mathew Eipe resigned on April 30, 2013 and Mr. Ravi Venkateswar resigned on May 31, 2013.

None of the Directors is a member of more than 10 (ten) Board-level committees or a Chairman of more than 5 (five) such committees, as required under Clause 49 of the Listing Agreement.

(c) Information supplied to the Board:

Among others, this includes, as may be applicable:

- Annual operating plans and budgets, capital budgets and any updates thereon,
- Quarterly results of the Company,
- Minutes of meetings of audit committee and other committees,
- Information on recruitment and remuneration of senior officers just below the Board level,
- Materially important show cause, demand, prosecution and penalty notices,
- Fatal or serious accidents or dangerous occurrences,
- Any materially significant effluent or pollution problems,
- Any materially relevant default in financial obligations to and by the Company or substantial non- payment for goods sold by the Company,
- Any issue which involves possible public or product liability claims of a substantial nature,
- Details of any joint venture or collaboration agreement,
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property,
- Significant labour problems and their proposed solutions,
- Significant development in the human resources and industrial relations front,
- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business,
- Quarterly details of foreign exchange exposure and the steps taken by Manager to limit the risks of adverse exchange rate movement,
- Risk assessment and minimization procedures and

- Non-compliance of any regulatory, statutory nature or listing requirements as well as shareholder services such as nonpayment of dividend and delays in share transfer.

The Board of your Company is regularly presented with all information under the above heads, whenever applicable. These are submitted either as part of the agenda papers well in advance of the Board meetings or are tabled in the course of the Board meetings.

d) Directors with materially significant related party transactions, pecuniary or business relationship with the Company

Except for drawing sitting fees, none of the Directors have any other materially significant related party transactions, pecuniary or business relationship with the Company.

e) Remuneration of Directors: sitting fees, salary, perquisites, commissions and number of shares in the Company held by Directors

The details of remuneration package of Directors, their relationships with each other, sitting fees and number of shares in the Company held by the Directors is given in Table – 3 below:

Table-3: Remuneration paid/payable to Directors for the Financial Year ended March 31, 2014:

Name of Director	Relationship with Directors	No. of shares held	Sitting fees	Salary	Total
Mr. M. Eipe *	None	-	1,000	-	1,000
Mr. Ravi Venkateswar *	None	-	1,000	-	1,000
Mr. N. S. Nabar	None	-	5,000	-	5,000
Mr. Clement Pinto	None	10	4,000	-	4,000
Mr. A.B. Choudhury	None	-	5,000	-	5,000
Mr. K. G. Mudaliar	None	200	3,000	-	3,000
Total			19,000	-	19,000

* Resigned on: Mathew Eipe - April 30, 2013 and Mr. Ravi Venkateswar - May 31, 2013.

3. AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company complies with the provisions of the Companies Act, 2013 and the Listing Agreement with the Stock Exchange, to cover the matters specified for Audit Committee under Listing Agreements as well as under the provisions of the Companies Act, 2013.

As on March 31, 2014, the Audit Committee comprised of Mr. Clement Pinto - Chairman, Mr. A. B. Choudhury, Mr. N. S. Nabar and Mr. K. G. Mudaliar. Mr. K. G. Mudaliar who was appointed as an Additional Director w.e.f. October 15, 2013 was also appointed as a Committee Member. The Company Secretary acts as a Secretary to the Committee. All the members of the Audit Committee have the required financial and accounting knowledge.

During the Financial Year 2013-14, 5 (five) Audit Committee Meetings were held on April 26, 2013; July 19, 2013; October 15, 2013; January 28, 2014 and February 7, 2014.

Table-2: Attendance record of audit committee members:

Director	No. of Meetings	
	Held *	Attended
Mr. Clement Pinto, Chairman	4	4
Mr. N. S. Nabar	4	4
Mr. A.B. Choudhury	5	5
Mr. K. G. Mudaliar	3	3
Mr. M. Eipe	1	1
Mr. Ravi Venkateswar	1	1

* Audit Committee Meetings held during the year represent the number of meetings held during the tenure of that Director.

The terms of reference of the Audit Committee are in consonance with the Clause-49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956 and are as under:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the manager, the annual financial statements before submission to the board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - (b) Changes, if any, in accounting policies and practices and reasons for the same.
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - (d) Significant adjustments made in the financial statements arising out of audit findings.
 - (e) Compliance with listing and other legal requirements relating to financial statements.
 - (f) Disclosure of any related party transactions.
 - (g) Qualifications in the draft audit report.
5. Reviewing, with the manager, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the manager, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendation to the Board to take up steps in this matter.
7. Reviewing, with the manager, performance of statutory and internal auditors, adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

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9. Discussion with internal auditors any significant findings and follow up thereon.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
13. To review the functioning of the whistle blower mechanism.
14. Approval of appointment of CFO (i.e. whole time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate.
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

4. REMUNERATION COMMITTEE

As on April 1, 2013, the Remuneration Committee comprised of Mr. M. Eipe – Chairman, Mr. A.B. Choudhury – Member and Mr. Ravi Venkateswar – Member.

As on March 31, 2014, the Remuneration Committee comprised of Mr. A.B. Choudhury – Chairman, Mr. Clement Pinto – Member, Mr. N.S. Nabar – Member and Mr. K. G. Mudaliar, who was appointed as an Additional Director w.e.f. October 15, 2013 was also appointed as a Committee Member. Upon resignation of Mr. Mathew Eipe w.e.f April 30, 2013 and Mr. Ravi Venkateswar w.e.f May 31, 2013 the Committee will comprise of Mr. A.B. Choudhury – Chairman, Mr. Clement Pinto, Mr. N.S. Nabar and Mr. K. G. Mudaliar.

The Company Secretary acts as the Secretary to the Committee. The members of the Remuneration Committee consider and approve the remuneration payable to the Board and other Managerial personnel. The Committee discusses human resources policies such as compensation and performance management. During the financial

year 2013-14 the Remuneration Committee had approved the re-appointment and remuneration of Mr. Chandrashekar Shetty, Manager of the Company. Except for drawing of sitting fees, none of the Directors have any other materially significant transactions, pecuniary or business relationship with the Company.

5. SHAREHOLDERS COMMITTEE

As on April 1, 2013 the Shareholders Committee comprised of Mr. M. Eipe – Chairman, Mr. Ravi Venkateswar and Mr. A.B. Choudhury.

As on March 31, 2014 the Shareholders Committee comprised of Mr. N.S. Nabar – Chairman, Mr. Clement Pinto, Mr. A.B. Choudhury and Mr. K.G. Mudaliar as Members. Mr. K. G. Mudaliar who was appointed as an Additional Director w.e.f. October 15, 2013 was also appointed as a Committee Member. Upon resignation of Mr. Mathew Eipe w.e.f April 30, 2013 and Mr. Ravi Venkateswar w.e.f May 31, 2013 the Committee will comprise of Mr. N.S. Nabar – Chairman, Mr. Clement Pinto, Mr. A.B. Choudhury and Mr. K.G. Mudaliar as Members.

Among other functions, this Committee looks into redressal of shareholder complaints regarding transfer of shares, non-receipt of balance sheet as required in Clause 49 of the listing agreement. During the year, 9 meetings of the Committee were held.

Name and designation of Mr. Pravin Patil
Compliance Officer: Company Secretary
Number of complaints received from shareholders during the year ended March 31, 2014.

Table 4: Complaints received from shareholders:

Complaints outstanding as on April 1, 2013	0
Complaints received during the year ended March 31, 2014	1
Complaints resolved during the year ended March 31, 2014	1
Complaints outstanding as on March 31, 2014	0

There are no pending share transfers as on March 31, 2014.

6. GENERAL BODY MEETINGS

a. Location and Time of previous 3 Annual General Meetings

Table 5: Details of previous 3 Annual General Meetings:

Year	Venue	Date	Time
2012-13	Apna Avenue, Janjeerwala Chouraha, Narayan Kothi, New Palasia, Indore – 452 001	27-09-2013	10.30 a.m.
2011-12	Registered Office: Plot No. 5, New Industrial Area No. 1, Mandideep, District Raisen, Bhopal 462 046.	24-08-2012	2.30 p.m.
2010-11	-do-	05-08-2011	2.30 p.m.

b. **Special Resolutions passed in previous 3 Annual General Meetings****29th AGM held on September 27, 2013:**

Re-appointment of Mr. Chandrashekhar Shetty as Manager of the Company under section 269 of the Companies Act, 1956.

28th AGM held on August 24, 2012:

No Special Resolution

27th AGM held on August 5, 2011:

Appointment of Mr. Chandrashekhar Shetty as Manager of the Company under section 269 of the Companies Act, 1956.

c. **Special Resolutions passed in Extraordinary General Meetings (EGM):**

Date of EGM	No. of Special Resolution(s) Passed	Details of Special Resolution(s) Passed
2013-14		No EGM held during the year
2012-13		No EGM held during the year
2011-12		No EGM held during the year

d. **Postal Ballot**

During the year, pursuant to the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules 2001, three resolutions were passed by shareholders by postal ballot. The Notice of postal ballot was mailed to all shareholders along with postage prepaid envelopes. The Company had also offered e-voting facility as an alternate, for the Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. Mr. Bharat Punchi, had been appointed as scrutinizer for the postal ballots, who submitted his reports to the Chairman, Mr. N.S. Nabar. The details of the postal ballot are given below:-

Details of the Agenda:	
Resolutions required: (Ordinary/Special)	Special
Mode of voting: (Show of hands/Poll/ Postal ballot/E-voting)	Postal Ballot

(1) **Shifting the registered office of the Company.**

Promoter / Public	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of Votes In favour on votes polled	% of Votes against on votes polled
	(1)	(2)	(3)= [(2)/(1)]*100	(4)	(5)	(6)= [(4)/(2)]*100	(7)= [(5)/(2)]*100
Promoter and Promoter Group	11,046,635	11,046,635	100.00	11,046,635	-	100.00	-
Public - Institutional Holders	577,108	1,356	0.23	-	1,356	-	100
Public - Others	10,002,495	280,821	2.81	257,215	20,863	91.59	7.43
Total	21,626,238	11,328,812		11,303,850	22,219		

In all 237 ballots were received. The votes cast "FOR" the Special Resolution out of the total votes polled represent 99.78%.

(2) **Alteration in Memorandum of Association of the Company.**

Promoter / Public	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of votes in favour	No. of votes against	% of Votes In favour on votes polled	% of Votes against on votes polled
	(1)	(2)	(3)= [(2)/(1)]*100	(4)	(5)	(6)= [(4)/(2)]*100	(7)= [(5)/(2)]*100
Promoter and Promoter Group	11,046,635	11,046,635	100.00	11,046,635	-	100.00	-
Public - Institutional Holders	577,108	1,356	0.23	-	1,356	-	100
Public - Others	10,002,495	280,821	2.81	222,853	52,475	79.36	18.69
Total	21,626,238	11,328,812		11,269,488	53,831		

In all 237 ballots were received. The votes cast "FOR" the Special Resolutions out of the total votes polled represent 99.48%.

Wadala Commodities Limited

(3) Alteration in Articles of Association of the Company.

% of Votes Promoter / Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)= [(2)/(1)]*100	% of Votes No. of votes in favour (4)	No. of votes against (5)	In favour on votes polled (6)= [(4)/(2)]*100	against on votes polled (7)= [(5)/(2)]*100
Promoter and Promoter Group	11,046,635	11,046,635	100.00	11,046,635	-	100.00	-
Public - Institutional Holders	577,108	1,356	0.23	-	193	-	14.23
Public - Others	10,002,495	280,821	2.81	222,853	52,475	79.36	18.69
Total	21,626,238	11,328,812		11,269,488	52688		

In all 237 ballots were received. The votes cast "FOR" the Special Resolutions out of the total votes polled represent 99.48%.

d) Procedure adopted for Postal Ballot

- (i) The Board at its meeting approves the items to be passed through postal ballot and authorizes one of the Directors and the Company Secretary to be responsible for the entire process of postal ballot.
- (ii) A person who is not in employment of the Company, is appointed as the Scrutinizer for the poll process.
- (iii) Notice of postal ballot along with the ballot papers are sent to the shareholders along with a self addressed envelope addressed to the Scrutinizer.
- (iv) E-voting facility was offered as an alternate, for the Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form.
- (v) An advertisement is published in a National news paper about the dispatch of ballot papers and notice of postal ballot.
- (vi) The duly completed postal ballot papers and the report from the Registrar and Transfer Agent with respect to e-voting were received by the Scrutinizer.
- (vii) Scrutinizer gives his report to the Chairman. The Chairman announces the results.
- (viii) Results are intimated to the Stock Exchange and are uploaded on the Company's Website.

7. DISCLOSURES BY DIRECTORS

- a) **Materially significant related party transactions:** All details relating to financial and commercial transactions where Directors may have potential interest are provided to the Board, and the interested Directors neither participate in the discussion nor do they vote on such matters. As on March 31, 2014 except Mr. K.G. Mudaliar who holds 200 equity shares and Mr. Clement Pinto who holds 10 equity shares in the Company, none of the Directors holds any equity shares in the Company.
- b) **The status of compliance in respect of non mandatory requirements of Clause 49 of the Listing Agreement is as follows:-**
 - **Chairman of the Board:** The Chairman of the Board does not maintain a Chairman's office at the Companies expense.
 - **Audit Qualifications:** During the year under review, there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.
 - **Shareholders rights to receive Financial Results:** The financial results of the Company for every quarter are extensively published in the newspapers and are also uploaded on the Company's website.
 - **Reporting of Internal Auditor:** The internal auditor reports to the Board of Directors and the Audit Committee.
 - **Whistle Blower Mechanism:** The Company has a Whistle-Blower Policy and the appropriate mechanism in place and no personnel has been denied access to the Audit Committee.

8. SHARHOLDERS

a. Disclosures regarding appointment or reappointment of Directors

The Company had appointed Mr. K. G. Mudaliar as Additional Director of the Company w.e.f. October 15, 2013, vide resolution passed on October 15, 2013 to hold office upto the date of this Annual General Meeting. The Company had also appointed Mr. N. S. Nabar, Mr. A. B. Chaudhury and Mr. Clement Pinto as Non-Executive Directors, liable to retire by rotation under the Companies Act, 1956. These Directors are also Independent Directors pursuant to clause 49 of the Listing Agreement.

As per section 149 of the Companies Act, 2013 (Act) which came into effect from April 1, 2014, every listed company is required to have at least one third of the total number of Directors as Independent Directors. These Independent Directors are not liable to retire by rotation. Accordingly, it is proposed to appoint Mr. K. G. Mudaliar, Mr. N. S. Nabar, Mr. A. B. Chaudhury and Mr. Clement Pinto as Independent Directors not liable to retire by rotation, in accordance with the provisions of section 149 of the Act, to hold office as per their tenure of appointment mentioned in the notice of the Annual General Meeting of the Company. Information about the Directors who are being appointed/reappointed is given as an annexure to the notice of the Annual General Meeting.

b. Communication to shareholders

The Quarterly, Half Yearly and Annual Results of the Company's performance are published in leading dailies such as Free Press Journal, Raj Express, and Navshakti. The same is also submitted to BSE Ltd. and SEBI (where applicable) and are posted on the website of the Company. The Company's website address is www.wadalacommodities.co.in.

c. Share transfer

M/s. Computech Sharecap Limited, which is registered with the SEBI as a Category 1 Registrar, is the Registrar and Transfer Agent of the Company.

d. Details of non-compliance

There has been no instance of Wadala Commodities Ltd. not complying with any matter related to Capital Markets.

e. Postal Ballot

Three special resolutions, as follows, were passed during the year:

- (i) Shifting the registered office of the Company.
- (ii) Alteration in Memorandum of Association of the Company.
- (iii) Alteration in Articles of Association of the Company.

9. MANAGEMENT DISCUSSION AND ANALYSIS

This Annual Report has a separate chapter on Management Discussion and Analysis.

10. DECLARATION BY MANAGER

The declaration by Manager (Chief Executive Officer), pursuant to clause 49(1)(D) of the listing agreement, stating that all the Board Members and senior management personnel have affirmed their compliance with the said Code of Conduct for the year ended March 31, 2014 is annexed to the Corporate Governance Report.

11. CORPORATE GOVERNANCE VOLUNTARY GUIDELINES – 2009

Your Company is committed to maintaining highest standards of Corporate Governance by adhering to the requirements set out by SEBI.

With a view to strengthening the Corporate Governance framework, the Ministry of Corporate Affairs has issued voluntary guidelines in December 2009 for adoption by the companies. These guidelines are intended to serve as a benchmark for Corporates to help them to adopt the highest standards. Corporate Governance guidelines do not substitute any extant law or regulation but are essentially for voluntary adoption by Corporates.

Your Company is already in compliance with most of these requirements and continually reviews for enhancements as appropriate.

For and on behalf of the Board of Directors

Place: Mumbai
Date: April 30, 2014

N.S. Nabar
Chairman

Wadala Commodities Limited

GENERAL SHAREHOLDERS' INFORMATION

Annual General Meeting

Date : September 12, 2014

Time : 12.00 Noon

Venue : 107, Gold Arcade,
3/1 New Palasia, Opp. Curewell Hospital,
Indore – 452001 (M.P.)

Financial Calendar

Financial Year: April 1, 2013 to March 31, 2014.

For the year ended March 31, 2014 results were announced on

First Quarter July 19, 2013

Second Quarter October 15, 2013

Third Quarter January 28, 2014

Annual (Audited) April 30, 2014

Book Closure / Record Date

The Share Transfer Register will be closed from September 11, 2014 to September 12, 2014 (both days inclusive) for the purpose of Annual General Meeting.

Listing

The Company's equity shares are listed and traded on BSE Limited with stock code 519035. The ISIN Number of the Company on both NSDL and CDSL is INE868A01020.

The Company has issued 50,00,000, 0.01% Redeemable Non-Cumulative Preference Shares of Rs. 10/- each, Rs.9/- called and paid up which are not listed on any Stock Exchange.

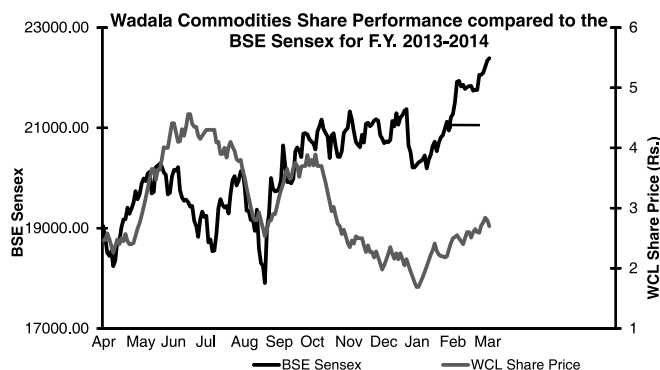
Stock Data

Table 1: Monthly high and low prices and trading volumes of the Company's shares at the BSE Limited for the year ended on March 31, 2014.

MONTH	HIGH (₹)	LOW (₹)	VOLUME (No.of Shares)
April 2013	2.68	2.19	52,771
May 2013	4.46	2.54	1,01,778
June 2013	4.60	3.89	70,452
July 2013	4.21	3.17	55,916
August 2013	3.02	2.53	36,901
September 2013	3.65	2.55	8,258
October 2013	3.89	3.50	58,095
November 2013	3.55	2.57	20,936
December 2013	2.77	2.18	21,385
January 2014	2.46	1.89	52,582
February 2014	2.41	1.68	1,65,545
March 2014	2.85	2.25	2,38,381

Notes: The High and Low are in Rupees per traded share. Volume is the total monthly volume of trade (in numbers) in Company's share on the BSE Limited.

Wadala Commodities Limited Share Performance compared to BSE Sensex for FY 2013 -14



Distribution and shareholding

Table 2 and 3 give the distribution pattern of shareholding of the Company by size class and ownership respectively as on March 31, 2014

Table 2: Distribution of shareholding by size class as on March 31, 2014:

No. of shares	No. of shareholders	Shareholders %	No. of shares held	Shareholding %
1 – 500	5,768	68.19	1,324,619	6.13
501 – 1000	1,328	15.70	1,207,375	5.58
1001 – 2000	665	7.86	1,100,212	5.09
2001 – 3000	213	2.52	566,358	2.62
3001 – 4000	106	1.25	386,125	1.79
4001 – 5000	128	1.51	617,152	2.85
5001 – 10000	137	1.62	1,058,578	4.89
10001 & above	114	1.35	15,365,819	71.05
Total	8,459	100.00	21,626,238	100.00

Table 3: Distribution of shareholding by ownership as on March 31, 2014:

Category	No. of Shares Held	% of Shareholding
PROMOTERS HOLDING		
– Indian Promoters	1,10,46,635	51.08
– Foreign Promoters	0	0.00
– Persons acting in Concert	0	0.00
Sub-Total	1,10,46,635	51.08
NON-PROMOTERS HOLDING		
– Institutional Investors		
– Mutual Funds & UTI	0	0.00
– Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions / Non-Government Institutions)	0	0.00
– Foreign Institutional Investors	0	0.00
Sub-Total	0	0.00
Others		
– Private Corporate Bodies	48,85,99	2.26
– Indian Public	97,63,179	45.15
– NRIs/OCBs	3,27,825	1.52
– Any other (please specify)	0	0.00
Sub-Total	1,05,79,603	48.92
GRAND TOTAL	2,16,26,238	100.00

Shares held in physical and dematerialised form:

As on March 31, 2014, 99.18% of Company's Equity Shares were held in dematerialised form and the remaining 0.82% in physical form. Table 4 lists out the details.

Table 4: Break up of physical and dematerialized shares as on March 31, 2014.

No. of Folios in Physical Mode	No. of Folios in Demat Mode	Total Folios	No. of Shares in Physical Mode	No. of Shares in Demat Mode	Total No. of Shares
927	7,532	8,459	1,77,367	2,14,48,871	21,626,238

Shareholders holding shares in electronic form may note that instructions regarding change of address, nomination and power of attorney should be given directly to the depository participants.

There are no outstanding GDRs/ADRs/Warrants/Convertible Instruments of the Company.

Share Transfer Agent and Share Transfer System

Share transfers and related operations for Wadala Commodities Ltd. are conducted by M/s. Computech Sharecap Limited, which are registered with SEBI as a Category 1 Registrar. Investor correspondence should be addressed to M/s. Computech Sharecap Limited at

147, Mahatma Gandhi Road,

Opp. Jehangir Art Gallery,

Fort, Mumbai 400 001.

Tel: (022) 22635000 / 01 / 02 / Fax : (022) 22635001

E Mail: helpdesk@computechsharecap.com

Shares held in Electronic Form

Shareholders holding shares in electronic form may note that instructions regarding changes of address, nomination and Power of Attorney should be given directly to the depository participant.

For Wadala Commodities Limited

Mumbai
April 30, 2014

N.S. Nabar
Chairman

Wadala Commodities Limited

DECLARATION BY MANAGER

I, C. J. Shetty, Manager (Chief Executive Officer) of Wadala Commodities Ltd., hereby confirm pursuant to clause 49(1)(D) of the listing agreement that:

1. The Board of Directors of Wadala Commodities Ltd. has laid down code of conduct for all Board members and senior management of the Company.
2. All the Board members and senior management personnel have affirmed their compliance with the said code of conduct for year ended March 31, 2014.

C.J. Shetty

Mumbai
April 30, 2014

AUDITORS' REPORT ON CORPORATE GOVERNANCE

To the Members,
Wadala Commodities Limited,
Mumbai.

We have examined the compliance of conditions of Corporate Governance by Wadala Commodities Limited (the Company) for the year ended on March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of
KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Regn. No.: 104607W

Daraius Z. Fraser
PARTNER
M. No.: 42454

Mumbai: April 30, 2014.

INDEPENDENT AUDITOR'S REPORT

To the Members of

Wadala Commodities Limited

Report on Financial Statements

We have audited the attached financial statements of **Wadala Commodities 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 the General Circular 15/2013 dated September 13, 2013, of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation, 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 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 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 of the Company for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956, read with the General Circular 15/2013 dated September 13, 2013, of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For and on behalf of
KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Regn. No.:104607W

Daraius Z. Fraser
PARTNER
M. No. 42454

Mumbai, April 30, 2014

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date.

1. The Company does not have any Fixed Assets.
2. The Company does not have any inventory as all its trading activities are done on back to back basis.
3. The Company has neither granted nor taken any loans, secured or unsecured to / from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchases of inventory, fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system.
5. Based on the audit procedures applied by us and according to the information and explanations provided by the Management, the Company has not entered into any contracts or arrangements during the year that needed to be entered into the register required to be maintained under section 301 of the Companies Act, 1956.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder. No order has been passed by the Company Law Board, or National Company Law Tribunal, or Reserve Bank of India, or any Court, or any other Tribunal.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. The Company being a trading company, the maintenance of cost records is not applicable to the Company.
9. Statutory Dues
 - a) According to the information and explanation given to us, the Company is regular in depositing undisputed statutory dues, including dues pertaining to Investor Education and Protection Fund, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Cess and any other statutory dues with the appropriate authorities. We have been informed that there are no undisputed dues which have remained outstanding as at the end of the financial year, for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no dues of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty or cess outstanding on account of any dispute.
10. The Company's accumulated losses at the end of the financial year are in excess of fifty percent of its net worth. The Company has not incurred cash losses in the current financial year or in the immediately preceding financial year.
11. According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to banks. There are no dues to financial institutions or debenture holders.
12. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
13. 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 applicable to chit fund and nidhi/ mutual benefit funds/ societies.
14. The Company does not deal or trade in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The Company did not avail any term loans during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Cash Flow Statement and other records examined by us, the Company has not used funds raised on short term basis for long term investment.
18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud on, or by the company, has been noticed or reported during the year.

For and on behalf of
KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Regn. No.:104607W

Darius Z. Fraser
PARTNER
M. No. 42454

Mumbai, April 30, 2014

BALANCE SHEET AS AT MARCH 31, 2014

	Note No.	As at March 31, 2014 ₹	As at March 31, 2013 ₹
I. EQUITY AND LIABILITIES			
1. Shareholder's funds			
(a) Share Capital	3	66,626,238	66,626,238
(b) Reserves and Surplus	4	<u>(53,378,646)</u>	<u>(53,965,726)</u>
		13,247,592	12,660,512
2. Current Liabilities			
(a) Trade Payables	5	–	1,773,228
(b) Other Current Liabilities	6	250,931	715,709
(c) Short-term Provisions	7	5,265	2,928
		<u>256,196</u>	<u>2,491,865</u>
TOTAL		<u>13,503,788</u>	<u>15,152,377</u>
II. ASSETS			
1. Non-Current Assets			
(a) Long-term Loans and Advances	8	600,371	293,681
(b) Other Non-Current Assets	9	10,000,000	9,586,842
		<u>10,600,371</u>	<u>9,880,523</u>
2. Current Assets			
(a) Current Investments	10	389,457	389,457
(b) Trade Receivables	11	–	1,738,554
(c) Cash, Bank Balances and Cash Equivalents	12	1,757,812	2,236,088
(d) Other Current Assets	13	756,148	907,755
		<u>2,903,417</u>	<u>5,271,854</u>
TOTAL		<u>13,503,788</u>	<u>15,152,377</u>
Summary of Significant Accounting Policies	2		

The accompanying notes referred to above form an integral part of the financial statements.

As per our report attached

Signatures to the Financial Statements and Notes

For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants

Firm Registration No. 104607W

DARIUS Z. FRAZER

Membership No. 42454

Partner

Mumbai, 30th April, 2014

For and on behalf of the Board

Nitin Nabar
Chairman

Clement Pinto
Director

Pravin Patil
Company Secretary

Wadala Commodities Limited

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

	Note No.	Year Ended March 31, 2014 ₹	Year Ended March 31, 2013 ₹
I Revenue from Operations			
Revenue from Operations (Gross)	14	32,629,166	37,007,088
Less : Excise Duty		3,320,168	3,619,468
		<u>29,308,998</u>	<u>33,387,620</u>
II Other Income	15	1,586,285	1,121,977
III Total Revenue (I + II)		<u>30,895,283</u>	<u>34,509,597</u>
IV Expenses			
Purchases of Stock in Trade	16	27,892,625	30,782,397
Employee Benefits Expenses	17	228,996	208,131
Other Expenses	18	1,897,317	1,144,333
Total Expenses		<u>30,018,938</u>	<u>32,134,861</u>
V Profit Before Tax (III-IV)		876,345	2,374,736
VI Tax Expense			
- Current Tax		284,000	560,000
VII Profit for the Year (V-VI)		<u>592,345</u>	<u>1,814,736</u>
VIII Earnings per Equity Share	19		
- Basic		0.03	0.08
- Diluted		0.03	0.08
Summary of Significant Accounting Policies	2		

The accompanying notes referred to above form an integral part of the financial statements.

As per our report attached

Signatures to the Financial Statements and Notes

For and on behalf of

KALYANIWALLA & MISTRY

Chartered Accountants

Firm Registration No. 104607W

DARIUS Z. FRAZER

Membership No. 42454

Partner

Mumbai, 30th April, 2014

For and on behalf of the Board

Nitin Nabar
Chairman

Clement Pinto
Director

Pravin Patil
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

Particulars	Year Ended March 31, 2014 ₹	Year Ended March 31, 2013 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) before Tax:	876,345	2,374,736
Adjustment for:		
Interest Income	(887,540)	(911,984)
Operating Cash Flows Before Working Capital Changes	(11,195)	1,462,752
Adjustments for:		
(Increase)/ Decrease in Trade Receivables	1,738,554	1,826,213
(Increase)/ Decrease in Long Term Loans and Advances	(10,000)	-
(Increase)/ Decrease in Other Current Assets	-	2,035
(Increase)/ Decrease in Other Non-Current Assets	(413,158)	(9,586,842)
Increase/ (Decrease) in Trade Payables	(1,773,228)	(1,608,271)
Increase/ (Decrease) in Other Current Liabilities	(464,778)	(106,850)
	(922,610)	(9,473,715)
Cash Generated/ (Utilised) from Operations	(933,805)	(8,010,963)
Adjustment for:		
Direct Taxes Paid	(580,690)	(465,831)
Net Cash Flow from Operating Activities (A)	(1,514,495)	(8,476,794)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Received	1,039,147	771,815
Net Cash Flow From Investing Activities (B)	1,039,147	771,815
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(2,928)	-
Net Cash Flow From Financing Activities (C)	(2,928)	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (D)=(A)+(B)+(C)	(478,276)	(7,704,979)
Net Cash and cash equivalents as at the beginning of the year (Opening Balance)	2,236,088	9,941,067
Net Cash and cash equivalents as at the end of the year (Closing Balance)	1,757,812	2,236,088
Cash, Cash Equivalents and Other Bank Balances as per Balance Sheet:		
Balances with banks		
- On Current Account	1,757,812	2,236,088
Cash, cash equivalents and Other Bank Balances as per Balance Sheet	1,757,812	2,236,088

As per our report attached

For and on behalf of
KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration No. 104607W

DARIUS Z. FRAZER
Membership No. 42454
Partner
Mumbai, 30th April, 2014

Signatures to the Cash Flow Statement

For and on behalf of the Board

Nitin Nabar
Chairman

Clement Pinto
Director

Pravin Patil
Company Secretary

Wadala Commodities Limited

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

1 Background

The Company was incorporated on February 3, 1986, in Madhya Pradesh as Noble Soya House Private Limited. Thereafter, on January 1, 1990, Vegoils Limited was amalgamated with Noble Soya House Private Limited and subsequently, the name of the Company was changed to Godrej Foods Limited (GFL). On April 30, 2001, GFL entered into a Scheme of Arrangement with Godrej Industries Limited for demerger of its manufacturing business whereby all assets and liabilities of the manufacturing business of GFL were transferred to GIL and the name of the Company was changed from Godrej Foods Limited to Godrej Commodities Limited. On April 08, 2008, the name of the Company was changed from Godrej Commodities Limited to Wadala Commodities Limited.

The Company is engaged in trading of bulk edible oils.

2 Significant Accounting Policies

a. Accounting Convention

The financial statements are prepared under the historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

b. Investments

Long term investments are carried at cost. Provision for diminution, if any, in the value of each long-term investment is made to recognise a decline, other than of a temporary nature. Current investments intended to be held for less than one year are carried at the lower of cost and fair value.

c. Inventory

Traded goods are valued at weighted average cost or net realisable value, whichever is lower.

d. Foreign Exchange Transactions

Transactions in foreign currency are recorded at rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the period end exchange rates. Premium or discount on forward foreign exchange contracts is amortised over the period of the contract. Exchange gains / losses are recognised in the Statement of Profit and Loss.

e. Revenue Recognition

- i. Sales are recognised when goods are despatched to customers and are recorded net of returns, trade discounts, rebates and sales tax.
- ii. Interest Income is recognised on a time proportion basis.
- iii. Dividend income is recognised when the right to receive the same is established.
- iv. Contractual Income is recognised as per the terms of the contract.

f. Employee Benefits

i. Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

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

ii. Post Employment Benefits

Defined Contribution Plans:

Payments made to a defined contribution plan such as Provident Fund are charged as an expense in the Statement of Profit and Loss as they fall due.

Defined Benefit Plans:

Gratuity for the eligible employees is considered as defined benefit obligation and provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of Balance Sheet.

Other long-term benefits:

Other Long-term Employee benefits viz. Leave Encashment is provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Actuarial gain/losses, if any, are immediately recognised in the Statement of Profit and Loss as per the Revised AS-15 Employee Benefits.

g. Earnings Per Share

The basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the period, except where the results would be anti-dilutive.

h. Accounting for Taxes on Income:

Tax expense for the year comprises of current tax and deferred tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with Indian Income Tax Act. Deferred Tax Assets and Liabilities are measured using tax rates and tax laws that have been enacted / substantively enacted as on the balance sheet date. Provision for deferred tax is made for all temporary timing difference arising between the taxable income and accounting income at currently enacted tax rates. Deferred tax assets, other than un-absorbed tax losses and tax depreciation, subject to the consideration of prudence, are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets on un-absorbed tax losses and tax depreciation, subject to the consideration of prudence, are recognized and carried forward only to the extent that there is a virtual c

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India on Accounting for Credit Available in respect of MAT under the Income Tax Act, 1961, the said asset is created by way of a credit to the Statement of Profit & Loss and shown as MAT credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

i. Liabilities/Provisions:

Provisions are recognised in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Wadala Commodities Limited

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

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
3. SHARE CAPITAL		
1 Authorised Share Capital		
(a) 350,000,000 Equity shares of Rs.1/- each	350,000,000	350,000,000
(b) 5,000,000 0.01% Redeemable Non-Cumulative Preference Shares of Rs.10/- each	50,000,000	50,000,000
(c) 10,000,000 Unclassified Shares of Rs.10/- each	100,000,000	100,000,000
Total Authorised Share Capital	500,000,000	500,000,000
2 Issued and Subscribed Share Capital		
(a) 21,626,238 Equity Shares of Rs.1/- each.	21,626,238	21,626,238
(b) 5,000,000 0.01% Redeemable Non-Cumulative Preference Shares of Rs.10/- each	50,000,000	50,000,000
	71,626,238	71,626,238
3 Called and Paid Up Share Capital		
(a) 21,626,238 Equity Shares of Rs.1/- each fully paid	21,626,238	21,626,238
(b) 5,000,000 0.01% Redeemable Non-Cumulative Preference Shares of Rs.10/- each (Rs.9/- called & paid up)	45,000,000	45,000,000
Total Called and Paid Up Share Capital	66,626,238	66,626,238

NOTES:

a) Terms / rights attached to equity shares

The Company has equity shares having a par value of ₹1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

b) Terms / rights attached to preference shares

On September 07, 2002; the Company had allotted Preference Share Capital comprising of 5,000,000 - 8% Redeemable Cumulative Preference Shares of Rs.10/- each (₹ 9/- each called and paid up); redeemable after 10 years. The said shares were allotted to Godrej Industries Ltd, a fellow subsidiary company of Wadala Commodities Ltd., which was the only Preference Shareholder and were redeemable on September 08, 2012.

The Board of Directors, with the consent of the preference and equity shareholders, passed a resolution in the Board Meeting dated September 13, 2012 approving the following variations in the terms of the Preference Share Capital:

- (i) Waiver of arrears of preference dividend amounting to ₹ 23,197,808/- on 50,000,000, 8% 10 Year Redeemable Cumulative Preference Shares till September 08, 2012.
- (ii) The 50,000,000 - 8%, Redeemable Cumulative Preference Shares of ₹ 10 each (₹ 9 each called and paid up) were converted to 50,000,000 - 0.01% Redeemable Non-Cumulative Preference Shares of ₹ 10 each (₹ 9 each called and paid up) and the period of redemption of these preference shares was extended by 10 years to September 08, 2022.

The Preference Shares rank above the claims of ordinary shareholders in the event of a winding up.

c) Terms / rights attached to Unclassified Shares.

The Company has not issued any Unclassified Shares.

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

d) Shareholders holding more than 5% shares in the Company:

Name of the Shareholder	Class of Shares	As at March 31, 2014		As at March 31, 2013	
		No. of Shares	% held	No. of Shares	% held
Godrej & Boyce Manufacturing Company Limited (Holding Company)	Equity Shares	11,046,635	51.08	11,046,635	51.08
Godrej & Boyce Manufacturing Company Limited (Holding Company)	Preference Shares	5,000,000	100.00	-	-
Godrej Industries Ltd. (Fellow Subsidiary)	Preference Shares	-	-	5,000,000	100.00

e) There are no equity shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

f) For the period of five years immediately preceding the date of the Balance Sheet:

- i) The Company has not allotted any shares as fully paid up pursuant to contracts without payment being received in cash; or
- ii) Allotted as fully paid up bonus shares; or
- iii) Bought back any of its equity shares.

g) There are no calls unpaid on any equity shares.

h) There are no forfeited shares.

4. RESERVES AND SURPLUS

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
SURPLUS / (DEFICIT)		
Balance as per last financial statements	(53,965,726)	(55,777,534)
Add: Profit/ (-) Loss for the Year	592,345	1,814,736
Less: Proposed Dividends	4,500	2,503
Less: Tax on Distributed Profit	765	425
Closing Balance	<u>(53,378,646)</u>	<u>(53,965,726)</u>
TOTAL	<u><u>(53,378,646)</u></u>	<u><u>(53,965,726)</u></u>

5. TRADE PAYABLES

1. Due to Micro, Small and Medium Enterprises *		
2. Others	-	1,773,228
TOTAL	<u><u>-</u></u>	<u><u>1,773,228</u></u>

* The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company.

6. OTHER CURRENT LIABILITIES

1. Taxes, Duties and Other Levies Payable	159,920	43,193
2. Other Payables	91,011	672,516
TOTAL	<u><u>250,931</u></u>	<u><u>715,709</u></u>

Wadala Commodities Limited

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

	As at March 31, 2014 ₹	As at March 31, 2013 ₹		
7. SHORT TERM PROVISIONS				
1. Proposed Preference Dividend	4,500	2,503		
2. Provision for Tax on Distributed Profit	765	425		
TOTAL	5,265	2,928		
8. LONG TERM LOANS AND ADVANCES				
Unsecured, Considered Good				
Security Deposits	35,000	25,000		
Other Loans and Advances				
a) Advance Tax & TDS (Net of Provision for Tax Rs.882,762/- previous year Rs.560,000)	565,371	229,919		
b) MAT Credit Entitlement	-	38,762		
TOTAL	600,371	293,681		
9. OTHER NON-CURRENT ASSETS				
Bank Deposits with maturity more than 12 months	10,000,000	9,586,842		
TOTAL	10,000,000	9,586,842		
	Numbers	Amount (₹)		
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014 ₹	As at March 31, 2013 ₹
10. CURRENT INVESTMENTS				
Investments in Mutual Funds <i>Valued at lower of cost and fair value)</i> <i>Unquoted, fully paid-up:</i>				
Kotak Floater Short Term Fund Growth	319.88	319.88	389,457	389,457
		TOTAL	389,457	389,457
Aggregate amount of quoted investments			-	-
Aggregate amount of unquoted investments			389,457	389,457
Aggregate amount of Provision for dimunition in the value of Investments			-	-
11. TRADE RECEIVABLES (Unsecured, Considered Good)				
Trade Receivables Outstanding for a Period Exceeding Six Months			-	-
Other Trade Receivables			-	1,738,554
TOTAL			-	1,738,554
12. CASH & BANK BALANCES				
Cash and Cash Equivalents				
1. Balances with Banks				
- On Current Accounts			1,757,812	2,236,088
			1,757,812	2,236,088

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

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
13. OTHER CURRENT ASSETS		
Accrued Interest	756,148	907,755
TOTAL	756,148	907,755
<hr/>		
Particulars	Year Ended March 31, 2014 ₹	Year Ended March 31, 2013 ₹
14. REVENUE FROM OPERATIONS		
1. Sale of Products		
Traded Goods	31,429,166	34,607,088
2. Rendering of Services	1,200,000	2,400,000
Revenue from Operations (Gross)	32,629,166	37,007,088
Less : Excise Duty	3,320,168	3,619,468
Revenue from Operations (Net)	29,308,998	33,387,620
Details of Products Sold:		
1. Traded Goods (Net of Excise):		
Palm Fatty Acid Distillate	28,108,998	30,987,620
TOTAL	28,108,998	30,987,620
15. OTHER INCOME		
1. Interest Income		
On Bank Deposits	887,540	911,984
2. Other Non-Operating Income		
Sundry Balances Written Back	698,745	209,993
TOTAL	1,586,285	1,121,977
16. PURCHASE OF STOCK-IN-TRADE		
Traded Goods Purchased		
Palm Fatty Acid Distillate	27,892,625	30,782,397
TOTAL	27,892,625	30,782,397
17. EMPLOYEE BENEFITS EXPENSES		
Salaries and Wages	228,996	208,131
TOTAL	228,996	208,131

Wadala Commodities Limited

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

Particulars	Year Ended March 31, 2014 ₹	Year Ended March 31, 2013 ₹
18. OTHER EXPENSES		
Establishment Expenses	195,137	95,562
Directors' Sitting fees	21,348	11,989
Legal & Professional Fees	837,690	410,828
Payment to Auditor (Refer details below)	124,171	78,652
Advertisements	156,396	159,360
Travel, Conveyance & Petrol	15,862	1,157
Printing & Stationery	89,613	91,785
Postage & courier	105,592	100,351
Share Register Fees	83,600	71,282
Listing Fees	91,058	91,309
Miscellaneous Expenses	176,850	32,058
TOTAL	1,897,317	1,144,333
Payment to Auditor		
As Auditor:		
Audit Fees	30,000	30,000
Limited Review Fees	30,000	30,000
In other capacity:		
Tax Audit	40,000	-
Certification of Compliance with Corporate Governance requirements as per clause 49 of the Listing Agreement	10,000	10,000
Reimbursement of Expenses	512	-
Total	110,512	70,000
Add: Service Tax	13,659	8,652
TOTAL	124,171	78,652
19. EARNINGS PER SHARE		
Net Profit After Tax	592,345	1,814,736
Less: Preference Dividend [Current Year 0.01%, Previous Year 0.01%]	4,500	2,503
Less: Dividend Tax	765	425
Net Profit for computation of Basic and Diluted Earnings Per Share(A)	587,080	1,811,808
Weighted Average Number of Equity Shares		
For calculating Basic and Diluted EPS (B)	21,626,238	21,626,238
Earnings Per Share		
Basic (A)/(B)	0.03	0.08
Diluted	0.03	0.08

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

20. The Board of Directors of the Company have approval to a Scheme of Amalgamation of Wadala Commodities Ltd. with Godrej Industries Ltd. (GIL) subject to the approval of the Shareholders of the Company, the High Court and such other regulatory authorities as may be applicable.

As per the proposed Scheme of Amalgamation all the assets, investments, properties, debts, liabilities and obligations of the Company shall stand transferred to and vest in GIL. The Appointed Date is proposed to be April 1, 2014.

In consideration for the proposed Scheme of amalgamation, GIL shall allot to the shareholders of WCL:

- a) 1 fully paid equity share of Re.1/- each in GIL to the equity shareholders of WCL for every 108 fully paid equity shares of Re.1/- each held in WCL
- b) 10 fully paid equity shares of Re.1/- each in GIL to the preference shareholders of WCL who hold 5,000,000, 0.01% Redeemable Non-Cumulative Preference Shares of Rs.10/- each (Rs.9/- called and paid up) in WCL

21. Related Party Disclosures:

(i) List of Related Parties and their Relationship:

Godrej & Boyce Manufacturing Co. Ltd.	Holding Company
Godrej Industries Ltd.	Fellow Subsidiary
Mr.Chandrashekhar Shetty	Manager
Mr.R.P.Gopal	Ex - Manager

(ii) The following transactions were carried out with the related parties in ordinary course of business:

Nature of Transaction	Fellow Subsidiary Godrej Industries Ltd. ₹	Key Management Personnel ₹
Sale of goods (Net of Excise)	28,108,998	-
	<i>30,987,620</i>	-
Service Income	1,200,000	-
	<i>2,400,000</i>	-
Establishment Charges	50,562	-
	<i>50,562</i>	-
Reimbursement of Expenses	489,719	-
	<i>536,914</i>	-
Remuneration		
- Mr.Chandrashekhar Shetty	-	228,996
	-	<i>204,214</i>
- Mr.R.P. Gopal	-	-
	-	<i>3,917</i>
Oustanding –		
a) Receivables	-	-
	<i>1,738,554</i>	-
b) Payables	-	-
	-	-

Figures in italics indicate previous year amounts

Wadala Commodities Limited

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

22. Segment Reporting

The Company's only business is bulk trading of vegetable oils which is its only business segment. The company operates in economic environments which are subject to the same risks and returns. Hence, there is no identifiable secondary segment.

23. Expenditure in Foreign Currency Rs.NIL (Previous Year Rs.NIL)

24. Value of Imports on CIF Basis Trading goods Rs.NIL (Previous Year Rs.NIL)

25. Previous Year's figures have been regrouped/ restated, wherever necessary to conform to current year's presentation.

Wadala Commodities Limited

CIN: L15142MP1984PLC002382

Regd. Office : 107, Gold Arcade, 3/1 New Palasia, Opp. Curewell Hospital, Indore – 452001 (M.P.)

Tel: (0731) 2535841; Website: www.wadalacommodities.co.in

ATTENDANCE SLIP

Name of Member(s)	
Name of Proxy	
Folio No. / *DP Id and Client Id	

* Applicable for investors holding shares in electronic form

I / We hereby record my / our presence at the 30th ANNUAL GENERAL MEETING of the Company held on Friday, September 12, 2014 at 107, Gold Arcade, 3/1 New Palasia, Opp. Curewell Hospital, Indore – 452001. at 12.00 noon.

Member's / Proxy's Signature

(To be signed at the time of handing over this slip)

NOTES

1. Please complete this attendance slip and hand it over at the entrance of the meeting hall.
2. Joint shareholder may obtain additional attendance slip at the venue of the meeting

TEAR HERE

Wadala Commodities Limited

CIN: L15142MP1984PLC002382

Regd. Office : 107, Gold Arcade, 3/1 New Palasia, Opp. Curewell Hospital, Indore – 452001 (M.P.)

Tel: (0731) 2535841; Website: www.wadalacommodities.co.in

Form No. MGT- 11

Proxy Form

[Pursuant to section 105(6) of the Company Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):		E-mail id:	
Registered address:		Folio No./*Client id:*DP id:	

*Applicable for investors holding shares in electronic form

I/We, being the member(s) of _____ Shares of Wadala Commodities Limited, hereby appoint:

1. Name		E-mail id:	
Address		Signature	

or failing him

2. Name		E-mail id:	
Registered		Signature	

or failing him

3. Name		E-mail id:	
Registered		Signature	

as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the THIRTIETH ANNUAL GENERAL MEETING of the Company on Friday, September 12, 2014 at 12.00 Noon at 107, Gold Arcade, 3/1, New Palasia, Opp. Curewell Hospital, Indore – 452001 (M.P.) and at any adjournment thereof in respect of such resolutions as are indicated below:-

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Sr. No.	Resolutions
1	Adoption of audited financial statements, Report of Board of Directors and Auditors for the year ended March 31, 2014.
2	Declaration of dividend on Preference Shares
3	Appointment of Auditors of the Company
4	Appointment of Mr. K. G. Mudaliar as Independent Director of the Company.
5	Appointment of Mr. N. S. Nabar as Independent Director of the Company.
6	Appointment of Mr. A. B. Choudhury as Independent Director of the Company.
7	Appointment of Mr. Clement Pinto as Independent Director of the Company.

Signature of Shareholder _____

Affix
Revenue
Stamp

Signature of Proxy _____

Signed this _____ day of _____ 2014

Notes: This Form 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.

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