



Green Fire
Agri Commodities Ltd.

Managing &
Marketing Commodities



21st Annual Report - 2013

www.greenfireagritech.com

BOARD OF DIRECTORS

Name	Designation
Mr P Parthasarthi	- Chairman
Mr D V S Prakash Rao	- Whole Time Director & CEO
Mr P Srinivasu	- Director
Mr T Naresh Kumar	- Director
Mr Y Ramesh	- Director
Mrs Khushboo Joshi	- Company Secretary

REGISTERED OFFICE

S D E Serene Chambers, 8-2-334, 1st Floor,
South Eastern Wing, Road No-7, Banjara Hills,
Hyderabad-500034, Andhra Pradesh, India
Tel: +91-40-23548353/8536
Fax:+91-40-23548537
URL: www.greenfireagritech.com

STATUTORY AUDITORS

M/s Sarath & Associates
Chartered Accountants
4th Floor, Maas Heights, Road No: 8,
Banjara Hills, Hyderabad-500 034

INTERNAL AUDITORS

A.S. Naidu & Co
SRT 453, Sanath Nagar,
Hyderabad-500 018

SHARE TRANSFER AGENT

CIL Securities Limited
214, Raghava Ratna Towers,
Chirag Ali Lane, Hyderabad-500001
Phone: +91 040-23203155

BANKERS

Dhanalakshmi Bank
Corporation Bank

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 21st Annual General Meeting of the Members of Green Fire Agri Commodities Limited (formerly Northgate Technologies Limited) will be held on Monday, the 30th Day of September 2013 at 10.30 A M at Kalinga Cultural Trust, Plot No. 1269, Road No.12, Banjara Hills, Hyderabad 500 034 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2013 and the audited Profit and Loss Account for the year ended as on that date together with the Report of the Auditors and the Board of Directors thereon.
2. To appoint a Director in place of Mr Y Ramesh, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr P Parthasarthi, who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint retiring Auditors

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

“RESOLVED THAT M/s. Sarath & Associates, Chartered Accountants (Regn No. 005120S) Hyderabad be and are hereby re-appointed as Statutory Auditors of the Company from the conclusion of the this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a Remuneration as may mutually be agreed upon between the Board of Directors and M/s Sarath & Associates, Chartered Accountants.”

SPECIAL BUSINESS

5. Appointment of Mr D V S Prakash Rao as 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 Mr D V S Prakash Rao, who was appointed by the Board of Directors of the Company as an Additional Director of the Company with effect from November 14, 2012 and who holds Office upto the forthcoming Annual General Meeting of the Company in terms of Section 260 of the Companies Act 1956 (“the Act”) and in respect of whom the Company has received a Notice in writing from a Member under Section 257 of the Act proposing his

Candidature for the Office of the Director of the Company be and is hereby appointed as Director of the Company”.

6. Appointment and Remuneration of Mr D V S Prakash Rao as Whole Time Director & CEO of the Company

To consider and if thought fit to pass, with or without modification, the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to applicable provisions of the Companies Act 1956 (“the Act”), as amended or re-enacted from time to time, read with Schedule XIII of the Act, the Company hereby approves the appointment and terms of remuneration of Mr D V S Prakash Rao as Whole Time Director & CEO of the Company for a period of 3 (Three) years with effect from November 14, 2012 upon the terms and conditions set out in the explanatory statement annexed to the notice convening this Annual General Meeting including the remuneration to be paid in the event of loss or inadequacy of profits in any financial Year(s) during the tenure of his appointment with liberty to the Board of Directors to finalize such terms and conditions of the said appointment and also alter or vary the same from time to time in such manner as may be agreed between the Board of Directors and Mr D V S Prakash Rao.”

“**RESOLVED FURTHER THAT** the Board of Directors or a Committee thereof be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

7. Authorization to raise Funds

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

“**RESOLVED THAT** pursuant to, the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (the “Act”) (including any statutory modification(s) or re-enactment thereof, for the time being in force), the applicable rules, Securities and Exchange Board of India (ICDR) Regulations, 2009 (ICDR) the applicable provisions of Foreign Exchange Management Act, 1999 (“FEMA”), Foreign Exchange Management (Transfer or issue of Security by a Person Resident Outside India) Regulations, 2000, Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) scheme, 1993, the enabling provisions of the Memorandum and Articles of Association of the company and the Listing Agreements entered into by the company with the Stock Exchanges where the shares of the company are listed, and subject to requisite approvals, consents, permissions, and/or sanctions, if any, of Ministry of Finance (Department of Economic Affairs), Ministry of Industry (Foreign Investment Promotion Board/Secretariat for Industrial Assistance), SEBI, the Stock Exchanges, Reserve Bank of India (“RBI”), and all other authorities as may be required, whether in India or outside India,

(hereinafter collectively referred to as “Requisite Approvals”), which may be agreed to by the Board of Directors of the company (hereinafter referred to as the 'Board' which term shall be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the consent, permission, authority and approval of the Members of the company be and is hereby accorded to the Board at their absolute discretion to create, offer, issue and allot, from time to time in one or more tranches, whether rupee denominated or denominated in foreign currency, in consultation with the Lead Manager(s) and / or Underwriter(s) and/or Advisor(s), wherever required, (a) Foreign Currency Convertible Bonds (FCCBs) / Foreign Currency Exchangeable Bonds (FCEBs) and/or other securities convertible, at the option of the company and/or entitling holder thereof to apply and convert at his option into equity shares with or without voting / special rights and/or (b) other securities convertible into or exchangeable with or linked to equity shares, and/or (c) Non convertible securities with or without detachable warrants, and / or (d) Warrants with a right exercisable by the warrant holder to convert or subscribe to the equity shares and / or (e) any shares, instruments or securities of the company through Global Depository Receipts (GDRs), American Depository Receipts (ADRs) or equity shares through depository receipt mechanism, participatory notes or otherwise (all hereinafter collectively referred to as “Securities”) and / or any combination of securities, secured or unsecured, whether listed on any stock exchange in India or any international stock exchange outside India (f) issue of securities by way of Qualified Institutional Placements under chapter VII of SEBI (Issue of Capital and Disclosure requirements) Regulations, 2009 as amended from time to time, to any person including Qualified Institutional Buyers, Foreign Institutional Investors, Foreign, non resident, domestic institutions, institutional investors, banks, mutual funds, companies, bodies corporate or other entities, individuals or other persons (collectively referred to as “Investors”), whether or not such investors are members of the company for an aggregate amount not exceeding Rs.50 crores (Rupees Fifty Crores only) or equivalent thereof in one or more foreign currency, inclusive of such premium as may be fixed on such Securities by offering the securities in one or more countries through public offer and/or offer letter and/or placement document and/or circular and/or information memorandum and/or such other document writings, and/or private placement basis and/or combination thereof in such manner, on such terms and conditions and at such time(s) as may be determined by the Board in its absolute discretion, with power to settle details as to the form and terms of issue of the Securities and all other terms, conditions and matters connected therewith including to accept any modification thereto or therein as may be required by concerned authorities and/or persons involved with any such issue of securities subject, however, to all applicable laws and regulations.”

“RESOLVED FURTHER THAT the relevant date for the purpose of pricing of the Securities to be issued under Qualified Institutional Placement in accordance with the SEBI ICDR Regulations shall be the date of meeting in which the Board decides to open issue of the securities, subsequent to the receipt of members' approval in terms of Section 81(1A) and other applicable provisions, if any, of the Companies Act and other applicable rules, regulations and guidelines in relation to the proposed issue of the securities inter alia through qualified institutions placement(s) to qualified institutional buyers as mentioned in these resolutions.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot equity shares pursuant hereto and/or as may be required to be issued and allotted upon conversion of any of the securities referred to above or as may be necessary in accordance with the terms of offering thereof and all equity shares so issued and allotted shall be subject to the Memorandum and Articles of Association of the company and shall rank pari passu in all respects with the existing equity shares of the company.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions and any offer, issue and allotment of Securities, the Board be and is hereby authorized to take all such actions, give such directions and to do all such acts, deeds and things as may be necessary, desirable or incidental thereto and matters connected therewith including without limitation entering into of arrangements for underwriting, marketing, listing, trading, appointment of Lead Manager(s), Advisor(s), Registrar(s), paying and conversion agent(s) and to issue and sign all deeds, documents, instruments and writings and to pay any fees, commission, costs, charges and other outgoings in relation thereto and to settle all questions, and to give such direction that may be necessary or arise in regard to or in connection with any such offer, issue or allotment of securities and utilization of the issue proceeds, as it may, in its absolute discretion, deem fit and any such action, decision or direction of the Board shall be binding on all members.”

“RESOLVED FURTHER THAT the Board or a Committee thereof be and is hereby authorized to finalize and approve the preliminary as well as the final offer document for the proposed issue and to authorize any one or more Directors of the company to sign all documents, together with the authority to amend, vary, modify the same as such authorized persons may consider necessary, desirable, or expedient for the purpose aforesaid to give such declarations, affidavits, certificates, consents, authorities as may be required from time to time.”

Place: Hyderabad
Date: September 07, 2013

By Order of the Board
Khushboo Joshi
Company Secretary

NOTES

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy (whether Member or not) to attend and vote instead of him or her. 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 commencement of the meeting. Completion and return of the form of proxy will not prevent a Member from attending the Meeting and voting in person if he or she so wishes.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business is annexed hereto.
3. Members/Proxies should bring the attendance slips filled in for attending the Meeting.
4. The Register of Members and Share Transfer Books of the Company will be closed from September 28, 2013 to September 30, 2013 (inclusive of both dates).
5. Members desiring any information on financial statements are requested to inform to the Company at least Seven days before the date of the Meeting to keep the information available at the Meeting.
6. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued Circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its Members. To support this green initiative of the Government in full measure, Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of dematerialised holdings with their respective Depository Participants. Members who hold shares in Physical form are requested to forward the required details (email ID) to the Registrar and Share Transfer Agent, M/s CIL Securities Limited, Hyderabad.
7. Accordingly the Company will be sending Notices / Documents / Annual Reports etc., to the Members in future through email, wherever the email ID is available and through other modes of services provided in Section 53 of the Companies Act, 1956:

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

Item-5: Appointment of Mr D V S Prakash Rao as a Director of the Company

Mr D V S Prakash Rao, aged 45 years, holds Master Degree in Agriculture from ANGRAU, Rajendranagar Hyderabad and also done his Post Graduate Diploma in Business Administration from SIMSR Mumbai with Marketing as specialization. He is a Gold Medalist at PG level from ANGRAU Hyderabad.

He has overall experience of 16 years in Agri related fields across North & South Indian States.

Item-6: Appointment and Remuneration of Mr D V S Prakash Rao as Wholetime Director & CEO of the Company

Mr. D V S Prakash Rao holds Master Degree in Agriculture from ANGRAU, Rajendranagar Hyderabad and also done his Post Graduate Diploma in Business Administration from SIMSR Mumbai with Marketing as specialization. He is a Gold Medalist at PG level from ANGRAU Hyderabad.

He has vast experience in Sales, Marketing, Business Development and Production in agriculture industries viz., Agrochemicals, Seeds, Tissue Culture and Bio-Fertilizers across India . He worked in both MNC's and Indian companies like Monsanto, Syngenta, Cadila and Ramco. Mr D V S Prakash Rao is adept at strategy planning and execution and created many brand blusters across the companies for different products. He has an overall experience of 16 years in Agri related fields across North & South Indian States.

The appointment of Mr. D V S Prakash Rao on the Board, would help the Company to venture into the business of Seed manufacturing, processing, Contract Farming, bio technology for tissue culture, bio fertilizers and trading of agro seeds. The Board requested Mr. D V S Prakash Rao, to submit the full fledged report including business plan within a month.

With the experience, expertise and technical Know-how thereby acquired, Mr D V S Prakash Rao oversees the overall agricultural activities of the company. His strategic inputs will help to devise a strong and self propelling future course for the company.

The main terms and conditions of appointment of Mr Mr D V S Prakash Rao (“hereinafter referred to as “WTD & CEO”) are given below:

A. Tenure of Appointment:

The appointment of “WTD & CEO” is for a period of 3 (Three) years with effect from November 14, 2012.

B. Nature of Duties:

The “WTD & CEO” shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board and exercise such powers as may be assigned to him, subject to the Superintendence, Control and Directions of the Board in connection with and in the best interests of the Business of the Company and the business of any one or more of its Associated Companies and/or Subsidiaries including performing duties as assigned by the Board from time to time by serving on the Boards of such Associated Companies/Subsidiaries or any other Executive Body or a Committee of such a Company.

C. Remuneration:

The “WTD & CEO” shall be entitled to Remuneration as stated hereunder in terms of Schedule XIII of the Companies Act 1956

1. Remuneration: (a) Basic Salary up to a Maximum of Rs 1,00,000/- per Month, with authority to the Board or a Committee thereof to fix his Basic Salary within the said Maximum Amount; (b) Commission and/or Incentive Remuneration based on performance criteria to be laid down by the Board; and (c) Benefits, Perquisites and Allowances as may be determined by the Board from time to time over and above the Basic Salary within the Limits allowed under the Companies Act, 1956 read with Schedule XIII.
2. Minimum Remuneration: Notwithstanding anything to the contrary herein contained where in any Financial Year during the currency of the tenure of “WTD & CEO” the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Basic Salary, Benefits, Perquisites, Allowances and Incentive Remuneration as specified above.

D. Other terms and conditions of the appointment of the “WTD & CEO” are as set out in the Appointment deed signed between the Company and the Mr D V S Prakash Rao.

In compliance with the applicable provisions of the Companies Act 1956 (“the Act”), read with Schedule XIII of the Act, the terms and conditions of the appointment of Mr D V S Prakash Rao, as specified above, are now placed before the members for their approval.

This may be treated as an abstracts of the terms and conditions of appointment and remuneration of Mr D V S Prakash Rao as required under section 302 of the Act.

The Resolution for appointment and terms of remuneration of Mr D V S Prakash Rao at Item 6 of the Notice are commended for approval by the members.

Mr D V S Prakash Rao is concerned or interested in the Resolution at item 6 of the Notice. No other Director of the Company is concerned or interested in these Resolutions.

Item No-7: Authorization to raise Funds

For the purpose of (i) Capital Expenditure (ii) Acquisition of businesses and (iii) Working Capital and general corporate requirements, your Company is proposing to issue Equity Shares under Qualified Institutional Placement, GDRs, FCCBs, and such other securities convertible into equity shares or a combination thereof.

For the above purposes, your company plans to raise upto Rs.50 Crores (Rupees Fifty Crores only) through a combination of equity/quasi equity instruments and therefore proposes issue of Equity Shares/ADRs/ GDRs/FCCBs/ECBs/FCEBs and such other securities convertible into equity shares or a combination thereof. The actual composition of various instruments will be decided by the company in consultation with the Merchant Bankers/Investment Bankers and as per the requirements of the funds from time to time and such offer shall be made to any person including Domestic/Foreign Investors/Foreign Institutional Investors, Qualified Institutional Buyers, Trusts, Mutual Funds, Banks, Insurance Companies, Pension Funds, retail public, whether shareholders of the company or not, at a price which shall not be lower than the price as prescribed under applicable SEBI guidelines, if any.

Accordingly, the consent of the members is being sought, pursuant to the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956, and SEBI (Issue of Capital and Disclosure requirements) Regulations, 2009 as amended from time to time, and in terms of the provisions of the Listing Agreements, to issue and allot equity shares as stated in the Special Resolution.

The Board of Directors recommends the resolution for the approval of the members.

None of the Directors of the Company is, in any way, concerned or interested in the proposed Resolution.

Place : Hyderabad
Date : September 07, 2013

By Order of the Board
Khushboo Joshi
Company Secretary

DIRECTORS REPORT

Dear Members

Your Directors have pleasure in presenting the Twenty First Annual Report together with the Audited Accounts for the year ended 31st March, 2013.

Financial Highlights:

(Rs.lakhs)

Particulars	Years ended 31 March 2013	Year ended 31 March 2012
Revenue		
Revenue from Operations	14,657.84	38,980.13
Other income	85.29	125.22
Total Revenue	14,743.13	39,105.35
Expenditure		
Purchase of stock in trade	14,222.39	37,990.97
Change in inventory stock-in trade	-	20.75
Operating expenses	604.66	208.08
Employee benefits expense	77.49	131.99
Finance costs	225.93	106.68
Depreciation expense	58.13	47.63
Other expenses	230.17	216.88
Total	15,418.77	38,722.98
Profit/(Loss) Before Tax	(675.64)	382.37
Less: Tax Expense	(29.55)	135.69
Profit/(Loss) After Tax	(646.09)	246.68
Earnings / (Loss) per share		
- Basic	(0.78)	0.50
- Diluted	(0.78)	0.26

Review of operations:

For the financial year ended March 31, 2013, your Company had reported total income of Rs. 14,743.13 Lakhs as against Rs. 39,105.35 Lakhs during the previous financial year. The company recorded a net loss of Rs. 646.09 lakhs as against net profit of Rs. 246.68 lakhs during the previous financial year.

Directors:

In accordance with Section 256 of the Companies Act, 1956 Mr P Parthasarathi and Mr Y Ramesh, Directors of the company retires by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment.

Mr D V S Prakash Rao, as appointed as Additional Director with effect from 14.11.2012 and the Board commends for passing of the respective resolution proposed in the Notice of the Annual General Meeting.

Auditors:

The Statutory Auditors, M/s Sarath & Associates, Chartered Accountants, retire at this Annual General Meeting. The Board of Directors recommends appointment of M/s Sarath & Associates, as Statutory Auditors of the Company for the financial year 2013-14.

Public Deposits:

The Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules framed there under.

Particulars of employees:

None of the employees are in receipt of the remuneration as set out under Section 217(2A) of the Companies Act, 1956 and as such the statement as required under Section 217(2A) of the Companies Act, 1956 is not applicable.

Employee stock option plans

Disclosures in accordance with Clause 12 of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 are provided in the Annexure 'A' forming part of this report.

Listing of shares

The shares of the company are listed on National Stock Exchange and on the Bombay Stock Exchange Limited (BSE) under INDONEXT model. The listing fee for the year 2013-14 has already been paid to the NSE and the BSE.

Corporate Governance:

In accordance with Clause 49 of the Listing Agreement, a report on Corporate Governance along with the Practicing Company Secretary Certificate on compliance of conditions of Corporate Governance is annexed herewith and forms part of this report.

Directors' Responsibility Statement

In compliance to the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm the following:

- (i) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- (ii) that the directors had selected such 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 and of the profit or loss of the company for that period;
- (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.

Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The company has no activities relating to Conservation of Energy, Technology Absorption. The company has no Foreign Exchange earnings and Outgo during the year under review.

Acknowledgements:

Your Directors thank all the members, banks and regulatory and governmental authorities for their continued support. We take this opportunity to place on record our sincere thanks to our Bankers, State and Central Government agencies for their timely support, co-operation and valuable guidance.

Place : Hyderabad
Date : September 07, 2013

For and on behalf of the Board
P Parthasarathi
Chairman

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on code of governance

The concept of Corporate Governance hinges on total transparency, integrity and accountability of the management team. Your Company has been following the Corporate Governance practices like striking out reasonable balance in the composition of Board of Directors, setting up Audit Committee and other business committees, adequate disclosures and business to be deliberated by the Board etc. Your Company is committed to follow good Corporate Governance practices and improve upon them year after year.

2. Board of Directors

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors with not less than Fifty percent of the Board of Directors comprising of Non-Executive Directors. The Company has Executive Chairman and 50% of the Board consisting of Independent and Non-Executive Directors.

a) Composition and Category of Board of Directors

Category	No. of Directors	% of Total Board
Promoter, Executive and Non-Independent Director	00	0%
Executive Director(s)	01	20%
Non-Executive Director(s)	01	20%
Non-Executive and Independent Director	03	60%
Total	05	100%

b) Attendance of each Director at the Board Meetings held during year 2012-13 and at the Last Annual General Meeting;

Sl. No.	Name and Designation of the Director	Board Meetings held during the year	Board Meetings Attended during the year	Attendance at Last AGM (Yes/No)
1.	Mr P Parthasarathi	6	6	Yes
2.	Mr D V S Prakash Rao (Appointed w.e.f. November 14, 2012)	6	2	NA
3.	Mr P Srinivasu	6	6	Yes
4.	Mr T Naresh Kumar	6	6	Yes
5.	Mr Y Ramesh	6	6	Yes
6.	Mr Venkat S Meenavalli, Chairman Resigned wef November 14, 2012	6	4	Yes
7.	Mr Vishal Shyam Gurnani, Director Resigned wef November 14, 2012	6	4	No

c) Number of other Boards or Board Committees in which Directors are Member or Chairperson.

Name of the Director	Board@		Committee	
	Chairman	Director	Chairman	Member
Mr P Parthasarathi	Nil	3	2	Nil
Mr D V S Prakash Rao	Nil	1	Nil	Nil
Mr P Srinivasu	Nil	3	Nil	Nil
Mr T Naresh Kumar	Nil	1	Nil	2
Mr Y Ramesh	Nil	1	Nil	2

@Directorships in Foreign Companies are excluded

d) Number of Board meetings held, dates on which held

The Board of Directors met 6 times during the year 2012-13 on May 30, 2012, July 16, 2012, August 14, 2012, September 03, 2012, November 14, 2012 and February 15, 2013.

3. Audit Committee

The Audit Committee was constituted in terms of Section 292A of the Companies Act, 1956 and as per the provisions of Clause 49 of the Listing Agreement. The Audit Committee consists of Independent Directors and provides assistance to the Board of Directors in fulfilling its overall responsibilities. The Company Secretary of the Company act as Secretary of the Committee

i. Brief description of terms of reference;

The terms of reference of the Audit Committee are in conformity with the provisions of Clause 49 of the Listing Agreement which inter alia, including the following:

- Overseeing of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing the adequacy of internal audit functions.
- Reviewing the quarterly and annual financial statements before submission to the Board.
- Reviewing the adequacy of internal control and their compliance thereof.
- Reviewing the company's financial and risk management policies.

ii. Composition, name of members and Chairperson

The composition of Audit Committee is as follows:

1. Mr P Parthasarathi - Chairman
2. Mr T Naresh Kumar - Member
3. Mr Y Ramesh - Member

iii. No. of Meetings held and dates during the year

During the Financial Year 2012-13, the Audit Committee met 4 times on the following dates: 30th May 2012, 14th August 2012, 14th November 2012 and 15th February 2013

4. Compensation / Remuneration Committee

The composition of Compensation / Remuneration Committee is as follows:

1. Mr P Parthasarthi - Chairman
2. Mr T Naresh Kumar - Member
3. Mr Y Ramesh - Member

(a) Brief description of terms of reference

The terms of reference of the Compensation Committee, interalia include determination of compensation package of Executive Directors and Senior Management of the Company and to frame policies and procedures for Employee Stock Option plans approved by the members of the company.

(b) Remuneration policy

The Company has a credible and transparent policy in determining and accounting for the remuneration of the Executive/ Non executive Directors. Their remuneration is determined in accordance with the experience and nature of responsibilities as well as industry standards. The same is subject to the approval of the Remuneration Committee of the Board of Directors and the members.

5. Shareholders / Investor Grievance Committee:

The composition of Shareholders/Investors' Grievance Committee is as follows:

1. Mr D V S Prakash Rao - Chairman (wef November 14, 2012)
2. Mr P Parthasarthi - Member
3. Mr Y Ramesh - Member
4. Mr Venkat S Meenavalli - Chairman (till November 13, 2012)

The Investors' Grievance Committee focuses on shareholders' grievances and strengthening of investor relations. The functions of the committee include the redressal of shareholders/investor complaints/grievances pertaining to transfers/transmissions of shares, dividend, and dematerialization of shares, replacement of lost/stolen/mutilated share certificates and other related issues. There are no complaints pending as on the date of this report.

The details of investor's complaints received and resolved during the financial year 2012-13 is as under.

No. of Investor's Complaints received during the financial year 2012-13	No. of Investor's Complaints resolved during the financial year 2012-13	Investor Complaints pending at the end of financial year 2012-13
2	2	Nil

6. General Body Meeting**Details date, time and venue of the last three Annual General Meetings of the Company**

<i>Financial year ended</i>	<i>Date</i>	<i>Venue</i>	<i>Time</i>
March 31, 2012	29.09.2012	Kalinga Cultural Trust, Plot No.1269, Road No.12, Banjara Hills, Hyderabad-500034	10.30 A.M.
March 31, 2011	30.09.2011	Kalinga Cultural Trust, Plot No.1269, Road No.12, Banjara Hills, Hyderabad-500034	10.30 A.M.
March 31, 2010	30.09.2010	Bhaskara Auditorium, BM Birla Museum, Adarsh Nagar, Hyderabad-500034	4.30 P. M

No special resolution has been passed by the Company in the last year through postal ballot. As on date, the company does not have any proposal to pass any special resolution by way of postal ballot.

7. Disclosures

- i. The summary of the materially significant relating party transactions is given in the Notes to the Accounts appearing in this Annual Report. However, none of the related party transactions have potential conflict with the interests of the Company at large, as all the transactions were entered into on an arms-length basis.
- ii. The Company has complied with all the requirements of the Listing Agreement of the Stock exchanges as well as regulations and guidelines of SEBI. No penalties have been levied or strictures have been passed by SEBI, Stock Exchanges or any other Statutory Authority on matters relating to capital markets, in the last three years. There were no non-compliances by the company, penalties, strictures imposed on the company by Stock Exchanges or SEBI or any statutory authority, on any matter related to Capital Market during the last three financial years.
- iii. The Company has complied with the requirements relating to Corporate Governance as mandated by Listing Agreements with the Stock Exchanges and also with the nonmandatory requirements as Remuneration Committee, Disclosures, Communication and General Information to the shareholders.

8. Means of Communication

The main source of information to the shareholders is the annual report of the Company, which includes, inter alia, Directors' Report and the Report of Board of Directors on Corporate Governance, Management Discussion and Analysis Report and the audited financial results together with the auditors report. Pursuant to Clause 51 of the Listing Agreement, all data related to quarterly financial results, shareholding pattern etc., are hosted on the Electronic Data Information Filing and Retrieval (EDIFAR) website maintained by SEBI in association with the National Informatics Centre, within the time frame prescribed in this regard. The quarterly /

audited results are also published for the information of the shareholders in “The Financial Express” (English Language) and “Andhra Prabha” (Telugu Language) daily newspapers, intimation to Stock Exchanges as required under the Listing Agreements and through press releases.

9. Management Discussion and Analysis Report

As required by sub-clause V of Clause 49 of the Listing Agreement, Management Discussion and Analysis Report is annexed to the Directors' Report.

10. General Shareholders Information:

I. Annual General Meeting:

- Date : 30th September, 2013
Time : 10.30 A.M.
Venue : Kalinga Cultural Trust, Banjara Hills, Hyderabad
- ii. **Financial Year** : 1st April to 31st March
- iii. **Date of Book Closure** : 28th September 2013 to 30th September, 2013
(both days inclusive)
- iv. **Listing on Stock Exchange** : National Stock Exchange &
Bombay Stock Exchange Limited
- v. **Stock Symbol & Code** : GREENFIRE (NSE) & 590057 (BSE)
- vi. **Market price data** : High / Low during the each month in the
financial year 2012-13 and performance in comparison to
broad based indices, Sensex (BSE) etc.,

Month & Year	BSE				NSE			
	Stock (Rs)		SENSEX		Stock (Rs)		NIFTY	
	High	Low	High	Low	High	Low	High	Low
April 2012	9.43	6.08	17,664.10	17,010.16	9.50	5.70	5378.75	5154.30
May 2012	8.45	6.50	17,432.33	15,809.71	8.70	6.55	5279.60	4788.95
June 2012	7.99	6.65	17,448.48	15,748.98	8.10	6.65	5286.25	4770.35
July 2012	8.44	6.90	17,631.19	16,598.48	8.40	6.90	5348.55	5032.40
August 2012	Nil	Nil	17,972.54	17,026.97	Nil	Nil	5448.60	5164.65
September 2012	Nil	Nil	18,869.94	17,250.80	Nil	Nil	5735.15	5215.70
October 2012	4.99	2.81	19,137.29	18,393.42	3.50	2.75	5815.35	4888.20
November 2012	3.96	2.05	19,372.70	18,255.69	3.70	2.10	5885.25	5548.35
December 2012	3.20	1.82	19,612.18	19,149.03	3.00	1.85	5965.15	5823.15
January 2013	2.27	1.18	20,203.66	19,508.93	2.20	1.40	6111.80	5935.20
February 2013	1.64	1.14	19,966.69	18,793.97	1.65	1.15	6052.95	5671.90
March 2013	1.30	0.86	19,754.66	18,568.43	1.30	0.80	5971.20	5604.85

vii. Registrar and Transfer Agent:

M/s. CIL Securities Ltd.
 214, Raghava Ratna Towers,
 Chirag Ali Lane, Hyderabad - 500 001.
 Tel : 91-40-2320 2465, 2320 3155, Fax : 91-40-2320 3028
 E-mail: cilsec@hotmail.com

viii. Share Transfer System:

Share transfers are registered and returned within a period of fifteen days from the date of receipt, if the documents are in order in all respects.

ix. Distribution of shareholding:

Category	Number of Members	(%) of Total Members	Number of Equity Shares	(%) of Total Shareholding
0-500	13405	67.03	2512002	2.61
501-1000	2629	13.15	2281545	2.37
1001-2000	1508	7.54	2421451	2.52
2001-3000	680	3.40	1782432	1.85
3001-4000	327	1.64	1202894	1.25
4001-5000	341	1.71	1649093	1.72
5001-10000	523	2.62	4000727	4.16
10001-above	586	2.93	80258292	83.51
Total	19999	100	96108436	100

xvii. Dematerialization of shares and Liquidity:

As on 31st March 2013, 99.96% of the paid up equity capital of the Company has been dematerialized and the trading of Equity shares in the Stock Exchanges is under compulsory dematerialization.

ISIN: INE217G01027

viii. Address for correspondence:

Company Secretary
Green Fire Agri Commodities Limited
 S D E Serene Chambers, 8-2-334, 1st Floor, South Eastern Wing,
 Road No-7, Banjara Hills, Hyderabad-500034, Andhra Pradesh, India
 Tel: +91-40-23548353/8536, Fax:+91-40-23548537
 URL: www.greenfireagritech.com

11. Management Discussion and Analysis

The detail of Management Discussion and Analysis Report is enclosed to this report.

**CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF
GREEN FIRE AGRI COMMODITIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by Green Fire Agri Commodities Limited , for the year ended March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of Investor Grievances no such Grievances are pending for a period exceeding one month against the Company as per the record maintained by the Shareholders/Investors Grievance Committee.

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

S Sarveswar Reddy
Practicing Company Secretary
CP No. 7478

Place: Hyderabad
Date: September 6, 2013

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development/CEO Message

Global Economy Scenario

Four years after the eruption of the global financial crisis, the world economy is still struggling to recover. During 2012, global economic growth has weakened further. A growing number of developed economies have fallen into double-dip recession. Those in severe sovereign debt distress moved even deeper into recession, caught in the downward spiraling dynamics from high unemployment, high public debt burdens. Growth in the major developing countries and economies in transition has also decelerated notably, reflecting both external and domestic challenges. The United States economy weakened notably during 2012, and growth prospects 2013 and 2014 remain sluggish.

The Economies in developing Asia have weakened considerably during 2012 as the region's growth engines, China and India, both shifted into lower gear. While a significant deceleration of exports has been a key factor for the slowdown, the effects of policy tightening in the previous two years also linger. Domestic investment has softened markedly. Both China and India face a number of structural challenges hampering growth. India's space for more policy stimulus seems limited

Commodity Markets

For many commodities, the high price level reached in 2012 extended in 2013 with some significant bouts of volatility. After peaking during the first quarter of the year in the wake of the European Central Bank's (ECB) long-term refinancing operations having nurtured misperceptions about a rapid economic recovery, most commodity prices declined slightly during the second quarter. Prices of food and oil remained elevated in the third quarter, however as a result of adverse weather conditions in many countries and renewed strategic risk in the Middle East. By contrast, a grim global economic outlook further depressed prices of minerals, metals and ores. In the outlook, commodity exporters that have benefited from improved terms of trade over last few years remain exposed to downwards price pressures.

Product wise performance and Outlook

a. Wholesale Jewellery Operations:

Gold will become costlier by following government's decision to hike customs duty on the precious metal, according to jewellers and bullion traders. Gold price is ruling at Rs.29,825 per 10 gram in the national capital. India, the largest gold consumer in the world, imported 860 tonnes of gold in 2012. In the first three months of 2013 calendar year, import stood at 215 tonnes. Gold import stood at about 335 tonnes.

Green fire imports gold and silver through nominated Government agencies like MMTTC, Diamond India Ltd., STC etc. and converts into Gold Jewellery and Silver Jewellery through contract manufacturing units and sells to large Jewellery Houses / Retail Jewellery Traders on wholesale

basis and through our outlets Our Company stopped the gold trading business completely due to recent Government decision to hike customs duty on precious metal.

Presently the whole sale jewellery operations are being stopped by the company at Mumbai and Hyderabad.

b. Retail Jewellery Operations

During the year Green fire was closed their 4 retail jewellery outlets at Hyderabad, Mumbai, Rajahmundry and Warangal.

c. Agri Commodities

Presently the company is doing Agri Commodities business

Financial Highlights

(Rs.lakhs)

Particulars	Years ended 31 March 2013	Year ended 31 March 2012
Revenue		
Revenue from Operations	14,657.84	38,980.13
Other income	85.29	125.22
Total Revenue	14,743.13	39,105.35
Expenditure		
Purchase of stock in trade	14,222.39	37,990.97
Change in inventory stock-in trade	-	20.75
Operating expenses	604.66	208.08
Employee benefits expense	77.49	131.99
Finance costs	225.93	106.68
Depreciation expense	58.13	47.63
Other expenses	230.17	216.88
Total	15,418.77	38,722.98
Profit/(Loss) Before Tax	(675.64)	382.37
Less: Tax Expense	(29.55)	135.69
Profit/(Loss) After Tax	(646.09)	246.68
Earnings / (Loss) per share		
- Basic	(0.78)	0.50
- Diluted	(0.78)	0.26

Income from operations

The revenues decreased to Rs. 14,743.13 lakhs in FY'13 from Rs. 39,105.35 lakhs in FY'12. The revenues from trading Agri Commodities.

Gross Profit

During the FY'13 the company recorded loss of Rs.675.64 lakhs against profit of Rs.382.37 lakhs in FY'12

Net Profit

In FY'13 net loss of Rs. 646.09 lakhs were recorded against net profit of Rs. 246.68 lakhs in FY'12

Risk Management

Risk is attached to everything including business. The factors affecting the risk differ from business to business. The Company however, foresees various risks from competitors, unorganized sectors operating in the Industry, fluctuations in foreign exchanges rates, commodities rates, interest rate, commercial risk, change in Government policies and regulations and decision of the Management about the business which may effect over all profitability of the Company. However the Company has framed the policies so as to have minimum effect and to overcome the risks of the Business.

Internal Control systems and their adequacy

The Company has adequate internal control systems supplemented by internal audits by professional firms commensurate with its size and nature of business to ensure to safeguard and protect the interests and assets of the Company.

Cautionary Note

Statements in the Management Discussion and Analysis outlining the Company's estimates, perceptions and expectations may be forward looking statements within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed herein above due to certain factors which may be beyond the control of the Company.

CEO/CFO Certificate

I, D V S Prakash Rao, Wholetime Director & CEO of Green Fire Agri Commodities Limited (formerly Northgate Technologies Limited) certify that:

1. I have reviewed the financial statements for the year and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements present a true and fair view of the state of affairs of the Company and of the results of the operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.
2. There are, to the best our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's code of conduct.
3. I accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and statutory Auditors, and reports significant issues to the Audit Committee of the Board. The Auditors and Audit Committee are apprised of any corrective action taken with regard to significant deficiencies and material weakness.
4. I indicate to the Auditors and to the Audit Committee:
 - (a) Significant changes in internal controls over financial reporting during the year;
 - (b) Significant changes in the accounting policies during the year;
 - (c) No instances of significant fraud of which we have become aware of and which involve the management or other employees who have significant role in the Company's internal control system over financial reporting.

However, during the year there were no such changes and instances.

Place: Hyderabad
Date: May 30, 2013

D V S Prakash Rao
Wholetime Director & CEO

Independent Auditors' Report

To the members of Green Fire Agri Commodities Limited

Report on the Financial Statements

We have audited the attached Balance Sheet of **GREEN FIRE AGRI COMMODITIES LIMITED** ('the Company') (*formerly Northgate Technologies Limited*) which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date and a summary of Significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the 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 Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- ii) In the case of the Statement of Profit and Loss of the Loss for the year ended on that date; and
- iii) In the case of 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 issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956("Act") of India (the Act) and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by section 227 (3) of the Act, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (ii) 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.
 - (iii) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in Sub Section 3(c) of Section 211 of the Companies Act, 1956; and
 - (v) On the basis of written representations received from the directors as on 31st March, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (vi) Since the Central Government has not issued any notification as the rate at which the Cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For SARATH & ASSOCIATES
Firm Regn. No. 005120S
Chartered Accountants

Place: Hyderabad
Date: May 30, 2013

G.L.N. PRASAD
Partner
Membership No. 214735

**Annexure referred to in paragraph 1 under the heading
“Report on other legal and regulatory requirements” of our report of even date**

- 1.1 According to the information and explanations furnished to us, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- 1.2 As informed to us, the Company had carried out the physical verification of Fixed Assets during the year under review and such verification did not reveal any material discrepancies.
- 1.3 According to the information and explanations furnished to us, the company has not disposed off substantial part of fixed assets during the year, which affects the going concern status of the company.
- 2.1 As per the information and explanations given to us, as the Company does not hold any inventories viz. Finished Goods, Stores, Spare Parts, Goods in Process and Raw Materials at any time during the year, the provisions of clause 4(ii)(a), 4(ii)(b) and 4(ii)(c) of the Order are not applicable to the Company for the current year.
- 3.1 As per the information and explanations given to us, the company has not granted any loans, secured or unsecured to Companies, Firms or other parties covered in the register maintained under Section 301 of the Act. Hence the provisions of Clause 4(iii)(a) to (d) are not applicable to the Company for the current year.
- 3.2 As per the information and explanations given to us, the company has taken loan from a company covered in the register under Section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was Rs.731 Lakhs and the year end balance of such loan was Rs. 196 Lakhs
- 3.3 In our opinion, the rate of interest and other terms and conditions for the above loan taken by the company listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
- 3.4 According to the information and explanations given to us, the tenure and repayment terms have not been specified for the above mentioned loans. Consequently, we are unable to comment on paragraph 4(iii)(g) of the Order.
- 4 In our opinion and according to the information and explanations given to us, there are adequate Internal Control Systems commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets and sale of services. Further, during the course of our audit, we have not come across any instances of continuing failure to correct major weakness in internal control system.

- 5.1 According to the information and explanations given to us and as informed by the Management, the particulars of contracts or arrangements of the Company which needs to be entered into the register maintained under Section 301 of the Act, have been entered in the register maintained Under Section 301 of the Act.
- 5.2 In our opinion and according to the information and explanations given to us, the transactions made in pursuance of an arrangement referred to in (5.1) above and exceeding the value of Rs 5 lakhs during the year have been made at prices which are reasonable having regard to the prevailing market price at the relevant time.
- 6 In our opinion and according to the information and explanations given to us, as the company has not accepted any deposits from public covered by directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Act and the rules made there under, the provisions of clause 4(vi) of the Order are not applicable to the company for the current year.
- 7 In our opinion, the Company has an internal audit system commensurate with the nature and size of its business
- 8 According to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956, for any of the activities of the Company, and hence, the provisions of clause 4(viii) are not applicable to the Company for the current year
- 9.1 According to records of the Company and as per the information and explanations given to us, there are few delays in depositing with the appropriate authorities, the undisputed statutory dues pertaining to Income Tax, Sales Tax, Service Tax, Customs Duty and Other material statutory dues applicable to it, and there were undisputed statutory dues in arrears, as at the date of balance sheet under report, for a period of more than six months from the date they become payable, which are mentioned below:

Sl.No	Particulars	Amount
1	VAT-Mumbai	12,42,959
2	VAT-AP	8,925
3	Income Tax	64,37,766
4	TDS Payable	74,490
	TOTAL	77,64,140

- 9.2 As per the records of the Company there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty or Cess which have not been deposited on account of any dispute as on 31.03.2013, except as mentioned below

Sl. No.	Name of Statute	Asst. Year	Amount (Rs)	Forum Where dispute is pending
1	Income Tax	2006-07	5,61,74,100	CIT appeals & ITAT
2	Income Tax	2007-08	87,57,770	ITAT

- 10 *As per the information and explanations given to us and on overall examination of the financial statements of the Company, for the current and immediately preceding financial year, we report that accumulated losses at the end of the current financial year, exceeds fifty percent of its net worth and the company had incurred cash losses in the current financial year. However, the Company had not incurred cash losses in the immediately preceding financial year.*
- 11 *According to the information and explanations given to us and based on the documents and records produced to us, the company has not defaulted in payment of dues to the Financial Institution or Banks except for the repayment of interest on loan taken from one Bank. The amount and period of default being Rs.33,23,479 towards three months interest.*
- 12 According to the information furnished to us, as the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities to anybody during the year, the provisions of Clause 4(xii) of the Order are not applicable to the company for the current year.
- 13 In our opinion, as the company is not a chit fund, nidhi or a mutual benefit fund/society, the provisions of Clause 4(xiii) of the Order are not applicable to the company for the current year.
- 14 As the Company is not dealing or trading in shares, securities, debentures and other investments, the provisions of clause 4(xiv) the Order are not applicable to the company for the current year
- 15 As per the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions, the provisions of Clause 4(xv) of the Order are not applicable to the company for the current year.
- 16 As the Company had not availed any term loans, the provisions of Clause 4(xvi) of the Order are not applicable to the company for the current year.
- 17 According to information and explanations given to us, and on an overall examination of the balance sheet of the company, *we are of the opinion that funds amounting to Rs.647 Lakhs raised on short term basis have been used for long-term investment.*

- 18 As per the information and explanations given to us, as the company has not made any separate preferential allotment of shares to parties and companies covered in the Register maintained under the section 301 of the Act during the year, the provisions of Clause 4(xviii) of the Order are not applicable to the company for the current year. However, the Company had allotted shares to one entity where principal shareholders/ management personnel have control or significant influence over this enterprise, pursuant to the scheme of arrangement and amalgamation.
- 19 As the Company has not issued any debentures during the year, which requires creation of security or charge, the provisions of Clause 4(xix) of the Order are not applicable to the Company for the current year.
- 20 As the Company has not made any public issue during the year, the provisions of clause 4 (xx) of the Order are not applicable to the company for the current year.
- 21 During the course of examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as per the representation given by the Company and relied on by us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor we have been informed of such cases by the management.

For SARATH & ASSOCIATES
Firm Regn. No. 005120S
Chartered Accountants

G.L.N. PRASAD
Partner

Membership No. 214735

Place : Hyderabad
Date : May 30, 2013

Balance Sheet As at 31 March 2013*(all amounts in Indian Rupees, except share data and otherwise stated)*

Particulars	Note	As at 31 March 2013	As at 31 March 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	97,393,544	50,303,698
Shares pending allotment	2.1A	-	47,089,846
Reserves and surplus	2.2	(91,089,279)	(36,831,387)
		6,304,265	60,562,157
Non-current liabilities			
Long term provisions	2.3	134,296	210,021
		134,296	210,021
Current liabilities			
Short-term borrowing	2.4	175,038,593	48,174,727
Trade payables	2.5	5,700,723	186,985,536
Other current liabilities	2.6	35,204,660	29,737,194
Short term provisions	2.7	9,709,657	13,818,048
		225,653,633	278,715,505
		232,092,194	339,487,683
ASSETS			
Non current assets			
Fixed assets			
- Tangible assets	2.8	47,823,917	63,108,999
- Intangible assets		-	-
Deferred tax assets (net)	2.9	-	678,297
Long term loans and advances	2.10	23,349,071	23,432,500
		71,172,988	87,219,796
Current assets			
Trade receivables	2.11	135,726,284	121,444,451
Cash and bank balances	2.12	1,293,840	68,694,409
Short term loan and advances	2.13	23,899,082	62,129,027
		160,919,206	252,267,887
		232,092,194	339,487,683
Significant accounting policies	1		
Notes to accounts	2		
<p>The notes referred to above form an integral part of balance sheet. As per our report attached for Sarath & Associates for Green Fire Agri Commodities Limited Chartered Accountants Firm's registration No.: 05120S</p> <p>G L N Prasad D.V.S. Prakash Rao P. Srinivasu Partner <i>Wholetime Director</i> <i>Director</i> Membership No.: 214735</p> <p>Khushboo Joshi Company Secretary</p> <p>Place: Hyderabad Date: 30 May 2013</p>			

Statement of Profit and Loss Account for the year ended 31 March 2013

(all amounts in Indian Rupees, except share data and otherwise stated)

Particulars	Note	For the year ended 31 March 2013	For the year ended 31 March 2012
Revenue from operations			
Income from operations	2.14	1,465,783,611	3,898,013,690
Other income	2.15	8,528,584	12,521,759
Total revenue		1,474,312,195	3,910,535,449
Expenses			
Purchase of stock-in-trade	2.16	1,422,239,205	3,799,097,057
Change in inventory of stock-in-trade	2.17	-	2,074,740
Operating expenses	2.18	60,465,621	20,808,448
Employee benefits expense	2.19	7,749,099	13,199,210
Finance costs	2.20	22,592,637	10,668,361
Depreciation expense	2.8	5,813,238	4,763,326
Other expenses	2.21	23,016,592	21,687,588
Total expenses		1,541,876,392	3,872,298,730
Profit /(loss) before tax		(67,564,197)	38,236,719
Tax expense			
- Current tax		-	13,569,419
- Current tax for earlier years		(3,633,651)	713,625
- Deferred tax charge		678,297	(713,829)
Profit /(loss) after tax		(64,608,843)	24,667,504
Earning per share (face value of share Re.1 each) [previous year: Re.1 each]	2.22		
- Basic		(0.78)	0.50
- Diluted		(0.78)	0.26
Significant accounting policies	1		
Notes to accounts	2		

The notes referred to above form an integral part of the Statement of profit and loss.

As per our report attached
for **Sarath & Associates**
Chartered Accountants

Firm's registration No.: 05120S

G L N Prasad

Partner

Membership No.: 214735

for **Green Fire Agri Commodities Limited**

D.V.S. Prakash Rao

Wholetime Director

P. Srinivasu

Director

Khushboo Joshi

Company Secretary

Place: Hyderabad

Date: 30 May 2013

Cash flow statement for the year ended 31 March 2013*(all amounts in Indian Rupees)*

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
I. Cash flows from operating activities		
Net profit/(loss) before taxation	(67,564,197)	38,236,719
Adjustments for operating activities:		
Depreciation and amortisation	5,813,238	4,763,326
Fixed assets abandoned, net	9,310,344	-
Interest income	(8,061,329)	(11,857,709)
Provision Written off	(156,063)	-
Interest expense	22,592,637	9,293,672
Operating profit/(loss) before working capital changes	(38,065,370)	40,436,008
Adjustments for		
Decrease/(increase) in trade receivables	(14,281,833)	(121,222,641)
Decrease in inventories	-	2,074,740
Increase in trade payables	(181,284,813)	184,675,139
Increase in loans and advances	38,313,374	(26,045,798)
Increase/(decrease) in liabilities and provisions	5,398,065	29,188,232
Cash generated from operations	(189,920,577)	109,105,680
Income taxes paid/(received)	-	(3,670,851)
Net cash flow from operating activities (A)	(189,920,577)	105,434,829
II. Cash flows from investing activities		
Purchase of fixed assets	(2,313,500)	(67,148,639)
Proceeds from sale of fixed assets	2,150,000	-
Intercorporate corporate deposits given, net	-	(28,842,819)
Loans from bank	152,047,606	-
Interest received	8,061,329	9,449,088
Net cash flow used in investing activities (B)	159,945,435	(86,542,370)
III. Cash flows from financing activities		
Proceeds from issue of shares (net of share issue expenses)	-	-
Intercorporate deposit taken, net	(25,183,740)	48,174,727
Share application money received / (returned back)	-	(25,000,000)
Interest paid	(22,592,637)	(7,473,079)
Net cash from financing activities (C)	(47,776,377)	15,701,648
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(77,751,520)	34,594,107
Effect of exchange gain or loss on cash and cash equivalents	-	-
Net cash received pursuant to the Scheme (refer Note 1 below)	10,350,951	33,374,671
Cash and cash equivalents at the beginning of the year	68,694,409	725,631
Cash and cash equivalents at the end of the year (refer note 2.13)	1,293,840	68,694,409
Note: 2. In view of note 1 above, the current year's figures are not comparable with those of the previous year.		
As per our report attached for Sarath & Associates Chartered Accountants Firm's registration No.: 05120S	for Green Fire Agri Commodities Limited	
G L N Prasad Partner Membership No.: 214735	D.V.S. Prakash Rao Wholetime Director	P. Srinivasu Director
	Khushboo Joshi Company Secretary	
Place: Hyderabad Date: 30 May 2013		

Note 1: Significant accounting policies

Overview

Green Fire Agri Commodities Limited (“the Company”) was incorporated as Garden Style Private Limited on 11 June 1991. The name of the Company was subsequently changed from Northgate Technologies Limited to Green Fire Agri Commodities Limited on 20 July 2012. The company mainly engaged in Commodities trading business.

(a) Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards ('AS') prescribed by the Companies (Accounting Standards) Rules, 2006 ('the Rules') and the provisions of the Companies Act, 1956, (“the Act”) to the extent applicable. These financial statements have been prepared and presented in Indian rupees (Rs).

(b) Use of estimates

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

(c) Fixed assets and depreciation

Fixed assets are carried at the cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised.

Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date are disclosed as “capital advances” under Long term loans and advances and the cost of fixed assets not ready for their intended use before such date are disclosed as “capital work-in-progress” under the head Fixed assets.

Depreciation on fixed assets is provided using the straight-line method at rates specified/ estimated by management in compliance with the rates specified under Schedule XIV to the Companies Act, 1956. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or otherwise disposed off. Individual assets costing Rs. 5,000 or less are depreciated in full in the year of acquisition. Leasehold improvements are amortised over the primary period of the lease or estimated useful life of the asset, whichever is lower.

Significant accounting policies (continued)**(d) Intangible assets and amortisation**

Acquired intangible assets are recorded at the consideration paid for their acquisition. Internally developed intangible assets are capitalised at their cost of development, only if they meet the recognition criteria of AS 26 “Intangible Assets”. Intangible assets are amortised over their estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

(e) Inventories

Inventories of traded products are valued at the lower of cost and net realisable value. Cost comprises purchase price and all incidental expenses incurred in bringing the inventory to its present location and condition. The Company follows the first in first out (FIFO) method for determining the cost of such inventories.

(f) Foreign exchange transactions

Foreign currency transactions during the year are recorded at the rates of exchange prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognized in the profit and loss account of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date, the resultant exchange differences are recognised in the profit and loss account. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(g) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The revenue from sale of commodities is recognised when all significant risks and rewards of ownership of goods are passed to the buyer (ie. On Physical Delivery), in accordance with the terms and conditions of the contracts entered into by the Company with customers.

Brokerage income is recognised when customer orders are executed on the commodity exchanges. Income from interest on deposits and interest bearing securities is recognised on the time proportionate method using the underlying interest rates.

(h) Earnings per share

The basic earnings per share (“EPS”) is computed by dividing the net profit after tax (including post tax effect of any extraordinary items) for the year by the weighted average number of equity shares outstanding during the year. The Company does not have any potentially dilutive equity shares as at the year-end.

Significant accounting policies (continued)

(i) Taxes on income

Income tax expenses comprise of current tax and deferred tax.

Current tax

The current charge for the income taxes is calculated in accordance with the relevant tax laws applicable to the Company.

Deferred tax

Deferred tax charge or benefit reflects the tax effects of timing differences between accounting income and taxable income, which originate during the year but reverse after the tax holiday period. The deferred tax charge or benefit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and written-down or written-up to reflect the amount that is reasonably / virtually certain to be realised. The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

(j) Leases

Assets acquired under lease, where the Company has assumed substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of the lease, at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower.

Assets acquired under lease, where a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating lease. Lease payments under operating leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

(k) Provisions and contingent liabilities

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

Significant accounting policies (continued)

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at lower of the expected cost of terminating the contract and the expected net cost of fulfilling the contract.

(l) Retirement benefits

Provision for gratuity, which is a defined benefit scheme, is accrued based on actuarial valuation at the balance sheet date, carried out by an independent actuary. The Company recognises the net obligation of the gratuity plan in the balance sheet as an asset or liability respectively in accordance with AS-15 "Employee Benefits".

Long term compensated absences is accrued based on actuarial valuation at the balance sheet date, carried out by an independent actuary.

Contributions to the employees' provident fund are charged to the statement of profit and loss. Such contributions are made to the authorities administering the fund.

(m) Impairment of assets

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

(n) Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2. Notes on accounts

(all amounts in Indian Rupees, except share data and otherwise stated)

2.1 Share capital

Particulars	As at 31 March 2013	As at 31 March 2012
Authorised Equity shares 560,000,000 (previous year : 560,000,000) equity of Rs.1 each (previous year: Rs. 1 each)	560,000,000	560,000,000
	560,000,000	560,000,000
Issued 96,108,436 (previous year : 49,018,590) equity shares of Re.1 each fully paid up (previous year: Rs.1 each)	96,108,436	49,018,590
Subscribed and fully paid up 96,108,436 (previous year : 49,018,590) equity shares of Re.1 each fully paid up (previous year: Rs.1 each) Add: Forfeited share capital (Note i)	96,108,436	49,018,590
	1,285,108	1,285,108
	97,393,544	50,303,698

2.1A Shares pending allotment

Equity shares pending allotment Nil (previous year :47,089,846) equity shares of Re.1 each pending allotment pursuant to the Approved Scheme. (Note (ii))	-	47,089,846
Notes: (i) Represents amount received towards 1,076,600 (previous year: 1,076,600) equity shares forfeited due to non payment of call money.	-	47,089,846
(ii) 47,089,846 equity Shares of ` 1 each allotted on 16th July, 2012 pursuant to the Approved Scheme .		

The details of shareholder holding more than 5% equity shares is set below: *

Name of Shareholder	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Stampede Holdings Limited	36,795,809	38.29%	-	-
Meenavalli Venkata Srinivas	-	-	3,254,586	6.6%
Meenavalli Usha Rani	-	-	3,226,360	6.6%
Cresta Fund Limited	-	-	4,500,000	9.2%
India Focus Cardinal Fund	-	-	3,814,949	7.8%
Albula Investment Fund Limited	-	-	2,832,492	5.8%

Notes on accounts (continued)*(all amounts in Indian Rupees, except share data and otherwise stated)***The reconciliation of the number of equity shares outstanding is set out below:**

Particulars	As at 31 March 2013		As at 31 March 2012	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	49,018,590	49,018,590	49,018,590	490,185,900
Shares issued during the year	47,089,846	47,089,846	-	-
Shares outstanding at the end of the year	96,108,436	96,108,436	49,018,590	490,185,900

During the year 2011-12, pursuant to the composite scheme of arrangement and amalgamation, the face value of equity shares reduced from Rs.10 to Rs.1. The amount reduced has been credited to Capital reorganisation account. The Capital reorganisation account has been utilised towards adjustment of debit balance statement of profit and loss as per the scheme.

During the year beginning from 01 April 2007 to 31 March 2013, the Company has issued 16,514,295 equity shares by way of fully paid bonus shares on 03 September 2007 and 47,089,846 equity shares of Rs. 1 each issued as per the Approved Scheme for consideration other than cash.

2.2 Reserves and surplus

Particulars	As at 31 March 2013	As at 31 March 2012
Capital reserve account	1,671,142	1,671,142
Securities premium account		
Opening balance	-	2,733,222,612
Add: Addition on issue of equity shares	-	-
Less: Adjustment pursuant to the Approved Scheme	-	(2,733,222,612)
Closing balance	-	-
Capital reorganisation account		
Opening balance	-	-
Add: Pursuant to reduction of equity share capital	-	864,975,924
Less: Adjustment pursuant to the Approved Scheme	-	(864,975,924)
Add: Addition on reduction of equity share capital	-	-
Closing balance	-	-
Balance in statement of profit and loss		
Opening balance	(38,502,529)	(2,499,092,168)
Add: Adjustment pursuant to the approved Scheme	-	2,435,922,135
Adjustment with respect to excess of assets over liabilities of previous year (Note 1)	10,350,951	-
Add: Profit after tax	(64,608,843)	24,667,504
Closing balance	(92,760,421)	(38,502,529)
Total	(91,089,279)	(36,831,387)

Notes on accounts (continued)

(all amounts in Indian Rupees, except share data and otherwise stated)

Note:

**1. Assets and liabilities not considered in previous year
as per the approved scheme of merger**

Particulars	As at 31 March 2013	As at 31 March 2012
Advance tax paid	22,345,335	-
MAT credit entitlement	9,100,000	-
Provision of tax	(21,094,384)	-
	10,350,951	-

2.3 Long term provisions

Particulars	As at 31 March 2013	As at 31 March 2012
Provision for employee benefits		
- Gratuity (Refer note.2.25)	125,501	201,226
- Compensated absences	8,795	8,795
	134,296	210,021

2.4 Short term borrowing

Particulars	As at 31 March 2013	As at 31 March 2012
<i>Secured, considered good</i>		
Working capital demand loan from Dhanalakshmi Bank (Secured against 8.1 acres land and 4,000 Sq Yds land and building at Chevella and pari-passu charge on Current assets of the company)	96,391,766	-
Working capital demand loan from Corporation Bank Secured against pari-passu charge on current assets of the company	55,655,840	-
<i>Unsecured, considered good</i>		
Loans and advances from related party	22,990,987	48,174,727
	175,038,593	48,174,727

Notes on accounts (continued)*(all amounts in Indian Rupees, except share data and otherwise stated)***2.5 Trade payables**

Particulars	As at 31 March 2013	As at 31 March 2012
Trade payables		
- Amounts due to Micro, Small and Medium Enterprises (Refer Note: 2.24)	-	-
- Others	5,700,723	186,985,536
	5,700,723	186,985,536

2.6 Other current liabilities

Particulars	As at 31 March 2013	As at 31 March 2012
Advance from customers	30,588,345	25,120,138
Interest accrued and due on borrowing	-	1,820,595
Accrued expenses	1,606,877	777,127
Employee payables	506,962	806,231
Unclaimed dividend	394,258	-
Statutory dues	2,108,218	1,213,103
	35,204,660	29,737,194

2.7 Short term provisions

Particulars	As at 31 March 2013	As at 31 March 2012
Provision for taxation		
- Provision for taxation	9,708,165	13,815,315
Provision for employee benefits		
- Compensated absences	1,492	2,733
	9,709,657	13,818,048

Notes on accounts (continued)
(all amounts in Indian Rupees, except share data and otherwise stated)

2.8 : Fixed assets

Particulars	Gross block			Depreciation/ Amortisation			Net block		
	As at 1 April 2012	Additions during the year	Deletions during the year	As at 31 March 2013	As at 1st April 2012	Charges for the year	On Deletions	As at 31 March 2013	As at 31 March 2012
Tangible Assets									
Land	43,139,562	-	-	43,139,562	-	-	-	43,139,562	43,139,562
Building	5,276,579	-	-	5,276,579	850,699	1,055,316	-	3,370,564	4,425,880
Computers	951,419	-	-	951,419	122,266	154,225	-	674,928	829,153
Furniture and fixtures	418,230	-	-	418,230	30,482	26,474	-	361,274	387,748
Office equipment	287,814	13,500	-	301,314	9,427	14,298	-	277,589	278,387
Vehicle	-	2,300,000	2,300,000	-	-	131,100	-	-	-
Leasehold improvements	17,825,000	-	17,825,000	-	3,776,731	4,431,825	8,208,556	-	14,048,269
Total	67,898,604	2,313,500	20,125,000	50,087,104	4,789,605	5,813,238	8,339,656	2,263,187	63,108,999

Intangible Assets

Goodwill	16,382,330	-	16,382,330	-	16,382,330	-	16,382,330	-	-
Software	23,290,616	-	23,290,616	-	23,278,993	-	23,278,993	-	11,623
Total	39,672,946	-	39,672,946	-	39,661,323	-	39,661,323	-	11,623

Grand Total

Current year	107,571,550	2,313,500	59,797,946	50,087,104	44,450,928	5,813,238	48,000,979	2,263,187	63,120,622
Previous year	84,708,396	67,898,604	84,708,396	67,898,604	70,647,502	4,789,605	70,647,502	4,789,605	63,108,999
									-

Notes on accounts (continued)*(all amounts in Indian Rupees, except share data and otherwise stated)***2.9 Deferred tax asset**

Particulars	As at 31 March 2013	As at 31 March 2012
Deferred tax is provided on all timing differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The deferred tax asset/(liability), net as on 31 March 2013 comprises of: Deferred tax asset		
Excess of depreciation allowable under Income tax laws over depreciation provided in the books	(69,028)	609,269
Additions u/s 43 B of Income Tax Act, 1961	69,028	69,028
Deferred tax asset, net	-	678,297

2.10 Long term loans and advances

Particulars	As at 31 March 2013	As at 31 March 2012
Other loans and advances		
Unsecured, considered good		
Capital advances	22,500,000	22,915,000
Security deposit	645,702	517,500
Prepaid expenses	203,369	-
	23,349,071	23,432,500

2.11: Trade receivables

Particulars	As at 31 March 2013	As at 31 March 2012
Unsecured, considered good		
Debts outstanding for period exceeding six months from the date they become due	42,762,110	-
Others	92,964,174	121,444,451
	135,726,284	121,444,451

2.12: Cash and bank balances

Particulars	As at 31 March 2013	As at 31 March 2012
Cash and cash equivalents		
Cash on hand	189,695	1,699,100
Balance with banks in current accounts	709,887	12,685,559
- in unclaimed dividend accounts	394,258	-
	1,293,840	14,384,659
Other bank balances		
Bank deposits with maturity of more than 3 months and less than 12 months.	-	54,309,750
	1,293,840	68,694,409

Notes on accounts (continued)

(all amounts in Indian Rupees, except share data and otherwise stated)

2.13: Short term loan and advances

Particulars	As at 31 March 2013	As at 31 March 2012
<i>Unsecured, considered good</i>		
Inter corporate deposit to related parties	-	28,842,819
Others		
Security deposit	9,803,453	18,848,443
Advance tax & tax deducted at source	12,673,616	-
Advance for purchases	39,618	11,364,167
Service tax receivable	-	498,353
Interest accrued but not due	1,280,310	2,473,160
VAT receivable	102,085	102,085
	23,899,082	62,129,027

2.14 Income from operations

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
Income from commodities trading		
- Bullion, jewellery and diamonds	802,868,887	3,800,862,805
- Food grains and maize	662,903,053	97,074,037
Other operating income	-	-
Brokerage and commission	11,671	76,848
	1,465,783,611	3,898,013,690

2.15 Other income

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
Interest income on fixed deposits	8,061,329	9,340,901
Interest income on inter corporate deposit	-	2,516,808
Foreign exchange gain, net	100,656	-
Provisions no longer required, written back	156,063	-
Miscellaneous income	210,536	664,050
	8,528,584	12,521,759

2.16 Purchase of stock-in-trade

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
Purchase of bullion, jewellery and diamonds	775,472,095	3,704,231,066
Purchase of food grains and maize	646,767,110	94,865,991
	1,422,239,205	3,799,097,057

Notes on accounts (continued)*(all amounts in Indian Rupees, except share data and otherwise stated)***2.17 Change in inventory of stock in trade**

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
Opening stock - Acquired through amalgamation		
- Bullion, jewellery and diamonds	-	2,074,740
- Food grains and maize	-	-
Less: Closing stock		
- Bullion, jewellery and diamonds	-	-
- Food grains and maize	-	-
	-	2,074,740

2.18 Operating expenses

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
Transaction charges	175,203	817,011
Brokerage charges	26,402,671	835,583
Processing fees	5,480,800	9,044,961
Communication charges	446,890	687,121
Freight and other expenses	237,852	305,793
Loss on commodity derivative trading	27,722,205	6,762,147
Forex transaction premium charges	-	2,355,832
	60,465,621	20,808,448

2.19 Employee benefits expense

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
Salaries	6,850,111	12,276,833
Contribution to provident fund and other funds	95,024	431,125
Staff welfare expenses	803,964	491,252
	7,749,099	13,199,210

2.20 Finance cost

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
Interest on inter-corporate deposit	5,775,985	2,138,955
Other borrowing cost	-	1,374,689
Bank guarantee charges	3,330,591	7,154,717
Interest on Bank loans	13,486,061	-
	22,592,637	10,668,361

Notes on accounts (continued)

(all amounts in Indian Rupees, except share data and otherwise stated)

2.21 Other expenses

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
Power and fuel	861,505	746,638
Rent	3,423,200	3,464,111
Repairs and maintenance	766,985	1,323,964
Rates and taxes	4,155,816	370,565
Insurance	86,134	6,751
Traveling and conveyance	358,381	865,241
Legal and professional fees	2,006,790	1,336,028
Sales promotion and advertisement	133,855	182,744
Bank charges	1,397,649	1,435,251
Bad debts written off	-	10,437,957
Professional advances written off	-	1,265,355
Books and periodicals	30,838	16,948
Printing and stationery	169,772	112,883
Impairment of assets	9,310,344	-
Miscellaneous expenses	315,323	123,152
	23,016,592	21,687,588

2.22 Earning per share (EPS)

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
a. Profit /(loss) after tax (Rs.)	(64,608,843)	24,667,504
Number of shares at the beginning of the year	49,018,590	49,018,590
Add: No. of equity shares issued during the year *	47,089,846	-
Total number of equity shares outstanding at the end of the year	96,108,436	49,018,590
Add: Equity shares pending allotment (potential equity shares)	-	47,089,846
Total number of equity shares including potential equity shares	96,108,436	96,108,436
b. Weighted average number of equity shares outstanding during the year.(Nominal value Re.1)[previous year: Re.1]	82,433,029	49,018,590
c. Weighted average number of equity shares outstanding during the year.(Nominal value Re.1)[previous year: Re.1]	82,433,029	96,108,436
d. Earnings per share (Rs.)		
- Basic	(0.78)	0.50
- Diluted	(0.78)	0.26

* 47,089,846 equity Shares of Re. 1 each allotted on 16th July, 2012 pursuant to the Approved Scheme .

Notes on accounts (continued)*(all amounts in Indian Rupees, except share data and otherwise stated)***2.23 Related party disclosures****i. Entities where control exists**

None

ii. Key Management Personnel

D.V.S. Prakash Rao – Wholetime Director

P. Srinivasu – Director

iii. Enterprises with whom transactions have taken place*Entities where principal shareholders/management personnel have control or significant influence (either directly or indirectly)*

Stampede Holdings Limited, India

Stampede Capital Limited, India

Bio Ethanol Agro Industries Limited, India

I. Particulars of related party transactions

Following is the summary of significant related party transactions:

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
Bio Ethanol Agro Industries Limited		
- Sale of food grains and maize	-	48,682,940
Stampede Holdings Limited		
- Brokerage income	5,445	40,739
- Brokerage charges/ expense	10,308,748	835,583
- Share application money return back	-	25,000,000
- Intercorporate deposit given	-	2,600,000
- Intercorporate deposit repaid	7,000,000	-
- Intercorporate loan taken	18,562,000	-
- Interest income	-	67,814
Stampede Capital Limited		
- Intercorporate deposit given	-	46,952,363
- Intercorporate deposit/Margin money return back	51,885,148	20,709,544
- Interest income for the year	-	2,448,994
- Brokerage charges/ expense	34,253,950	-
Social Media India Limited		
- Intercorporate deposit repaid	83,828,499	46,894,202
- Intercorporate deposit obtained	47,724,700	95,068,929
- Interest expense for the year	5,775,985	2,138,955
Venkata S Meenavalli		
- Brokerage income	-	7,281

Notes on accounts (continued)

(all amounts in Indian Rupees, except share data and otherwise stated)

II. The Company has the following amounts due from/to the related parties

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
Venkata S Meenavalli		
- Trade payable (Creditor)	276,610	326,610
Stampede Holdings Limited		
- Trade payable (Creditor)	120,362	1,375,024
- Short term loans and advances (Intercompany deposit)	-	2,600,000
- Short term loans and advances (Including trading deposit received)	-	15,528,318
- Short term borrowings-ICL received	11,562,000	-
- Short term loans and advances (Interest accrued but not due)	-	67,814
Bio Ethanol Agro Industries Limited		
- Other current liabilities (Advance from customers)	3,340,138	8,037,172
Stampede Capital Limited		
- Short term loan and advances (Intercompany deposit)	-	26,242,819
- Short term loan and advances (Interest accrued but not due)	-	832,705
- Short term loans and advances (Trading deposit)	8,404,561	-
Social Media India Limited		
- Short-term borrowings (Intercompany deposit)	19,667,508	48,174,727
- Other current liabilities (Interest accrued and due on borrowing)	-	1,820,595

2.24 Details of dues to micro and small enterprises as defined under MSME Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period;	Nil	Nil
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the period;	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under this Act;	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the period; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil

Notes on accounts (continued)*(all amounts in Indian Rupees, except share data and otherwise stated)***2.25 Provision for employee benefits**

- a. Pursuant to the adoption of the Accounting Standard 15 (Revised) – Employee Benefits effective 1st April 2007, the following table sets out the status of the gratuity plan :

Particulars	As at 31 March 2013	As at 31 March 2012
Reconciliation of opening and closing balance of the present value of defined benefit obligations		
Opening defined benefit obligation	201,226	1,708,260
Less: Transfer through demerger	-	(1,708,260)
Current service cost	26,664	31,427
Interest cost	16,098	-
Actuarial (gain)/loss	(118,487)	169,799
Closing defined benefit obligation	125,501	201,226
Change in the fair value of assets		
Opening fair value of plan assets	-	1,188,375
Less: Transfer through demerger	-	(1,188,375)
Expected return on plan assets	-	-
Actuarial gains / (losses)	-	-
Contributions by employer	-	-
Benefits paid	-	-
Closing fair value of plan assets	-	-
Amounts recognised in the balance sheet		
Present value of funded obligation	125,501	201,226
Fair value of plan assets at end of the year	-	-
Net liability	125,501	201,226
Expense recognised in statement of profit and loss		
Current service cost	26,664	31,427
Interest on defined benefit obligation	16,098	-
Expected return on plan assets	-	-
Net actuarial losses / (gains) recognized in year	(118,487)	169,799
Amount, included in "Employee benefit expense"	(75,725)	201,226

Notes on accounts (continued)

(all amounts in Indian Rupees, except share data and otherwise stated)

Summary of actuarial assumptions		
Discount rate (%)	8	8
Rate of return on plan assets (%)	5	5
Salary escalation rate (%)	4	4

Discount rate: The discount rate is based on the gross redemption yield on medium to long term risk free investments.

Expected rate of return on plan assets: The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

Salary escalation rate: The attrition rate is the expected employee turnover for the future periods, adjusted to the current economic environment.

2.26 Amounts recognised in current year and previous four years

Particulars	31 March 2013	31 March 2012	31 March 2011	31 March 2010	31 March 2009
Defined benefit obligation	125,501	201,226	1,708,260	1,213,285	349,325
Plan Asset	-	-	1,188,375	937,491	-
(Surplus) / Deficit	125,501	201,226	519,885	275,794	349,325
Experience adjustments in plan liabilities	-	-	-	-	-
Experience adjustments in plan assets	-	-	-	-	-

2.27 Payments to auditors (included in legal and professional charges includes) (excluding service tax)

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
Audit fee	100,000	350,000
Other services	50,000	100,000
for reimbursement of expenses	-	10,000
	150,000	460,000

Notes on accounts (continued)*(all amounts in Indian Rupees, except share data and otherwise stated)***2.28 Capital Commitments and Contingent liabilities**

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
Capital Commitments	-	-
Contingent Liabilities:		
Company extended property to Bank of Baroda against the loan sanctioned to Barrot Commodity Traders Pvt. Ltd.	18,000,000	-

2.29 Leases

The Company leases office facilities under cancellable and non-cancellable operating lease agreements. The Company intends to renew such leases in the normal course of its business. Total rental expense under cancellable operating leases was Rs. 3,423,200 (Previous year Rs. 3,464,111) and non cancellable portion was Rs Nil (Previous year Nil)

2.30 Earnings in foreign currency

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
Export of goods	111,899,398	-
	111,899,398	-

2.31 Expenditure in foreign currency

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
Import of goods	111,452,586	-
Other expenses	-	-
	111,452,586	-

2.32 Segment reporting

During the current year, the Company is engaged in " Commodities trading" in India and Singapore. Revenue by geographical location of customer

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
India	1,353,884,213	3,898,013,690
Singapore	111,899,398	-
	1,465,783,611	3,898,013,690

Notes on accounts (continued)

(all amounts in Indian Rupees, except share data and otherwise stated)

2.33 The Company has the following un-hedged exposure in foreign currency at the year end:

Particulars	As at	As at	As at	As at
	31 March 2013 (Amount in US \$)	31 March 2012 (Amount in US \$)	31 March 2013 (Amount in Rs.)	31 March 2012 (Amount in Rs.)
Trade Receivables	5,216	-	290,633	-

2.34 Previous year figures have been regrouped / reclassified wherever necessary, to confirm to current year classification.

As per our report attached

for **Sarath & Associates**

Chartered Accountants

Firm's registration No.: 05120S

for **Green Fire Agri Commodities Limited**

G L N Prasad

Partner

Membership No.: 214735

D.V.S. Prakash Rao

Wholetime Director

P. Srinivasu

Director

Khushboo Joshi

Company Secretary

Place: Hyderabad

Date: 30 May 2013



S D E Serene Chambers, 8-2-334, 1st Floor, South Eastern Wing, Road No-7,
Banjara Hills, Hyderabad-500034, Andhra Pradesh

PROXY FORM

Twenty First Annual General Meeting September 30, 2013

Folio No./ DP and Client ID:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I/We..... Resident of being a Member(s) of the Green Fire Agri Commodities Limited hereby appoint Mr/Mrs/Ms Resident of or failing him/her Mr/Mrs/Ms Resident of As our/my proxy(ies) to proxy to attend and vote for me / us on my / our behalf at the Twenty First Annual General Meeting of the Company to be held **on Monday, September 30, 2013 at 10.30.a.m. at Kalinga Cultural Trust, Plot No. 1269, Road No. 12, Banjara Hills, Hyderabad - 500 034** and at any adjournment(s) thereof.

Signed thisday of2013.

Affix
Re.1/-
Revenue
Stamp

Signature of Member

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



S D E Serene Chambers, 8-2-334, 1st Floor, South Eastern Wing, Road No-7,
Banjara Hills, Hyderabad-500034, Andhra Pradesh

ATTENDANCE SLIP

Twenty First Annual General Meeting September 30, 2013

Folio No. / DP and Client ID

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

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

I hereby record my presence at the Twenty First Annual General Meeting of the Company **on Monday, September 30, 2013 at 10.30.a.m.**

.....
Name of the Member / Proxy
(in BLOCK letters)

.....
Signature of Member / Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting. Members are requested to bring their copy of the Annual Report to the meeting.

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SDE Serene Chambers, 8-2-334, 1st Floor, South Eastern Wing, Road No. 7,
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