



Agrimony Commodities Limited

(Erstwhile Transparent Commodities Pvt. Ltd.)

ANNUAL REPORT 2013 - 14





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Board of Directors

- Mr. Anandrao Gole
- Mr. Jairaj Bafna
- Mr. Mani Ananthanarayan
- Mr. Suresh Kulkarni
- Mr. Satish Bokdia

Chairman and Managing Director
Chief Financial Officer & Director
Independent Director
Independent Director
Independent Director

Company Secretary

Ms. Niki Shah

Bankers

Bank of India

Statutory Auditors

V.R. Bhabhra & Co., Chartered Accountants

Registrar And Transfer Agent

Purva Share Registry Pvt Ltd,
Ltd Unit no. 9 Shiv Shakti Ind. Estt.
J .R. Boricha Marg
Lower Parel (E), Mumbai 400 011

Registered Office

701, Kingston,
Tejpal Road, Vile Parle (East)
Mumbai ,India. Tel:+91-22-26124294
Email: compliance@agrimonycommodities.com, agrimonycommodities@gmail.com,
Website: www.agrimonycommodities.com



Agrimony Commodities Limited

AGRIMONY COMMODITIES LIMITED

(CIN no U74999MH1991PLC062821)

**Registered Office: 701, Kingston, Tejpal
Road, Vile Parle (East), Mumbai 400 057**

Email: compliance@agrimonycommodities.com

Website: www.agrimonycommodities.com

Phone: +91-22-26124294/ 022 26633742.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 23rd ANNUAL GENERAL MEETING OF AGRIMONY COMMODITIES LIMITED will be held at Shanbhag Hall, Utkarsh Mandal , Malaviya Road, Vile Parle (East), Mumbai 400 057 on Wednesday, 24th September, 2014 at 4 : 30 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the financial year ended March 31, 2014 including audited Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Jairaj Bafna holding DIN NO 06637142, who retires by rotation and being eligible to offer himself for re-appointment.
3. To appoint a director in place of Mr. Anandrao Gole holding DIN NO 06668955, who retires by rotation and being eligible to offer himself for re-appointment.
4. To appoint M/s. V. R. Bhabhra & Co. Chartered Accountants (ICAI Registration No. 113289W) as statutory auditors of the Company and fix their remuneration.

**By Order of the Board
For Agrimony Commodities Limited**

**Anandrao Gole
Chairman & Managing Director**

**Place Mumbai
Date: 30TH August, 2014**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

A proxy, in order to be effective, must be received at the office of the Company's Registrar and Share Transfer Agent- Purva Share Registry Pvt. Ltd. Unit no. 9 Shiv Shakti Ind. Estt. J.R. Boricha Marg Opp. Kasturba Hospital Lane Lower Parel (E), Mumbai 400 011 not less than 48 hours before the commencement of the meeting. A blank proxy form is enclosed and can also be downloaded from the website of the company.

2. The Register of Members and Share Transfer Books of the Company will remain closed on Saturday 20th September 2014 to Monday, 23rd September, 2014 (both days inclusive) for the purpose of the Annual General meeting ,
3. Queries, if any, may please be sent to the Compliance Officer at the Registered Office at least a week before the date of the Annual General Meeting (AGM).
4. Members holding equity shares in demat form may contact their respective Depository Participants (DP) for recording nomination in respect of their equity shares.
5. Non-Resident Indian Members are requested to inform the Company or their concerned DP, as the case may be, immediately:-
 - (a) the change in the residential status on return to India for permanent settlement;
 - (b) the particulars of the bank account with a bank in India, if not furnished earlier.
6. In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN Card to the Company or its RTA in the following cases viz. Transfer of shares, Deletion of name, Transmission of shares and Transposition of shares held in physical form. Shareholders are requested to furnish copy of PAN Card for all the above mentioned transactions.
7. Members are requested to bring their attendance slip alongwith their copy of the Annual Report to the Meeting. As a measure of economy, copies of the Annual Report will not be distributed at the AGM.
8. Members are informed that in the case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. The Ministry of Corporate Affairs (MCA), Govt. of India, has undertaken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by companies through electronic mode, vide its circulars dated April 21, 2011 and April 29, 2011. To take part in the above 'Green Initiative', your Company proposes to send communications/documents including Notices for General Meetings and Annual Reports from time to time in electronic mode to those members who have provided their e-mail addresses to their Depository Participants (DP).
10. The members who have yet not registered their email addresses are requested to register/ update their e-mail addresses in respect of equity shares held by them in demat form with their respective DPs.

**DIRECTOR'S REPORT**

To

The Shareholders,

Your Directors have pleasure in presenting the 23rd Annual Report of your Company alongwith the Audited Statement of Accounts for the Period ended 31st March, 2014.

FINANCIAL HIGHLIGHTS:

Particulars	Year Ending March, 2014	Year Ending March, 2013
	Amt. in Rs.	Amt. in Rs.
Net Sales/ Income from Operations	41,73,98,430	2,30,755
Other Income	9,12,244	9,68,567
Total Income	41,83,10,674	11,99,322
Less: Expenditure	41,70,63,577	9,14,558
Profit/(Loss) before Interest & Exceptional Items	12,56,070	2,84,764
Less: Interest	8,973	NIL
Profit/(Loss) after Interest before Tax & Exceptional Items	12,47,097	2,84,764
Exceptional Items	2,37,146	NIL
Profit/(Loss) before Tax	10,09,951	2,84,764
Less: Tax provisions	2,79,500	71,000
Deferred Tax	1,04,649	17,156
Add: Profit/(Loss) Brought Forward	1,64,61,623	1,62,61,415
Less: Prior year Tax Liability	NIL	NIL
Less: Prior period adjustments	NIL	NIL
Amount available for Appropriation/(Loss)	1,70,87,425	1,64,61,623



RESULTS OF OPERATION REVIEW:

During the current period of operation, your company was continuously exploring possibilities of finding buyers and sellers to meet their needs as well as improvement of Your Company business in the trading business of commodities during the current financial year. Your Directors are happy with the initial trades done and are confident that then operations would be more profitable in the years to come. Your Directors have during the year limited their operations to Textile Fabrics including Suiting and Shirtings and other dress materials and SS Pipes but in the future Your Directors would explore other commodities include Trading in Rice/ Wheat and Strawberries which would fetch higher margins.

DIVIDENDS:

The Company has decided to sustain the growth in line with the long term growth objectives of the Company by retaining the profits and utilizing the same for opportunities in hand.

PERSONNEL:

During the year, the company did not have any Employee covered under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and therefore no particulars are required to be furnished.

Your Company's work force and management have been working with mutual respect, co-operation and understanding. The Board wishes to appreciate the efforts put in by all the categories of employees towards the progress achieved by the Company during the year.

DIRECTORS:

Your Company was earlier under a different management which was taken over by the new management by which the previous directors resigned from the Board which included Mr. Krishnakant Choksi, Mr. Ankur Choksi, Mrs. Raksha Choksi and Mrs. Neepa Choksi.

Pursuant to the takeover of the business, the New Management led by Mr. Jairaj Bafna and Mr. Anandrao Gole took over the Management and Control and the Board was broadbased by appointment of Independent Directors consisting of Mr. Mani Ananthanarayan, Mr. Suresh Kulkarni and Mr. Satish Bokdia before the IPO.

In terms of the provisions of Section 152 of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Anandrao Gole and Mr. Jairaj Bafna, Managing Director and Director, respectively, retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment and you are requested to consider their appointment in the forthcoming Annual General Meeting.

The Company has received confirmations from all its Directors, based upon which none of the Directors are disqualified from appointment under Section 164 of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements of the provisions of Section 134 (3) (c) of the Companies Act, 2013, your Directors confirms as under:

- i) That in the preparation of the annual accounts the applicable accounting standards has been followed along with proper explanation in relation to material departure, if any;
- ii) That the directors have selected such appropriate accounting policies and applied them consistently and made judgments and estimates, that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year i.e., March 31, 2014 and of the profit of the Company for the year ended on that date;
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That the directors have prepared the annual accounts on a going concern basis.

AUDITORS:

The Auditors M/s. V. R. Bhabhra & Co., Chartered Accountants, retire at the forthcoming General Meeting and being eligible for re-appointment, the Company has received a certificate from the auditors to the effect that their re-appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013.

PUBLIC DEPOSITS:

The company has not accepted any deposit within the meaning of the section 73 and 74 of the Companies Act, 2013.

INITIAL PUBLIC OFFER :

During the year, your Company raised Rs.3,02,00,000/- by way of Initial Public Offer by issue of 30,20,000 shares of Rs. 10/- each at a price of Rs. 10/- per share. The shares of your company are listed on SME Platform of BSE Limited on February 18, 2014. Prior to the IPO your Company allotted 8270000 shares out of which the promoters held 31,25,000 Nos. of Shares. The total proceeds prior to the IPO together with the proceeds of IPO amounted to Rs. 1129 Lakhs.

The Utilization of the Proceeds of the issue is as under the following Broad Heads:

Sr. No.	ACTIVITY	AMOUNT (Rs. In Lakhs)
1	Augmenting Long Term Working Capital	735
2	Purchase of Fixed Assets	25
3	Investment in Subsidiary	88
4	Deployment of Idle funds in ICD	252
5	Public Issue Expenses	29
	TOTAL	1129

Your Directors report that the funds lying idle which have been deployed in placing Inter Corporate Deposits have earned an interest of Rs. 8.97 Lakhs during the year which has been reported in the Other Income in the Profit and Loss Account.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required under Clause 52 of the Listing Agreement with the Stock Exchange, the Management Discussion and Analysis of the financial condition and results of operations of the Company under review, is annexed and forms an integral part of the Director's Report.

CORPORATE GOVERNANCE:

A report on Corporate Governance along with a Certificate from the Auditors of the Company regarding the compliance with conditions of Corporate Governance as also the Management Discussion and Analysis Report as stipulated under Clause 52 of the Listing Agreement are annexed to this Report.

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

A) Conservation of energy, technology absorption

As the Company does not fall under any of the industries listed out in the Schedule appended to the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, particulars required to be disclosed with respect to conservation of energy and technology absorption, are not applicable to the Company.

The operations of your Company are not energy intensive. Your Company takes various measures to reduce energy consumption by using energy-efficient computer systems, electrical and electronic equipment and procuring energy efficient equipment and gadgets in its operation. As an ongoing process, your Company evaluates new technologies and techniques to make its infrastructure more energy efficient.

B) Foreign Exchange Earning / Outgo:

Nil.

CASH FLOW STATEMENT :

In conformity with the provisions of Clause 34 of the Listing agreement (BSE-SME) and requirements of Companies Act, 2013, the Cash Flow Statement for the year ended 31.03.2014 is annexed hereto.

CONSOLIDATED FINANCIAL STATEMENT :

In compliance with the Accounting Standard – 21 on Consolidated Financial Statements, this Annual Report also includes Consolidated Financial Statements for the year 2013-14 of M/s Advantage Commodities Private Limited which has become the subsidiary of the Company w.e.f 13th August, 2013, therefore, consolidation is done only of profit & loss account from 13.08.2013.

STOCK EXCHANGES:

The company's shares are listed on the SME platform of the Bombay Stock Exchange (BSE Ltd.). The company has paid the necessary listing fees of BSE Ltd. for the year 2014-15.

ACKNOWLEDGEMENTS:

The Directors wish to thank and deeply acknowledge the co-operation, assistance and support extended by various Government Authorities, Company's Bankers, Dealers, Vendors, Customers, Suppliers, Shareholders, Stock Exchange and others who have supported the company during its difficult time and hope to receive their continued support.

The Directors also wish to place on record their appreciation for the all round co-operation and contribution made by employees at all levels.

**For and on behalf of the Board of
AGRIMONY COMMODITIES LIMITED**

Place: Mumbai

Date: 30th August 2014

**ANANDRAO GOLE
MANAGING DIRECTOR**

MANAGEMENT DISCUSSION AND ANALYSIS

Macroeconomic Overview :

India's economic growth remained muted at 5% for the second consecutive year, although there was a slight uptick from 4.5% growth in FY13 to an estimated 4.8% in FY14. This weakness growth reflects the continued sluggishness in the investment cycle even as consumption growth is moderating. Real Gross Fixed Capital Formation (GFCF) growth was negative in FY14, the weakest it's been this cycle. Although inflation declined in FY14, at 9.5% (average for the year, 8.3% in March), it remains unacceptably and stubbornly high. While food prices moderated sharply in the last few months of the year, core inflation has remained sticky around 8% for many months now.

That said, the twin deficits moderated during the year. Current account deficit declined sharply from about 5% in FY13 to less than 2% in FY14. While a part of this decline was due to the restrictions on Gold imports (and thus artificial), weak domestic demand and the resultant contraction in non-Gold imports also played a major role in improving the current account. Exports too recovered after a decline in FY13, but the growth seemed to taper off towards the end of FY14. The Central Government, in FY14, managed to contain its fiscal deficit within its budgeted number and at 4.6% the deficit marks a significant improvement over almost 6% deficit two years back.

Post elections, with a stable government at the centre, we expect growth to revive as the stalled projects come on line gradually, business confidence improves and capital availability also improves as capital flows pick up. Accordingly, growth can go back to 6% plus over medium term. A pick up in the investment cycle will also be disinflationary and thus overall quality of growth will improve. The prospect of lower than normal rainfall is the key near-term risk for the country, although much will depend on the temporal and spatial distribution of rainfall. This coupled with RBI's strong anti-inflation bias mean that interest rates will remain on hold for an extended period with risks of them rising further if food inflation rises sharply. The other major risk to the economy is geo political tensions in the middle east that can drive crude prices higher causing cascading damage

Industry Overview:

Iron & Steel Segment

Presently, steel contributes to nearly two per cent of the gross domestic product (GDP) and employs over 500,000 people. The total market value of the Indian steel sector stood at US\$ 57.8 billion in 2011 and is expected to touch US\$ 95.3 billion by 2016. India's per capita steel consumption stood at 57.8 kilograms in 2013, according to a World Steel Association report and is expected to rise with increased industrialization throughout the country.

India is slated to become the second-largest steel producer in the world by 2015. Steel production in the country has increased at a compound annual growth rate (CAGR) of 6.9 per cent over 2008-2012. India's real consumption of total finished steel grew by 0.6 per cent year-on-year in April-March 2013-14 to 73.93 MT, according to the Joint Plant Committee (JPC), Ministry of Steel. Increasing demand by sectors such as infrastructure, real estate and automobiles at home and abroad has put India on the world map. The construction sector accounts for around 60 per cent of the country's total steel demand while the automobile industry accounts for 15 per cent.