

LETTER HEAD

Date:-15/03/2015

STOCK AUDIT REPORT

M/s.....

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	Name of the Directors	
	Conducted on Behalf of	Bank Of Baroda
	Name of the Auditors	
	Date of Visit (Unit/Plant wise)	
	Banking Arrangements	
	If Consortium, Then Lead Bank	Bank Of Baroda
	Stock/Receivables Verified as of	23/02/2015

Position of the account as on the date of inspection

Fund Based:-

Bank Name	CC Account No	Balance as on	Sanction Limit
		23-Feb-2015	
Bank of Baroda			
Corporation Bank			
Canara Bank			

Syndicate Bank			
Oriental Bank of Commerce			
	Total	265.15	275
Bank of Baroda			
Bank of Baroda			
Bank of Baroda			
Bank of Baroda			
Bank of Baroda			
Bank of Baroda			
	Total	31.92	37.6

Non Fund Based: - NIL

1	Brief Comments on: Stock	Composition Of stock	Amount (Crores)	Percentage
		Raw Material		
		Finished Goods		
		Stores Spares / Other Inventory		
		Total		
A	Condition of Stocks	Raw Material is % of the total stock held by the company. Raw material such as Solvent Mustard, Sunflower & R B Oil is properly stored in tanks situated at factory site. From here Oil is taken for filter process to remove unwanted Particles from oil and finally it is transferred to packing Department where it is packed in various packing at various brand name. All stock Raw Material, Finished products, and packing material is properly stored at factory site . Overall condition of stock was found satisfactory.		
B	Age of Stocks	Not older than 90 days		
C	Valuation of Stocks	Raw Material at Cost, Finished goods at net Realizable Whichever is lower.		
D	Rejected stocks if any	Nil		

E	Insurance Coverage	All Stocks, Building, Plant & Machinery and Stock etc are adequately insured.
2 (a)	<u>Receivables:</u> Age of Receivables	Book Debts as on 23-02-2015 -
(b)	Disputed receivable If any	No disputed receivables were reported.
(c)	Doubtful Debts	Reportedly there are no doubtful debts.
3	Creditors	Party has submitted creditors List of Rs Creditors are subjected to verification.
4	Other areas covered (such as turnover in account, transaction with other Bank etc.)	Satisfactory

Part II 1. Main Report Working Capital facilities (fund based and non fund based) enjoyed with Bank / Consortium of Banks and position of account with various Banks.

Bank Name	CC Account No	Balance as on	Sanction Limit
		23-Feb-2015	
Bank of Baroda			
Corporation Bank			
Canara Bank			
Syndicate Bank			
Oriental Bank of Commerce			
	Total		
Bank of Baroda			
	Total	31.92	37.6

2	<u>Security:</u> Primary	* First Parri Pasu charges on entire fixed
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(a)		assets of the company for term Loan. * First Parri Pasu charges on entire Current Assets of the company and 15 % Margin on Bank Guarantee and Letter of Credit in the form of FDR.
(b)	Collateral	* Various Commercial & Residential Assets in the name of Smt.Ragini Khandelwal , Ashish Khandelwal,
		Swati Khandelwal, Shri Ghanshyam Khandelwal, Smt Richa Ravikar, M/s B.L. Agro Oils valuing at
		Rs 68.95 Crore
3	System of maintenance of stock & stock record	All Records are maintained computerized
(a)	<u>Physical verification & condition of stocks</u>	
	Display of Bank's name plate	Yes, Bank Name Plate was properly displayed at site
(i)	Basis of valuation: Scale	We have carried out physical verification of stock lying at the factory site on 23.02.2015. All the stock is properly stored at factory site. We have taken stock as per stock register and tried to tally the stock with Physical stock register on sampling basis . As per our observation on sampling result and in a view, Stock declared by the borrower is acceptable.
(ii)	Location and Upkeep of godowns	Stock were lying in the factory area which is situated at various site situated in Parashkhera Industrial Area . Divided in Packaging Unit, Refinery Unit. The factory & storage tanks are well maintained
(iii)	Location, storage & upkeep of stock	Separate area are allocated for storage of raw material and finished goods. All the raw material stocks were lying in large tanks with reasonable protection thereof and finished goods is stored at factory site which is properly covered. Condition of storage is quite satisfactory.
(iv)	Observation of Verification	<u>Raw Material</u>
		It consists of edible oils, Soya oil which is 75.69 % of total stock. Oil is directly stored in tanks situated at factory site through pipelines and stored properly. We have carried out sample physical

		verification and have not found any material discrepancy while comparing the same with the stock records on test check basis.
		<u>Finished Goods</u>
		Finished Goods of the company are packed oil such as peti pecked and tin in various brand name maintained by the company which is 17.79 % of total stock. Stock is properly packed and stored and ready to dispatch. No discrepancy was found on physical verification done on a Sample basis.
		<u>Stores & Spares</u>
		Reported on estimation basis. As discussed and application given to us by the management, in our opinion stock position at the factory was good. However the Stores & Spares Ratio have reduced from 13.35% to 6.52% in the current year.
(b)	Verification of stocks sent/ received for job work/ in transit	Not Applicable
(c)	Maintainance of Stock records (including excise records, if any)	The company is maintaining computerized records for raw material and finished goods. These were up to date.
(d)	Age and quality of stock including position of slow/non-movie stock in %	All stock is well maintained and stored at factory site. Quality of stock is good and stock is ready to use/sale As company is its peak season so no non-moving/slow stock is lying at factory site.
4(a)	Whether stock statements are submitted in prescribed format and within stipulated time.	Yes, Stock statements are submitted monthly in prescribed format and within stipulated time period
(b)	Whether letters of credit opened during the relevent period and stock received on account of the same properly reflected in the borrower's books and submitted to the branch.	Yes
5	<u>Analysis of Receivables</u>	As per sanction book debts upto 90 days are to be taken in consideration to arrive at drawing power
(a)	Verification of Receivables age of receivables chances of recovery position regarding confirmation of balances from	Book Debts as on 23-02-2015 Rs. 195.97 Book Debts upto 90 days Rs. 195.97 Book Debts beyond 90 days

	debtors, dispute on outstanding receivables if any:-	Nil Doubtful Debts: No Doubtful debts were reported to us.
(b)	Whether book debts statements are submitted party wise and age wise	Yes,
c)	Whether Quarterly statement of debtors submitted to the branch are duly verified by the Chartered Accountants	Yes, Borrower submitted quarterly statements of debtors but branch should properly follow the same.
(d)	Discrepancies, if any found in reporting in verification of borrower's records/ bills/ invoices/ raised and statement of book debts submitted to the bank	No such discrepancies found to us during test check
(e)	Whether advance received from the are properly accounted.	Yes
6	Position of Creditors for purchase of raw material, stores and spares	
(a)	Whether outstanding amount of creditors is properly stated in the stock statement (including unpaid bills under LC for goods)	Yes
(b)	Any long outstanding creditors, if so give reasons	There are no long outstanding creditors .
7	Comment on treatment of inter-group/ inter divisional sales/ purchase and comments thereon	Yes
8	Routing of banking transactions & other key observations	Satisfactory

Value of security available for drawing power as on:23/02/2015

(As assessed by the Auditors)

S.no.	Particulars	Amount (Rs. in crores)
1	Raw Material & Loose Oil	
2	Finished Goods	
3	Consumable Stores / Chemicals	
	Total Stock	
3	<u>Less:</u> Sundry Creditors	
4	<u>Less:</u> Margin 25%	
	Total Value (A)	
5	Debtors (Less than 90 days)	
6	<u>Less:</u> Margin 25%	
	Total Value (B)	
	Calculated Drawing Power (A+B)	
	Sanctioned Limit	
	CC Account Outstanding	

(i) Value of security available for drawing power as on:23/02/2015
(As reported by the Company in Stock/Book Debt Statement)

S.no.	Particulars	Amount (Rs. in crores)
1	Raw Material & Loose Oil	
2	Finished Goods	
3	Consumable Stores / Chemicals	
	Total Stock	
3	<u>Less:</u> Sundry Creditors	
4	<u>Less:</u> Margin 25%	
	Total Value (A)	
5	Debtors (Less than 90 days)	
6	<u>Less:</u> Margin 25%	
	Total Value (B)	
	Calculated Drawing Power (A+B)	
	Sanctioned Limit	
	CC Account Outstanding	

Shortfall in drawing power, if any, as assessed by Auditors.**NIL**

Variance, if any, in calculations of drawing power as per Bank's guidelines .

(Rs in Crores)

	Value as assessed by the Auditors	Value as reported by the Company	Variance, if any	Reasons for variance
Stocks			NIL	N/A
Receivables			NIL	N/A

For
Chartered Accountants

(Partner)
FRN: - .