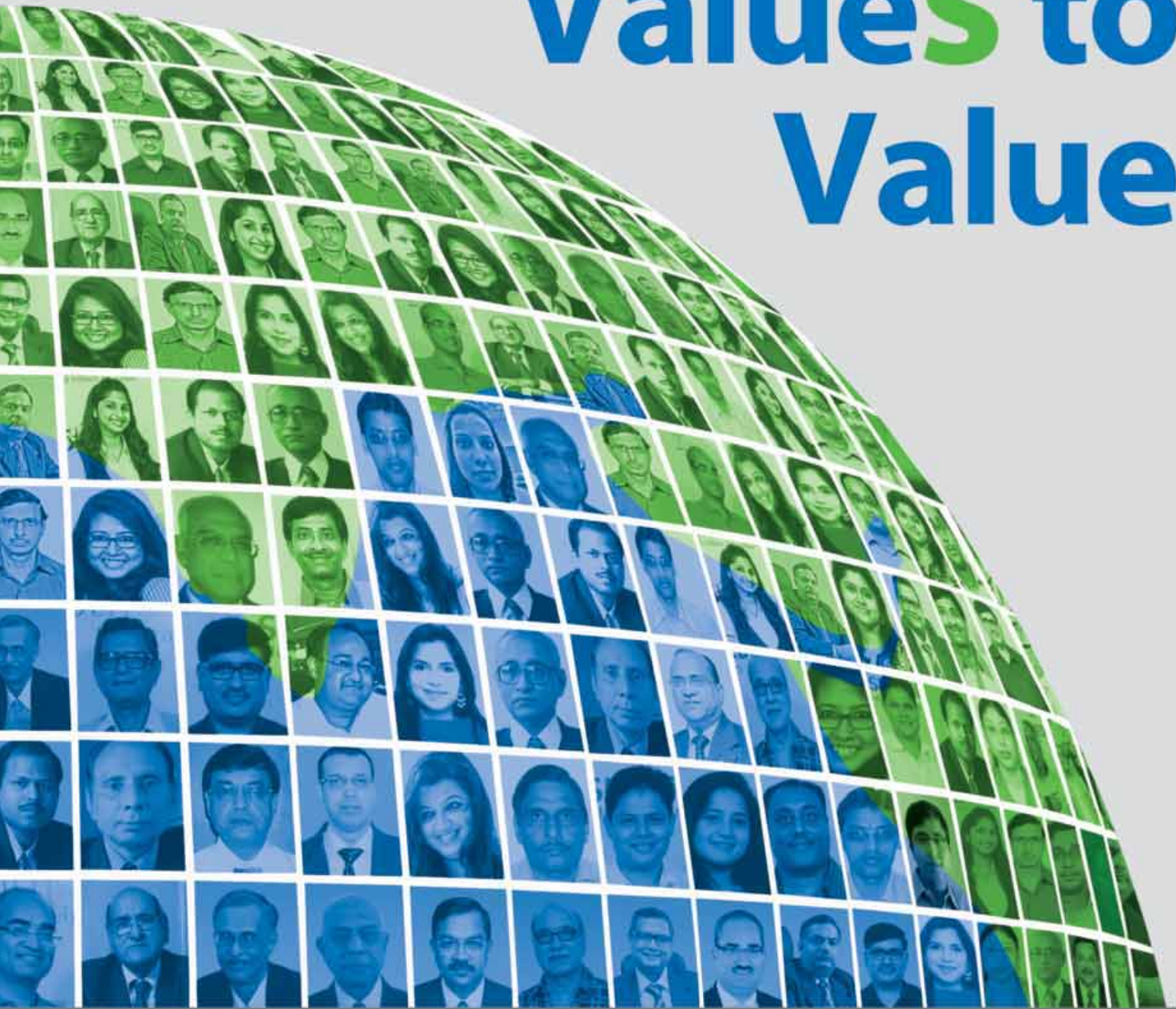


# Adding Values to Value



ANNUAL REPORT 2014-15  
SUMEDHA FISCAL SERVICES LIMITED



**SUMEDHA**  
adding values to value



**SUMEDHA**  
adding values to value

## **SUMEDHA FISCAL SERVICES LIMITED**

CIN: L70101WB1989PLC047465

REGISTERED and CORPORATE OFFICE

6A Geetanjali, 8B Middleton Street, Kolkata – 700 071

Tel: +91 33 2229 8936/6758/3237/4473 Fax: +91 33 2226 4140/2265 5830

Web: [www.sumedhafiscal.com](http://www.sumedhafiscal.com) Email: [kolkata@sumedhafiscal.com](mailto:kolkata@sumedhafiscal.com)

## **BRANCH OFFICES**

### **MUMBAI**

C-703 "Marathon Innova",  
Off Ganapatrao Kadam Marg,  
Opp. Peninsula Corporate Park,  
Lower Parel (W) , Mumbai - 400 013  
Tel: +91 22 4033 2400  
Fax: +91 22 2498 2878  
Email: [mumbai@sumedhafiscal.com](mailto:mumbai@sumedhafiscal.com)

### **NEW DELHI**

B1/12, Safdarjung Enclave, 2nd Floor,  
New Delhi – 110 029  
Tel: +91 11 4165 4481/4482  
Fax: +91 11 4165 4483  
Email: [delhi@sumedhafiscal.com](mailto:delhi@sumedhafiscal.com)

### **HYDERABAD**

309/1, 3rd Floor, Krishna Plaza,  
Khairatabad, Hyderabad – 500 004  
Tel: +91 40 4020 2826/4026 7272  
Fax: +91 40 4020 2826  
Email: [hyderabad@sumedhafiscal.com](mailto:hyderabad@sumedhafiscal.com)

### **AHMEDABAD**

A/82, Pariseema Complex, Opp. IFCI Bhawan,  
C.G. Road , Ahmedabad – 380 009  
Tel: +91 79 3002 3337 / 6605 2957  
Fax: +91 79 2646 0394  
Email: [ahmedabad@sumedhafiscal.com](mailto:ahmedabad@sumedhafiscal.com)

### **BANGALORE**

"Park Plaza", 1st Floor, No. 1 Park Road,  
(Off. Infantry Road), Tasker Town, Bangalore – 560 051  
Tel: +91 80 4124 2545 / 2546  
Fax: +91 80 4124 2547  
Email: [bangalore@sumedhafiscal.com](mailto:bangalore@sumedhafiscal.com)

### **CHENNAI**

Door No: 7, 11th Floor, Vairam Complex,  
112, Thyagaraya Road, T. Nagar,  
Chennai – 600 017  
Tel: +91 44 4212 5901  
Fax: +91 44 4212 5901  
Email: [chennai@sumedhafiscal.com](mailto:chennai@sumedhafiscal.com)

NSE CASH: INB231075830, NSE DERIVATIVES: INF231075830, NSE CURRENCY DERIVATIVE SEGMENT: INE231075830,  
BSE CASH: INB011075836, BSE DERIVATIVES: INF011075836, MCX-SX (CURRENCY DERIVATIVES): INE261075830,  
DEPOSITORY PARTICIPANT OF NSDL: IN-DP-NSDL-303-2008, AMFI NO: ARN - 0205, \*MCX MEMBERSHIP CODE: 12185,  
SEBI CATEGORY I MERCHANT BANKER: MB/INM000008753, PMS: PM/INP000004144

(\* Through Subsidiary Company)

# BOARD OF DIRECTORS



Mr. Ratan Lal Gagar, Chairman  
Independent Director



Dr. Basudeb Sen  
Independent Director



Mr. Atul Chandra Varma  
Independent Director



Mr. Prashant Sekhar Panda  
Independent Director



Mr. Prabhat Agarwala  
Independent Director



Mr. Vijay Maheshwari  
Non-Executive Director



Mr. Anil Kumar Birla  
Non-Executive Director



Mr. Bijay Murmura  
Non-Executive Director



Mr. Bhawani Sankar Rathi  
Wholetime Director & CFO



Mrs. Garima Maheshwari  
Non-Executive Director

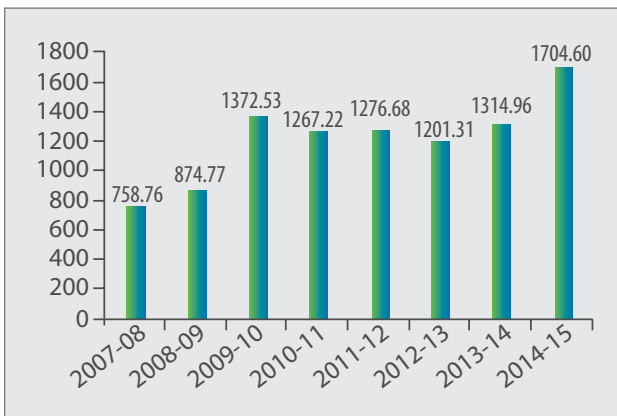


## KEY BUSINESS HIGHLIGHTS IN 2014 – 2015

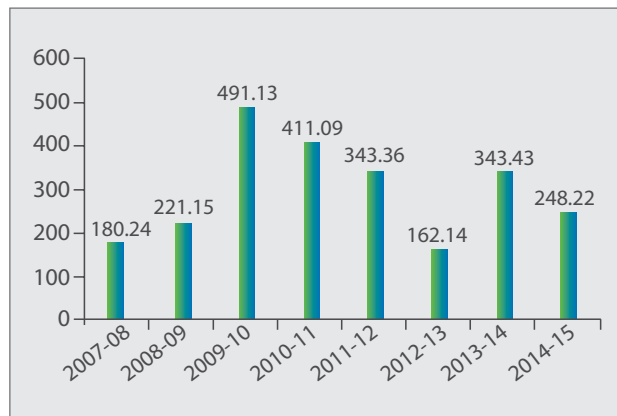
- PAT stood at ₹248.22 Lakhs.
- The Investment Banking Segment continues to remain the major earning vertical accounting to 50.75% of Total Income and 62.47% of operating profits of the Company.

## PERFORMANCE HIGHLIGHTS

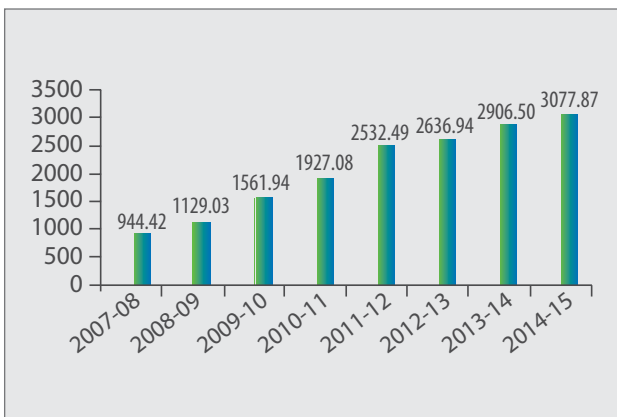
INCOME FROM OPERATIONS (In ₹ Lakhs)



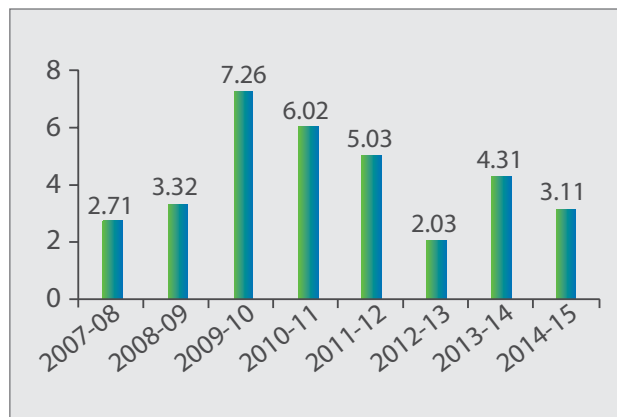
PAT (In ₹ Lakhs)



SHAREHOLDERS' FUND (In ₹ Lakhs)



EPS (In ₹)





## CHAIRMAN'S ADDRESS



*Dear Stakeholders,*

Welcome to the 26th Annual General Meeting of your Company. I thank you for your sustained trust, encouragement and support.

Since we met last time the Indian Regulatory system was tested once again. Indian market did not face any major tremor during

fallout of the Greek Credit Crisis. Neither did volatility in the Chinese Stock Market had any significant fallout.

### **At the threshold of growth and productivity**

The fiscal year 2015 was a mixed bag for the global economy. In India, it was a year of certain positive attributes. A fall in crude prices together with a decline in international food prices meant that India's inflation and trade deficit fell sharply. On formation of a single party Modi led government, there has been a positive impact and incremental changes to economic reforms.

The Government's Policy of "Make in India" has become a catalyst for fundamental change on how India would respond to national priorities and job creation.

During F.Y. 2015, the Indian markets rallied behind the formation of new government whereas other emerging markets like Brazil and Russia suffered due to declining commodity prices.

At Sumedha Fiscal, we are constantly striving to have a diversified financial services business model and new opportunities are being closely worked upon so as to have a sustainable future growth.

### **Key area of focus**

Investment Banking continues to be the focus area for the Company, as a one-stop solution for major value added corporate services. The services covered include merchant banking, loan syndication financial restructuring, resolution of stressed assets, merger amalgamation, placements of securities.

### **Financial Performance**

Sumedha Fiscal Services Ltd. has posted revenues of Rs. 1705 lacs during FY15. Considering the overall sluggish economic growth, the Profit before Tax fell by 25% to Rs. 363 lacs against Rs. 484 lacs in the previous year, whereas PAT stood at Rs. 248 lacs compared with Rs. 344 lacs for FY14, a decline of 27.9%. Our EPS stood at Rs. 3.11 in FY15, compared to Rs. 4.31 in FY14.

### **Looking ahead**

The corporate financial performance continues to be dismal and a visible turnaround is possibly few quarters away.

Strategic Debt Restructuring Scheme (SDR) announced by the Reserve Bank of India on June 8, 2015 authorises the Lender/Joint Lenders' Forum to convert the NPA of the Borrower into Equity Shares for effecting change in ownership of the Borrower, in the event of failure of the SDR. This indeed would pose a new challenge to the defaulting Borrowers.

Massive market distortions due to rapid product and technology obsolescence, new threats from e-commerce would present more challenges to organizations. Survival and growth in this scenario call for lean and flexible organizations that can respond to changing market dynamics of a globalised economy. Proactive de-risking of business and ensuring stringent regulatory requirements have become critical.

The country's economy is likely to grow at higher single digit rate from next year onwards and it is expected to be sustainable which augurs well for the Financial Sector.

As an organisation, your company continues to be driven by strong set of values and is committed to delivering excellence to its stakeholders. Our investment in our people, capabilities, technology and infrastructure continues to ensure that your Company remains relevant to our customers and close to their business.

I thank you all for standing by us and supporting us.

Regards,

**R. L. Gaggar**

Chairman



## OUR VISION

To be the best financial service provider and be a one stop shop for all market segments.

## OUR MISSION

To strive for total client satisfaction by providing integrated financial solutions through excellence, integrity and teamwork fostering, continuous growth for our stakeholders.

## OUR BRAND THOUGHT - Quotation Marks



*Quotation marks symbolize dialogue indicating relationships. When those quote marks are transparent, they also suggest transparency and honesty leading to stronger relationships.*



## CONTENTS

Notice - 26th AGM	06
CFO Certification	14
Directors' Report	15
Disclosure - Employee Stock Option Scheme	21
Management Discussion and Analysis	23
Corporate Governance Report	25
Auditors' Certificate - Corporate Governance	34
Remuneration Policy	35
Related Party Transactions (Form AOC-2)	40
Extract of Annual Return	42
Secretarial Audit Report	52
Remuneration Particulars of Employees	54
Independent Auditors' Report	57
Financial Statements 2014-15	60
Subsidiary & Associates Particulars (Form No. AOC - 1)	88
Auditors' Report on Consolidated Financial Statements	89
Consolidated Financial Statements	90
Financial Highlights	113

## Corporate Information

### Board of Directors

**Mr. Ratan Lal Gaggar**, *Chairman*

**Dr. Basudeb Sen**

**Mr. Atul Chandra Varma**

**Mr. Vijay Maheshwari**

**Mr. Prashant Sekhar Panda**

**Mr. Anil Kumar Birla**

**Mr. Bijay Murmuria**

**Mr. Bhawani Sankar Rathi**, *Wholetime Director & CFO*

**Mr. Prabhat Agarwala** [*w.e.f. 16-May-15*]

**Mrs. Garima Maheshwari** [*w.e.f. 8-Nov-14*]

**Mr. Rajesh Kumar Gupta**,

*Wholetime Director [Resigned w.e.f. 31-Aug-14]*

### Company Secretary

**Mr. Deb Kumar Sett**

### Registered & Corporate Office

6A, Geetanjali, 8B, Middleton Street,  
Kolkata – 700071.

Corporate Identity No.: L70101WB1989PLC047465

Tel: + 91 33 2229 8936/6758/3237/4473

Fax: + 91 33 2226 4140/2265 5830

Web: [www.sumedhafiscal.com](http://www.sumedhafiscal.com)

Email: [kolkata@sumedhafiscal.com](mailto:kolkata@sumedhafiscal.com)

### Bankers

Canara Bank

HDFC Bank

### Auditors

ARSK & Associates, Chartered Accountants, Kolkata

### Registrar & Share Transfer Agents

Maheshwari Datamatics Private Limited

6, Mangoe Lane, 2nd Floor,

Kolkata - 700 001

Tel. No. : 033-2243-5029, 2243-5809

Fax No. : 033-2248 4787

Email : [rpatra@mdpl.in](mailto:rpatra@mdpl.in) | [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

### Annual General Meeting

Day : Saturday

Date : 12th September, 2015

Time : 10.30 A.M.

Venue : MCC Chamber of Commerce & Industry

15-B, Hemanta Basu Sarani,

Kolkata - 700 001.

## Sumedha Fiscal Services Ltd.

CIN - L70101WB1989PLC047465

**Registered Office: 6A, Geetanjali, 8B, Middleton Street, Kolkata – 700071**

Tel : 033-2229-8936/6758 Fax : 033-2226-4140/ 033-2265-5830.

Email: investors@sumedhafiscal.com Website: www.sumedhafiscal.com

### NOTICE OF 26TH ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Sixth Annual General Meeting of Sumedha Fiscal Services Ltd. will be held at MCC Chamber of Commerce & Industry, 15B Hemanta Basu Sarani, Kolkata – 700 001, on Saturday, the 12th day of September, 2015 at 10:30 AM for transaction of the following business :-

#### ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2015 together with the Report of the Board of Directors and the Auditors thereon and the Consolidated Audited Financial Statement of the Company for the financial year ended March 31, 2015.
2. To declare dividend for the financial year ended 31st March, 2015.
3. To appoint a Director in place of Mr. Anil Kumar Birla [DIN – 00015948] who retires by rotation and being eligible offers himself for re-election.
4. To appoint a Director in place of Mr. Bijay Murmura [DIN – 00216534] who retires by rotation and being eligible offers himself for re-election.
5. **To appoint Auditors and to pass the following resolution as an Ordinary Resolution :-**  
 “RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, M/s. ARSK & Associates, Chartered Accountants (Firm’s Registration No. 315082E), the retiring Auditors, be and are hereby reappointed as the Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the Twenty Seventh Annual General Meeting of the Company to be held in the calendar year 2016 and that the Board of Directors and the Audit Committee of the Company be and are hereby authorized to fix their remuneration for the said period and reimbursement of actual out of pocket expenses, as may be incurred in the performance of their duties.”

#### SPECIAL BUSINESS

6. **To appoint Mr. Prabhat Agarwala as an Independent Director:**

**To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Prabhat Agarwala (DIN: 01063586), who was appointed as an Additional Director on May 16, 2015 to hold office upto forthcoming Annual General Meeting and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto 31st March, 2020.”

7. **To appoint Mrs. Garima Maheshwari as a Non-Executive Director:**

**To consider and, if thought fit, to pass the following Resolutions as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Garima Maheshwari (DIN: 07001628), who was appointed as an Additional Director on 8th November, 2014 to hold office upto forthcoming Annual General Meeting and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company liable to retire by rotation.”

Registered Office :  
 6A, Geetanjali,  
 8B, Middleton Street,  
 Kolkata – 700 071.  
 Date : 16th May, 2015

By Order of the Board  
**Deb Kumar Sett**  
 Company Secretary



## Notes including e-voting instructions

1. Explanatory Statement pursuant to Section 102 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder with respect to Special Business set out in the Notice is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('AGM') MAY APPOINT A PROXY TO ATTEND AND VOTE ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME FOR HOLDING THE MEETING.  
  
Proxy/Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) members and holding in the aggregate not more than ten (10) per cent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than ten (10) percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Only registered Members of the Company or any proxy appointed by such registered Member may attend and vote at the Meeting as provided under the provisions of the Companies Act, 2013. In case any shareholder has voted electronically, then he/she can participate in the Meeting but not vote.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, September 4, 2015 to Saturday, September 12, 2015 (both days inclusive) for determining the name of Members eligible for dividend on equity shares if declared at the meeting.
5. Duly executed and stamped transfer deeds, along with the share certificates, should be submitted to the Company's Registrar and Share Transfer Agents before the closure of the Register of Members for registration.
6. Corporate Members are requested to send a duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013/ Power of Attorney authorizing their representative(s) to attend and vote on their behalf at the Meeting.
7. Dividend on Equity Shares, if declared at the Meeting will be paid to those members, whose names shall appear in the Company's Register of Members after giving effect to all valid share transfers in physical form lodged with the Company on or before the close of working hours of the Company as on Thursday, September 3, 2015. In respect of the shares held in Electronic Form, the Dividend will be paid to those persons whose names shall appear as beneficial owners as at the end of the business hours on Saturday, September 12, 2015 as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited.
8. Dividends which remain unpaid / unclaimed over a period of seven years from the date of transfer to the unpaid dividend account will have to be transferred by the Company to Investor Education and Protection Fund of the Central Government under Section 205A and Section 205C of the Companies Act, 1956 as amended from time to time and/or relevant corresponding provisions of the Companies Act, 2013 once notified. Accordingly, all unpaid / unclaimed amounts in respect of dividends paid by the Company for the year ended 31 March 2008 have to be transferred to the said Fund by 27-Oct-15. Shareholders are requested to encash the dividend before the due date of transfer i.e., before 27-Oct-15. Shareholders are advised to encash the unpaid Dividend Warrants for the year ended March 31, 2008 or any subsequent year, before transfer to the above referred Fund by writing a request to the Company Secretary, Sumedha Fiscal Services Ltd., 6A, Geetanjali, 8B, Middleton Street, Kolkata – 700071. No claim will be entertained thereafter by the Company. The details of the dates on which dividend should be transferred to the aforesaid fund is given below :-

Financial Year	Date of Declaration	Due for Transfer
2007-2008	20-Sep-08	27-Oct-15
2008-2009	12-Sep-09	19-Oct-16
2009-2010	21-Aug-10	27-Sep-17
2010-2011	20-Aug-11	26-Sep-18
2011-2012	25-Aug-12	30-Sep-19
2012-2013	10-Aug-13	16-Sep-20
2013-2014	13-Sep-14	20-Oct-21

The Company has uploaded the information in respect of the unpaid and unclaimed dividend amounts lying with the Company, as on the date of the last Meeting held on 13-Sep-14, on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and under "Investors Section" on the Website of the Company viz. [www.sumedhafiscal.com](http://www.sumedhafiscal.com).

9. Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated 21 March 2013, has mandated usage of electronic mode for making cash payments such as dividend etc. to the investors of Companies whose securities are listed on the Stock Exchanges. Payment of dividend through electronic mode is beneficial to the Members since the risks associated with receiving payment through dividend warrants such as loss in transit/ misplacement/revalidation etc. can be easily mitigated.
- Therefore, Members are advised to avail National Electronic Clearing Service (NECS) facility whereby the dividend will be directly credited electronically to their respective Bank Accounts. Members holding the Company's shares in dematerialized mode are requested to provide NECS particulars to their respective Depository Participants, if they have not done so already. Members holding the Company's shares in physical form who have not opted for NECS are requested to provide their NECS particulars in the enclosed 'NECS Mandate Form' and forward the same duly filled in and signed to the Company's Registrar and Share Transfer Agent (RTA) i.e. Maheshwari Datamatics Pvt. Ltd., 6, Mango Lane, 2nd Floor, Kolkata – 700001 at [mdpl@cal.vsnl.net.in](mailto:mdpl@cal.vsnl.net.in), at the earliest to avail this facility.
10. Members holding shares in physical form are requested to intimate change in their registered address or bank particulars, mentioning full address in block letters with Pin code of the Post Office, mandate, bank particulars and Permanent Account Number (PAN) to the Company's RTA and in case of members holding their shares in electronic form, this information should be given to their Depository Participants immediately.
11. Members holding shares in physical form and wishing to make / change a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may submit the prescribed particulars in Form No. SH-13 (Nomination Form) or SH-14 (Cancellation or Variation of Nomination), to the Company.
12. The Company has entered into necessary arrangement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable the Shareholders to dematerialize their shareholding in the Company for which they may contact the Depository Participant of either of the above Depositories.
13. Electronic copy of the Annual Report, Notice of the Meeting of the Company inter-alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
14. In view of Go Green initiative being undertaken by the Company, Members who have not yet registered their e-mail address so far are requested to register/update their e-mail addresses with the Company's RTA or with the Company at [investors@sumedhafiscal.com](mailto:investors@sumedhafiscal.com). Shareholders holding shares in dematerialized form are requested to register their e-mail addresses and changes therein with the concerned Depositories through their Depository Participant.
15. Members are requested to bring their copy of Annual Report to the Meeting. A member desirous of getting any information with regard to Accounts of the Company is requested to send the queries to the Company at least 10 days before the meeting to the Company Secretary at the Registered Office of the Company.
16. Members are requested to mention their Folio Number/Client ID/DP ID Number (in case of shares held in dematerialized form) in all their correspondence with the Company / Depository Participant in order to facilitate response to their queries promptly.
17. Members are requested to produce the enclosed attendance slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission at the entrance to the place of the meeting.
18. Members who are holding shares of the Company in physical form through multiple folios in identical order of names are requested to write to the Company, enclosing their share certificates, to enable the Company to consolidate their holdings in one folio.
19. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
20. Members are requested to contact the Company's RTA for reply to their queries/redressal of complaints, if any, or contact the Company Secretary at the Registered Office of the Company (Phone: +91 33 2229 8936; Email: [investors@sumedhafiscal.com](mailto:investors@sumedhafiscal.com)).
21. Members may note that the Notice of the Meeting will be available on the Company's website [www.sumedhafiscal.com](http://www.sumedhafiscal.com). The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued thereunder will be available for inspection by the members at the Meeting.
22. The relevant documents referred to in this Notice and Explanatory Statement are open for inspection at the Meeting and such documents will also be available for inspection in physical or in electronic form at the Registered Office and copies thereof shall also be available for inspection in physical or electronic form at the registered office from the date of dispatch of the Notice till the date of the Meeting on all working days, except Saturdays, from 11:00 A.M to 2:00 P.M.

### 23. Voting through electronic means:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 w.e.f. March 19, 2015 and Clause 35B of the Equity Listing Agreement, the Company is pleased to provide to the members, the facility of voting by electronic means in respect of business to be transacted at the Meeting which includes the facility of casting the votes by the Members using an electronic voting system from a place other than venue of the Meeting ("remote e-voting") and the same will be provided by Central Depository Services (India) Limited (CDSL). The Board of Directors of the Company has appointed Mr. Babu Lal Patni, Practicing Company Secretary, (Membership No. FCS - 2304 and C. P. No. 1321), Kolkata as the Scrutinizer for the purpose.
- II. The facility of voting through ballot or polling paper shall also be made available for the members at the Meeting who have not been able to vote electronically and who are attending the Meeting. The members who have cast their vote electronically would be entitled to attend the Meeting but would not be permitted to cast their vote again at the Meeting. The facility to vote by electronic voting system will not be provided at the Meeting.
- III. The **remote e-voting period commences on Tuesday, September 8, 2015 (9.00 A.M. IST) and ends on Friday, September 11, 2015 (5.00 P.M. IST)**. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the close of working hours on **Saturday, September 5, 2015 ('cut-off date')** may cast their vote electronically. The **remote e-voting module shall be disabled by CDSL for voting on Friday, September 11, 2015 after 5.00 P.M. IST**. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently.

#### Process and Manner for Members Opting for Remote E-Voting:

The instructions for remote e-voting are as under:

#### Voting through electronic means

The instructions for shareholders voting electronically are as under:

- A. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- B. Click on "Shareholders" tab.
- C. Now Enter your User ID
  - i. For CDSL: 16 digits beneficiary ID,
  - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- D. Next enter the Image Verification as displayed and Click on Login.
- E. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- F. If you are a first time user follow the steps given below:

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

- G. After entering these details appropriately, click on "SUBMIT" tab.
- H. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- I. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- J. Click on the EVSN for the relevant SUMEDHA FISCAL SERVICES LIMITED on which you choose to vote.
- K. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- L. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- M. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- N. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- O. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- P. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Q. **Note for Institutional Shareholders -**
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- R. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- S. The shareholders shall have one vote per equity share held by them as on the **cut-off date** (record date) of **September 5, 2015**. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.



## PARTICULARS RELATING TO DIRECTORS PROPOSED TO BE APPOINTED/RE-APPOINTED

<b>1</b>	Name	Mr. Anil Kumar Birla	
	DIN	00015948	
	Date of Birth	12-Oct-1965 (Age : 49.5 Years)	
	Date of Appointment	30-Nov-2005	
	Qualifications	B.Com, FCA	
	Expertise	Mr. Birla, is a practicing Chartered Accountant with wide ranging experience in Audit, Strategy Formulation and Financial Planning. His keenness into financial details is a mainstay in business dealings. He has proven leadership skills for motivating teams to achieve Company objectives.	
	Chairman/Member of the Committee of the Company	<ul style="list-style-type: none"> <li>■ Stakeholders Relationship Committee, Member</li> <li>■ Management Committee, Member</li> </ul>	
	Other Directorships/ Partnerships /Proprietorships (as at 31.03.2015)	<b>Name of the Company</b>	<b>Committee Membership, if any</b>
		1. Latitudes Tourism Pvt. Ltd. 2. Span Health Care Pvt. Ltd. 3. Schoolcity Learning India Pvt. Ltd. 4. Vardaan Advisors Pvt. Ltd. 5. Maheshwari & Associates, Chartered Accountants - Partner	Nil
	Shareholding in the Company	6,000 Equity Shares of ₹ 10/- each	
<b>2</b>	Name	Mr. Bijay Murmuria	
	DIN	00216534	
	Date of Birth	14-Oct-1967 (Age : 47.5 Years)	
	Date of Appointment	04-Jul-1992	
	Qualifications	B.Com (Hons), FCA, AICWA	
	Expertise	Mr. Murmuria, a partner of Maheshwari & Associates, Chartered Accountants, comes with a solid background in securities market and financial services. As a practicing Chartered Accountant, he ably guides all issues pertaining to securities, shares, bonds and the money markets. His in depth understanding of regulatory issues and domestic business environment are pivotal to success. Currently he is the Chairman of Financial Market Core Committee, CII-ER.	
	Chairman/Member of the Committee of the Company	<ul style="list-style-type: none"> <li>■ Audit Committee, Member</li> <li>■ Nomination &amp; Remuneration Committee / Compensation Committee, Member</li> <li>■ Management Committee, Chairman</li> </ul>	
	Other Directorships/ Partnerships /Proprietorships (as at 31.03.2015)	<b>Name of the Company</b>	<b>Committee Membership, if any</b>
		1. SFSL Commodity Trading Pvt. Ltd. 2. Fortune Credit & Real Estate Pvt. Ltd. 3. Rahul Fiscal Services Pvt. Ltd. 4. SFSL Risk Management Services Pvt. Ltd. 5. US Infotech Pvt. Ltd. 6. SFSL Insurance Advisory Services Pvt. Ltd. 7. Hitech Tradecomm Pvt. Ltd. 8. Maheshwari & Associates, Chartered Accountants - Partner	Nil
	Shareholding in the Company	3,69,920 Equity Shares of ₹ 10/- each	

<b>3</b>	Name	Mr. Prabhat Agarwala									
	DIN	01063586									
	Date of Birth	01-Sep-1955 (Age : 59.5 Years)									
	Date of Appointment	16-May-2015									
	Qualifications	B. Com, FCA									
	Expertise	Mr. Agarwala is a Chartered Accountant and an experienced Industrialist. He has great analytical and problem solving skills and mentored his Company to higher growth path.									
	Chairman/Member of the Committee of the Company	<ul style="list-style-type: none"> <li>■ Audit Committee, Member</li> <li>■ Nomination &amp; Remuneration Committee / Compensation Committee, Member</li> </ul>									
	Other Directorships/ Partnerships /Proprietorships (as at 31.03.2015)	<table border="1"> <thead> <tr> <th>Name of the Company</th> <th>Committee Membership, if any</th> </tr> </thead> <tbody> <tr> <td>1. Lily India Pvt. Ltd.</td> <td rowspan="5">Nil</td> </tr> <tr> <td>2. Ritik Poly Industries Pvt. Ltd.</td> </tr> <tr> <td>3. Asrit International Pvt. Ltd.</td> </tr> <tr> <td>4. Vinam Resources Pvt. Ltd.</td> </tr> <tr> <td>5. Ritik International, <i>Proprietor</i></td> </tr> </tbody> </table>	Name of the Company	Committee Membership, if any	1. Lily India Pvt. Ltd.	Nil	2. Ritik Poly Industries Pvt. Ltd.	3. Asrit International Pvt. Ltd.	4. Vinam Resources Pvt. Ltd.	5. Ritik International, <i>Proprietor</i>	
	Name of the Company	Committee Membership, if any									
1. Lily India Pvt. Ltd.	Nil										
2. Ritik Poly Industries Pvt. Ltd.											
3. Asrit International Pvt. Ltd.											
4. Vinam Resources Pvt. Ltd.											
5. Ritik International, <i>Proprietor</i>											
Shareholding in the Company	2500 Equity Shares of ₹ 10/- each										

<b>4</b>	Name	Mrs. Garima Maheshwari					
	DIN	07001628					
	Date of Birth	16-Mar-1984 (Age : 31 Years)					
	Date of Appointment	08-Nov-2014					
	Qualifications	B.Com(Hons), MBA					
	Expertise	Ms. Garima Maheshwari, holds a degree of MBA from the International Institute of Management, New Delhi and B.Com (Hons) from Mumbai University. She has around 6 years of rich experience in financial services where she spent most of her career working with Australia & New Zealand (ANZ) Bank in Singapore, Barclays Bank PLC and Citibank N.A in Mumbai in the Wealth Advisory team of the Retail Banking division in India. She has excellent relationship management skills with experience in efficient business operations.					
	Chairman/Member of the Committee of the Company	Nil					
	Other Directorships/ (as at 31.03.2015)	<table border="1"> <thead> <tr> <th>Name of the Company</th> <th>Committee Membership, if any</th> </tr> </thead> <tbody> <tr> <td>Nil</td> <td>Nil</td> </tr> </tbody> </table>	Name of the Company	Committee Membership, if any	Nil	Nil	
	Name of the Company	Committee Membership, if any					
Nil	Nil						
Shareholding in the Company	25,000 Equity Shares of ₹ 10/- each						

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

### Item No. 6

The Board of Directors, at its meeting held on May 16, 2015, appointed Mr. Prabhat Agarwala as an Additional Director of the Company with immediate effect pursuant to Section 161 of the Companies Act, 2013, read with Article 138 of the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Prabhat Agarwala will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of ₹ 100,000/- proposing the candidature of Mr. Prabhat Agarwala for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Prabhat Agarwala (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Prabhat Agarwala as an Independent Director of the Company for a period up to March 31, 2020 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, he will not be liable to retire by rotation.

In the opinion of the Board, Mr. Prabhat Agarwala, the Independent Director proposed to be appointed, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. The Directors also think that his inclusion to the Board would benefit the Company. No director, key managerial personnel or their relatives, except Mr. Prabhat Agarwala, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 6 for the approval of the members.

### Item No. 7

The Board of Directors at its meeting held on November 8, 2014 had appointed Mrs. Garima Maheshwari as an Additional Director of the Company. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mrs. Garima Maheshwari will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of ₹ 100,000/- proposing the candidature of Mrs. Garima Maheshwari for the office of the Director of the Company. The Company has received her declaration that she is not disqualified from being appointed as a Director in terms of 164(2) of the Act (DIR - 8) and her consent to act as a Director.

The Board considers that her appointment, would be in compliance with the requirement of the Woman Director pursuant to second proviso of Section 149(1) of the Act. Her experience (provided earlier) would benefit the Company. Accordingly, the Board recommends the resolution by way of Ordinary Resolution as set out as above under Item No. 7, in relation to the appointment of Mrs. Garima Maheshwari as a Director, for the approval of the shareholders of the Company.

Mr. Vijay Maheshwari, Director of the Company and Mrs. Garima Maheshwari, being relative to each other, are interested in the resolution set out at Item No. 7.

None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the resolution set forth in Item No. 7 for the approval of the members.

Registered Office :  
6A, Geetanjali,  
8B, Middleton Street,  
Kolkata – 700 071.

Date : 16th May, 2015

By Order of the Board  
**Deb Kumar Sett**  
Company Secretary

## Certification by CFO of the Company

- A. I have reviewed Financial Statements and the Cash Flow statement for the year ended 31-Mar-15 and that to the best of my knowledge and belief :
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's Code of Conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- D. I have indicated to the Auditors and the Audit Committee:
1. Significant changes in internal control over financial reporting during the year;
  2. Significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the Financial Statements; and
  3. Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.
- E. I further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company during the period under review.

Place : Kolkata

Date : 16th May, 2015

**Bhawani Sankar Rathi**

Wholetime Director & Chief Financial Officer



## DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Members,

Your Directors are pleased to present the Twenty-Sixth Annual Report together with the Audited Financial Statements for the year ended March 31, 2015,

### Financial Highlights

(₹ in Lakhs)

	Year ended	
	31.03.2015	31.03.2014
Total Income	1814.22	1381.36
Cash Profit	438.18	523.50
Less : Depreciation	75.05	39.15
Profit before tax	363.13	484.35
Less : Provision for taxation	120.25	146.00
Add / (Less) : Deferred Tax	10.78	5.08
Profit after tax	253.66	343.43
Add : Surplus brought forward	1841.56	1571.82
Add / (Less) : Adjustment for Earlier years	(5.43)	1.04
Balance available for appropriation	2089.79	1916.29
APPROPRIATION		
Provision for Dividend (Including Dividend Tax)	76.88	74.73
Balance carried to Balance Sheet	2012.91	1841.56

### Operational Review

In 2014-15, your Company's total Income from Operations stood at ₹ 1704.60 lacs as against ₹ 1314.96 lacs during the previous year, an increase of 29.63% over last year.

Your Company continued its focus on fee based activities (Investment Banking) and income therefrom was ₹ 845.47 lacs as against ₹ 1124.10 lacs during the previous year, recording 24.79% decline due to adverse market condition. It continues to be the thrust area for the Company.

Income from Capital Market Operation for the year has been ₹ 192.81 lacs as against ₹ 117.74 lacs during the previous year, an increase of 63.76% over last year.

Income from Other Sources was at ₹ 66.15 lacs as against ₹ 70.82 lacs during the previous year.

There has not been any change in the nature of business of the Company

### Dividend & Reserves

Taking into consideration the overall profitability position, the Board of Directors is pleased to recommend a dividend of 80 paise per share (8%) for the year ended March 31, 2015, subject to the approval of the Members at the Annual General Meeting.

During the year under review, no amount was transferred to General Reserve.

### STOCK EXCHANGE LISTINGS

The Equity Shares of the Company are listed on the Stock Exchanges at Kolkata and Mumbai.

### SFSL EMPLOYEES STOCK OPTION SCHEME, 2011

The Company had approved the Employee Stock Option Scheme at its Annual General Meeting on 24th March, 2011 which was further amended on 09th November, 2013 and 18th January, 2014. Disclosure pursuant to Clause 12 of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 is annexed hereto – **Annexure – I**.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of requirements of Clause 49 of the Listing Agreement with Stock Exchanges, a management Discussion and Analysis Report is attached as **Annexure – II** forming part of this Report.

## REPORT ON CORPORATE GOVERNANCE

In terms of requirements of Clause 49 of the Listing Agreement with Stock Exchanges, a Report on Corporate Governance together with Auditors' Certificate regarding compliance of Conditions of Corporate Governance are attached as **Annexure - III** and **Annexure - IV**, forming part of this Report.

## SUBSIDIARY & ASSOCIATE COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

As required under Section 129 (3) of the Companies Act, 2013 (the Act) and Clause 41 of the Listing Agreement with the Stock Exchanges, Consolidated Financial Statements of the Company and its following Subsidiary and Associate Companies prepared in accordance with the applicable Accounting Standards issued by The Institute of Chartered Accountants of India are appended in the Annual Report. There has not been any addition or cessation or change in the Subsidiary and Associate Companies during the year under review. The Company is not having any joint venture.

Accordingly a statement in Form AOC-1 is attached to the Financial Statements of the Company for your information.

During the year under review the Company has formulated a Policy for determining "Material Subsidiary" and the same is disclosed on the website of the Company and can be accessed at [http://www.sumedhafiscal.com/material\\_subsidary.pdf](http://www.sumedhafiscal.com/material_subsidary.pdf).

The performance of the subsidiary and associate companies are summarized below for your information.

### SFSL Commodity Trading Pvt. Ltd. - Subsidiary

During the year the Company recorded Total Revenue of ₹ 13,86,547/- (previous year ₹ 17,98,027/-) and Net Profit of ₹ 3,00,725/- for the year ended 31st March, 2015 (Previous Year : ₹ 3,94,577/-).

The company continues to explore growth opportunities.

### PERFORMANCE OF ASSOCIATE COMPANIES

#### Capita Finance Services Ltd.

During the year the Company recorded Total Revenue of ₹ 3,26,397/- (previous year ₹ 2,61,048/-) and Net Profit of ₹ 2,10,861/- for the year ended 31st March, 2015 (Previous Year : ₹ 1,31,594/-).

The company continues to explore growth opportunities.

#### SFSL Insurance Advisory Services Pvt. Ltd.

During the year the Company recorded Total Revenue of ₹ 2,38,086/- (previous year ₹ 1,64,383/-) and Net Profit of ₹ 64,430/- for the year ended 31st March, 2015 (Previous Year: ₹ 24,080/-).

The company continues to explore growth opportunities.

#### SFSL Risk Management Services Pvt. Ltd.

During the year the Company recorded Total Revenue of ₹ 1,62,760/- (previous year ₹ 1,05,975/-) and Net Profit of ₹ 36,054/- for the year ended 31st March, 2015 against loss in the Previous Year of ₹ 16,018/-.

The company continues to explore growth opportunities.

#### US Infotech Pvt. Ltd.

During the year the Company recorded Total Revenue of ₹ 19,62,269/- (previous year ₹ 17,99,536/-) and Net Profit of ₹ 4,71,225/- for the year ended 31st March, 2015 (Previous Year : ₹ 3,33,718/-).

The company continues to explore growth opportunities.

## CORPORATE SOCIAL RESPONSIBILITY

The Company is not yet required to comply with the requirement associated with Section 135 of the Companies Act, 2013.

## DIRECTORS RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:

- (i) that in the preparation of the Annual Accounts for the year ended March 31, 2015, the applicable accounting standards have been followed and there are no material departure;
- (ii) 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 as at March 31, 2015 and profits of the Company for the year ended on that date;
- (iii) that Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis;
- (v) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## DIRECTORS

The Board of Directors had on the recommendation of Remuneration and Nomination Committee appointed Mrs. Garima Maheshwari as a Non-Executive Director of the Company, with effect from November 8, 2014. Her tenure in office expires at the forthcoming Annual General Meeting (AGM).

The Board of Directors had on the recommendation of Remuneration and Nomination Committee also appointed Mr. Prabhat Agarwala as an Independent Director of the Company with effect from May 16, 2015 for a period of five consecutive years, subject to approval of the Members at the forthcoming Annual General Meeting of the Company.

The Company has received respective Notices pursuant to Section 160 of the Companies Act, 2013 along with required deposits proposing appointment of Mrs. Garima Maheshwari and Mr. Prabhat Agarwala at the forthcoming AGM.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Anil Kumar Birla and Mr. Bijay Murmuria, Directors, retire by rotation at the forthcoming Annual General Meeting and, being eligible offer themselves for re-appointment.

The company has duly received Declarations from all the Independent Directors pursuant to Section 149(6) & (7) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

During the year under review the Company has formulated a Familiarisation Programme for Directors and the same is disclosed on the website of the Company and can be accessed at [http://www.sumedhafiscal.com/familiarization\\_programme.pdf](http://www.sumedhafiscal.com/familiarization_programme.pdf).

## KEY MANAGERIAL PERSONNEL (KMP)

During the year under review, the Company had the following officials as Key Managerial Personnel:

Name	Designation
Mr. Bhawani Sankar Rathi	Wholetime Director & Chief Financial Officer
Mr. Deb Kumar Sett	Company Secretary

Mr. Rajesh Kumar Gupta, Wholetime Director, resigned with effect from August 31, 2014.

## BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act and as prescribed by Securities and Exchange Board of India under Clause 49 of the Listing Agreements. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In the separate meeting of Independent Directors, performance of non-independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive director and non-executive directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed.

### **AUDIT COMMITTEE**

The Audit Committee of the Board as on 31st March 2015 consisted of Mr. Prashant Sekhar Panda (Chairman) and Mr. Atul Chandra Varma, both Independent Directors and Mr. Bijay Murmuria, Non-Executive Director. Mr. Prabhat Agarwala, Independent Director, joined the Audit Committee on May 16, 2015. The Company has established a vigil mechanism / whistle blower policy, commensurate with its size and nature of business, and oversees through the Audit Committee, the genuine concerns expressed by the employees and other Directors. The Company has also made provisions for adequate safeguards against victimisation of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of the employees and the Company. The vigil mechanism / whistle blower policy of the Company has been uploaded on the website of the Company and can be accessed at [http://www.sumedhafiscal.com/whistle\\_blower\\_policy.pdf](http://www.sumedhafiscal.com/whistle_blower_policy.pdf).

### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee of the Board as on 31st March, 2015 comprised of Mr. Prashant Sekhar Panda, a Non-Executive Independent Director, as the Chairman, Mr. Atul Chandra Varma, Non-Executive Independent Director, Mr. Vijay Maheshwari and Mr. Bijay Murmuria, Non-Executive Promoter Directors, as its Members. Mr. Prabhat Agarwala, a non-executive Independent Director, has joined the Committee on May 16, 2015.

The Company's Policy relating to appointment of Directors, payment of managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 and clause 49 of the Listing Agreement is attached to this report as **Annexure - V**.

### **LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186(4) of the Companies Act, 2013 [the Act] are provided in the Notes to Financial Statements.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

The particulars of Contracts or Arrangements made with related parties pursuant to subsection (1) of Section 188 of the Companies Act, 2013 furnished in Form AOC -2, is attached to this report as **Annexure - VI**.

During the year under review the Company has formulated a Policy for Related Party Transaction and the same is disclosed on the website of the Company and can be accessed at [http://www.sumedhafiscal.com/policy\\_on\\_rpt.pdf](http://www.sumedhafiscal.com/policy_on_rpt.pdf).

### **DEPOSITS**

The Company has neither accepted nor renewed any deposits during the year under review.

### **CASH FLOW STATEMENT**

Cash Flow Statement for the year ended 31st March, 2015 pursuant to Clause 32 of the Listing Agreements with Stock Exchanges is annexed herewith.

### **GOING CONCERN STATUS**

No significant and material orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operation in the future.

### **MATERIAL CHANGES AND COMMITMENTS**

There has not been any material change and commitment affecting the financial position of the Company occurred between the end of the end of the financial year 2014-15 and the date of the Report.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to firms of Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.



The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has an effective Management Information System, which is an integral part of the control mechanism.

The Company is also having well-defined internal compliances structure comprising of vertical heads (as responsibility centers) for ensuring statutory compliance in their respective areas. Department wise quarterly compliance certificates/status reports issued by every Department are placed before the Audit Committee for review.

The Audit Committee of the Board of Directors, Statutory Auditors and the Department Heads are periodically apprised of the internal audit findings and corrective actions taken. Internal Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

### **COMPLIANCE SYSTEM**

Based on the Reports of Statutory Compliance from Departmental Heads/Responsibility Centres, as aforesaid, the Company Secretary issues Certificate under Section 205 of the Companies Act, 2013 (Act) and Rules made thereunder. The Certificate is also endorsed by the Wholtime Director and Chief Financial Officer of the Company.

The status of Statutory Compliance is verified by the Internal Auditors and Secretarial Auditors pursuant to Sections 138 and 204 of the Act.

### **ANNUAL RETURN**

The extract of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached to this Report as **Annexure - VII**.

### **SECRETARIAL AUDIT**

In terms of the requirements of Section 204 of the Companies Act, 2013 the Secretarial Audit of the Company for the year ended 31st March 2015 was conducted by Mr. Babu Lal Patni, Company Secretary in Practice. The Secretarial Auditors' Report is attached to this Report as **Annexure - VIII** and forms part of the Directors' Report. There is no qualification or reservation or adverse remark or disclaimer made by the Secretarial Auditor in the Report.

### **COST AUDIT**

The Company is not engaged in production of goods or providing services pursuant to Section 148 of the Act and therefore not required to comply with the requirements thereunder.

### **AUDITORS AND AUDIT REPORT**

Messrs. ARSK & Associates, Chartered Accountants, hold office as the Auditors of the Company upto the conclusion of the forthcoming Annual General Meeting and are eligible, for reappointment. The Company has received a letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for re-appointment.

There is no qualification, reservation or adverse remark made by Messrs. ARSK & Associates, the Statutory Auditors of the Company in their Report pertaining to the year ended 31st March 2015.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company for the year under review.

### **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

Since the Company does not own any manufacturing facility, the other particulars relating to conservation of energy and technology absorption stipulated in the Companies (Accounts) Rules, 2014 are not applicable.

### **FOREIGN EXCHANGE EARNING AND OUTGO**

Foreign Exchange earnings and outgo during the year under review were ₹ 7.75 lacs (previous year ₹ 18.09 lacs) and ₹ 0.94 lac (previous year ₹ 5.75 lacs), respectively.

### **RISK MANAGEMENT**

The Company, as an Intermediary registered with the Securities and Exchange Board of India (SEBI), is required to comply with the prescribed risk management measures. Accordingly, the quarterly status of various risks being faced by the Company and measures for mitigation thereof are placed before the Audit Committee and Board of Directors of the Company, for review and appropriate

measures. Further details about the pertinent risks are contained the in the statement of Management Discussion and Analysis (**Annexure - II**).

### **PARTICULARS OF EMPLOYEES**

The ratio of the remuneration of each Director to the median employee's remuneration and other particulars or details of employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached to this Report as **Annexure - IX**. None of the employees of the Company is in receipt of remuneration coming under purview of the said Section/Rule.

### **EMPLOYEE RELATIONS**

Work atmosphere of the Company has been harmonious.

In terms of requirements of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Rehabilitation) Act, 2013, the Company has formed Internal Complaints Committees. During the year, no complaint regarding sexual harassment was received by the said Committee.

### **APPRECIATION**

We acknowledge our appreciation to Shareholders, Bankers, Regulators, National Stock Exchange, Multi-Commodity Exchange, Bombay Stock Exchange, and Clients for their continued support. The Board also takes this opportunity to express its whole-hearted appreciation of the efforts put in by the employees at all levels. We look forward to the future with confidence and stand committed to creating a brighter future for all shareholders.

Place: Kolkata  
Date: 16th May, 2015

On Behalf of the Board



**Ratan Lal Gaggar**  
Chairman

## Annexure - I

Statement as at 31st March, 2015, pursuant to Clause 12 (Disclosure in the Directors' Report) of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

		<b>SFSL Employee Stock Option Scheme, 2011</b>
a)	Total number of Options granted / allocated:	3,48,000 Options (granted during 2013-14)
b)	(i) Pricing Formula:	The Exercise Price has been the closing price of the Company's Share on the Bombay Stock Exchange Ltd. (the 'BSE') on the day immediately preceding the date of Grant, or the average price of the Company's Share in the twenty six weeks preceding the date of Grant based on the daily Closing Price on the BSE, or such other Price as may be determined by the Compensation Committee.
	(ii) Exercise Price / Adjusted Exercise Price : per Option, as applicable (Each Option represents 1 (one) Equity Share of ₹10/- each)	₹ 11/- per Equity Share
c)	Total number of Options vested	Nil
d)	Total number of Options exercised	Not applicable
e)	Total number of Equity Shares of ₹10/- each arising as a result of exercise of Options:	Not applicable
f)	Total number of Options lapsed	Not applicable
g)	Variation of terms of Options :	Nil
h)	Money realised by exercise of Options	Not applicable
i)	Total number of Options in force	-

j)	(i) Details of Options granted to Senior Managerial Personnel :
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### **SFSL Employee Stock Option Scheme, 2011**

<b>Sl. No.</b>	<b>Name</b>	<b>No. of Options granted during 2013-14</b>
1.	Mr. Rajesh Kumar Gupta, Wholetime Director [Resigned w.e.f. 31-Aug-14]	7000
2.	Mr. Deb Kumar Sett, Company Secretary	7000
3.	Mr. Ajay Kumar Laddha, Vice President	7000
4.	Mr. Bijoy Kamal Haldar, Asst. Vice President	7000
5.	Mr. Debjit Adak, Head Research	7000
6.	Mr. Girdhari Lal Dadhich, Senior Manager - Accounts	7000
7.	Mr. Harsh Singhania, Head – PMS [Resigned w.e.f. 30-Aug-14]	7000
8.	Mr. Ajay Kumar Jhawar, Senior Manager – DP Services	7000
9.	Mrs. Ritupriya C Anish, Manager – Human Resources	7000

		<b>SFSL Employee Stock Option Scheme, 2011</b>
(ii)	Any other employee who received a grant in any one year of Options amounting to 5% or more of the Options granted during the year.	None

		<b>SFSL Employee Stock Option Scheme, 2011</b>														
	(iii) Identified employees who were granted Options during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	None														
k)	Diluted Earnings Per Share (EPS) pursuant to issue of Equity Shares on exercise of Option calculated in accordance with International Accounting Standard (IAS) 33	No options were exercised during the year														
l)	(i) Method of calculation of employee compensation cost.	The employee compensation cost has been calculated using the Intrinsic Value Method of accounting for Options issued under the Company's Employee Stock Option Scheme. The Employee Compensation Cost as per the Intrinsic Value Method for the financial year 2014-15 is Nil.														
	(ii) Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognised if it had used the fair value of the Options.	Nil														
	(iii) The impact of this difference on profits and on Earnings Per Share of the Company	<p>The effect on the profits and earnings per share, had the fair value method been adopted, is presented below: (as on 31st March, 2015) ₹ in Lakhs</p> <table border="1"> <tr> <td>Profit After Tax (As reported)</td> <td>248.22</td> </tr> <tr> <td>Add: Intrinsic Value Compensation Cost</td> <td>Nil</td> </tr> <tr> <td>Less: Fair Value Compensation Cost (Black Scholes model)</td> <td>Nil</td> </tr> <tr> <td>Adjusted Profit</td> <td>248.22</td> </tr> <tr> <td>Earnings Per Share</td> <td><b>Basic (₹)</b>    <b>Diluted (₹)</b></td> </tr> <tr> <td>As reported</td> <td>3.11    3.11</td> </tr> <tr> <td>As adjusted</td> <td>N.A.    N.A.</td> </tr> </table>	Profit After Tax (As reported)	248.22	Add: Intrinsic Value Compensation Cost	Nil	Less: Fair Value Compensation Cost (Black Scholes model)	Nil	Adjusted Profit	248.22	Earnings Per Share	<b>Basic (₹)</b> <b>Diluted (₹)</b>	As reported	3.11    3.11	As adjusted	N.A.    N.A.
Profit After Tax (As reported)	248.22															
Add: Intrinsic Value Compensation Cost	Nil															
Less: Fair Value Compensation Cost (Black Scholes model)	Nil															
Adjusted Profit	248.22															
Earnings Per Share	<b>Basic (₹)</b> <b>Diluted (₹)</b>															
As reported	3.11    3.11															
As adjusted	N.A.    N.A.															
m)	Weighted average exercise prices and weighted average fair values of Options granted for Options whose exercise price either equals or exceeds or is less than the market price of the stock.	<p>Weighted average exercise price per Option: ₹ 11.00            Weighted average fair value per Option: ₹ 8.68</p>														
n)	A description of the method and significant assumptions used during the year to estimate the fair values of Options.	<p>The fair value of each Option is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis:</p> <table border="1"> <tr> <td>a) Risk-free interest rate</td> <td>8.9%</td> </tr> <tr> <td>b) Expected life</td> <td>3 years</td> </tr> <tr> <td>c) Expected volatility</td> <td>87%</td> </tr> <tr> <td>d) Expected dividends</td> <td>5%</td> </tr> <tr> <td>e) The price of the underlying share in market at the time of Option Grant</td> <td>₹ 11</td> </tr> </table>	a) Risk-free interest rate	8.9%	b) Expected life	3 years	c) Expected volatility	87%	d) Expected dividends	5%	e) The price of the underlying share in market at the time of Option Grant	₹ 11				
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On Behalf of the Board


**Ratan Lal Gaggar**

Chairman

Place: Kolkata

Date: 16th May, 2015



## Annexure - II

# MANAGEMENT DISCUSSION & ANALYSIS

### ECONOMY: REVIEW

Indian economy has emerged from the shackles of fragmented popular verdict after few decades. The recharged popular sentiment has been reciprocated by promises of rejuvenation of manufacturing process by way of "Make in India" Policy. With inflation cooling down and increased activity in the infrastructure sector, the economy is poised to grow resulting in more activity in the capital market. Policy boost for infrastructure, participation of private sector in defence production and downward trend for bank interest rate should augur well for taking momentum and spur economic growth.

#### Capital Markets

Entrepreneurship has taken root in India along with greater risk-appetite. Private Equity/Venture Capital has been playing a bigger role where no other funding agency is ready to come in. Further the market remained buoyant since the new government came in and continues to be positive.

#### Lending by Banks

Public Sector Banks are saddled with enormous amount of Non-Performing Assets blocking further lending. Implementing Basel III norms would be a distant dream for some time to come, unless there is a radical Policy decision in this connection. Overseas issue of Rupee-denominated Bonds by State Bank of India indicates softening of stand for full convertibility of Rupee. This will shift volatility of INR from the borrower to the lender, a positive signal for the currency and the economy. A number of measures are being taken to contain the defaults and Banks are provided with larger powers including change in control for tackling this menace.

#### Outlook

While FY12 to FY14 had witnessed challenging macroeconomic and business environment, FY15 saw the reversal of these conditions. Current account and fiscal deficits are now in comfort zone and inflation has nearly halved from a year ago. Most importantly, Indian electorate chose to grant full majority to a single party in the Lok Sabha, for the first time in the last three decades. Consequently, there has been significant improvement in investors' perception with portfolio flows touching \$45 billion of in FY15 itself and the business optimism is now positive. The reforms process would take some more time to come out with tangible results and the cash flows and balance sheets of corporates continue to be stretched. Hence, we feel that the first half of FY16 may continue to see difficult business environment before growth starts returning gradually in the second half.

#### Highlights of Financial Performance during FY 2014-15

- Total Income from Operation of ₹ 1705 Lacs (₹ 1315 Lacs for FY14)
- Profit Before Tax of ₹ 363 lacs (₹ 484 lacs in FY14)
- Net Profit of ₹ 248 lacs (₹ 344 lacs in FY14)
- Basic EPS after extra ordinary items stood at ₹ 3.11 in FY14, compared to ₹ 4.31 in FY14

### BUSINESS OVERVIEW

#### Investment Banking

Investment Banking continues to be the major revenue earning division of the Company. Steady growth start-up activities has created new opportunities for the Company for offering one stop shop for the enterprises requiring boutique investment bankers for value added services. Sumedha Fiscal provides merchant banking, loan syndication, financial restructuring, portfolio resolution of stressed assets, M&A and equity placements under its investment banking division. In spite of challenging situation in the market, Income from this segment has recorded ₹ 845.47 lacs (previous year ₹ 1124 lacs).

#### Capital Market Operation

Capital Market Division of the Company offers equity, currency and commodity broking and wealth management for institutional and individual clients.

The market remained buoyant during most part of the year and also driven from domestic institutions as well. It was heartening to see domestic mutual funds getting larger funds for investments into Capital Markets. The Company has recorded an income of ₹ 192.81 lacs against ₹ 117.74 lacs during FY14.

### **Risks & Concerns**

**The company is subject to following broad risks -**

- Operational Risk
- Market Risk
- Financial Risk
- Compliance Risk

The Company is having appropriate system to address the consequent vulnerability and periodical reports thereon are placed before the Audit Committee and the Board of Directors of the Company. The Company approach to risk is practical and proactive. All major risks are identified, monitored and acted upon within the internal framework. However the Company is not yet required to constitute a Risk Management Committee pursuant to Clause 49.VI.C of the Listing Agreement.

### **Internal Control Systems**

Sumedha Fiscal currently operates in areas related to Investment Banking, Wealth Management and Broking Services. All the verticals are service oriented and there is a constant interaction and involvement with clients and Financial Institutions. The Company employs regular Audits and process verifications in order to ensure system driven control. Internal Audits are conducted by external Auditors and their Reports are periodically submitted to the Audit Committee. Important issues, if any, are reported the Board of Directors of the Company. The Company takes a number of measures to constantly develop talent and nurture leadership.

There has been no material developments in the area of Human Resources. The Company had 66 permanent employees during the year under review.

### **Cautionary Statement**

This Management Discussion and Analysis provides the details of the Company objectives. Statements detailed here are not exhaustive but are for information purposes only. The actual performance of the Company in future may vary substantially from those outlined herein. Some of the statements written herein are forward looking and should not be construed as a guarantee of performance. The readers must exercise their due diligence before forming any opinion based on this statement.

For and on behalf of the Board



**Ratan Lal Gaggar**

Chairman

Place: Kolkata

Date: 16th May, 2015

## Annexure - III

## CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2015.

### 1. COMPANY'S PHILOSOPHY

Sumedha Fiscal Services Ltd. ("the Company") has been practicing the principles of good corporate governance over the years and has adopted best practices, disclosure standards, and enhanced shareholder value while protecting the interests of all other stakeholders including clients, suppliers and its employees.

### 2. BOARD OF DIRECTORS

#### i. Composition

The Board of Directors of your Company as on May 16, 2015 consisted of ten Directors as under:

- Five Independent Directors including the Chairman.
- Four Non-Executive Directors (including two Promoters and one Woman Director).
- One Wholetime Director (Promoter).

The Board has an optimum combination of Executive and Non-Executive Directors and half of the Board consisted of Independent Directors and one Non-Executive woman Director. No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013, except Mrs. Garima Maheshwari who is daughter-in-law of Mr. Vijay Maheshwari.

#### Changes in composition of the Board of Directors since last Report:

Mrs. Garima Maheshwari was appointed as an Additional Director (Non-executive) on 08th November, 2014 and Mr. Prabhat Agarwala was appointed as an Additional Director (Independent) on 16th May, 2015. Both the appointments are subject to approval of the Members at the forthcoming Annual General Meeting.

#### ii. Attendance at the Board Meetings/last AGM, Directorship and Chairmanship/ Membership in other Board/ Board Committees

Name and category of the Directors on the Board, their attendance at Board Meetings held during the financial year ended 31st March 2015, number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies are given below. Other Directorships do not include alternate Directorships, Directorships in Private Limited Companies and Companies under Section 8 of the Companies Act, 2013 and of the Companies incorporated outside India. Chairmanship/ Membership of Board Committees relates to only Audit and Stakeholders' Relationship Committees.

Sl.	Name of Directors	Category	No. of Board Meetings		Whether attended last AGM held on September 13, 2014	No. of Directorships in other public limited companies	No. of Committee positions held in other public limited companies	
			Held during the year	Attended			As Chairman/Chairperson	As Member (#)
1.	Mr. Ratan Lal Gaggar, Chairman	Non-Executive/ Independent	4	4	Yes	9	-	9
2.	Dr. Basudeb Sen	Non-Executive/ Independent	4	3	Yes	3	1	2
3.	Mr. Atul Chandra Varma	Non-Executive/ Independent	4	4	Yes	-	-	-
4.	Mr. Vijay Maheshwari	Non-Executive/ Promoter	4	4	Yes	1	-	-
5.	Mr. Prashant Sekhar Panda	Non-Executive/ Independent	4	4	No	2	1	-
6.	Mr. Anil Kumar Birla	Non-Executive	4	3	Yes	-	-	-
7.	Mr. Bijay Murmuria	Non-Executive/ Promoter	4	4	Yes	1	-	-
8.	Mr. Bhawani Sankar Rathi, Wholetime Director & Chief Financial Officer	Executive/ Promoter	4	2	Yes	-	-	-
9.	Mrs. Garima Maheshwari*	Non-Executive	4	-	NA	-	-	-
10.	Mr. Rajesh Kumar Gupta, Wholetime Director @	Executive	4	2	NA	-	-	-

# The membership of the Audit Committee and the Stakeholders' Relationship Committee are considered for this purpose [in view of Clause No. 49.II.D.2.(ii) of the Listing Agreement].

\* with effect from 8-Nov-14 @ resigned with effect from 31-Aug-14

None of the Directors on the Board is a Member of more than 10 Committees or Chairman/Chairperson of more than 5 Committees as specified in Clause 49, across all the Companies in which he/she is a Director. The Directors have made necessary disclosures regarding Committee positions held in other public limited companies.

### iii. Number & Dates of Board Meetings/Date of last AGM held

- a) Four Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:  
 May 17, 2014; August 9, 2014; November 8, 2014 and February 7, 2015.  
 The last Annual General Meeting of the Members of the Company was held on September 13, 2014.
- b) Necessary information where applicable as mentioned in Annexure X to Clause 49 of the Listing Agreement has been placed before the Board for its consideration.

### iv. Independent Directors

The Non-Executive Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Rules made thereunder as well as Clause 49 of the Listing Agreement with the Stock Exchanges. Terms and Conditions of Appointment of Independent Directors (as provided in Companies Act, 2013 and the Listing Agreement) are disclosed on the website of the Company viz. [http://www.sumedhafiscal.com/terms\\_conditions.pdf](http://www.sumedhafiscal.com/terms_conditions.pdf).

During the year under review, the Independent Directors met on February 7, 2015, inter alia, to discuss:

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present for this Meeting.

### v. Familiarisation Programme For Directors

At the time of appointing a Director, a formal letter of appointment is issued, which, inter alia, explains the role, function, duties and responsibilities expected of a Director of the Company. The Director is also explained in detail the compliance required from him under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations and affirmations are taken with respect to the same. The Chairman has one to one discussion with the newly appointed Director to familiarise him/her with the Company's operations. Further the Company has put in place a system to familiarise the Independent Directors about the Company, its business and the on-going events relating to the Company.

## 3. AUDIT COMMITTEE

### Terms of Reference

The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal controls system, discussion on quarterly, half-yearly and annual financial results, interaction with Statutory and Internal Auditors, one-on-one meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory Auditors and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, review of Business Risk Management Plan, review of Management Discussions & Analysis, review of Internal Audit Reports, Related Party Transactions. The Committee also reviews compliance of provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

### Composition, Meetings and attendance during the year

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Clause 49 of the Listing Agreement. All members of the Audit Committee are financially literate and bring in expertise in their respective areas of expertise. The Audit Committee met four times during the year ended March 31, 2015 (on May 17, 2014; August 9, 2014; November 8, 2014 and February 7, 2015) and the necessary quorum was present at all the Meetings.

Mr. Prabhat Agarwala has joined the Audit Committee on May 16, 2015.

Sl.No.	Name of the Directors	Position	Category	No. of Meetings attended
1.	Mr. Prashant Sekhar Panda	Chairman	Non-Executive Independent	4 of 4
2.	Mr. Atul Chandra Varma,	Member	Non-Executive Independent	4 of 4
3.	Mr. Prabhat Agarwala*	Member	Non-Executive Independent	-
4.	Mr. Bijay Murmuria	Member	Non-Executive Promoter	4 of 4

\* with effect from May 16, 2015

#### 4. NOMINATION AND REMUNERATION COMMITTEE

##### i. Brief description of terms of Reference

The broad terms of reference of the Nomination and Remuneration Committee are as follows:

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;

##### ii. Composition, Meeting and Attendance

The Nomination and Remuneration Committee met once during the year (ended March 31, 2015) on November 8, 2014. The necessary quorum was present at the Meeting.

Mr. Bijay Murmuria and Mr. Prabhat Agarwala were inducted on November 8, 2014 and May 16, 2015, respectively.

Sl.No.	Name of the Directors	Position	Category	No. of Meetings attended
1.	Mr. Prashant Sekhar Panda	Chairman	Non-Executive Independent	1 of 1
2.	Mr. Atul Chandra Varma	Member	Non-Executive Independent	1 of 1
3.	Mr. Vijay Maheshwari	Member	Non-Executive Promoter	1 of 1
4.	Mr. Bijay Murmuria	Member	Non-Executive Promoter	1 of 1
5.	Mr. Prabhat Agarwala*	Member	Non-Executive Independent	-

\* with effect from May 16, 2015

##### iii. Remuneration Policy

Non-Executive Directors are entitled to a sitting fee of ₹ 5,000/- for each meeting of the Board/Audit Committee /Nomination and Remuneration Committee, attended by him.

The Nomination and Remuneration Committee has also formulated and recommended to the Board a Remuneration Policy relating to the remuneration for the Directors, Key Managerial Personnel and other senior employees and also formulated evaluation criteria for evaluating the performance of Independent Directors and Board. The said Policy has been approved by the Board and the same is annexed to the Board's Report, which inter alia includes the criteria of making payments to Non-Executive Directors.

##### iv. Details of Remuneration to all the Directors

The remuneration of the Wholetime Director was determined by the Board within the statutory limits subject to shareholders' approval and on the basis of recommendation of the Remuneration Committee.

**The details of remuneration paid to Directors during the financial year are as follows :**

Sl. No.	Name of Directors	Meetings Fees # ₹	Guarantee Commission* ₹	Salary & Perks ₹	Total ₹	No. of Shares held
1.	Mr. Ratan Lal Gagar	20,000	-	-	20,000	-
2.	Dr. Basudeb Sen	15,000	-	-	15,000	4,000
3.	Mr. Atul Chandra Varma	45,000	-	-	45,000	-
4.	Mr. Vijay Maheshwari	25,000	1,25,000	-	1,50,000	15,62,220
5.	Mr. Prashant Sekhar Panda	45,000	-	-	45,000	-
6.	Mr. Anil Kumar Birla	15,000	-	-	15,000	6,000
7.	Mr. Bijay Murmuria	45,000	1,25,000	-	1,70,000	3,69,920
8.	Mr. Bhawani Sankar Rathi, <i>Wholetime Director &amp; CFO</i>	-	-	19,81,200	19,81,200	1,19,270
9.	Mr. Rajesh Kumar Gupta, <i>Wholetime Director (Resigned on 31-Aug-14)</i>	-	-	9,52,000	9,52,000	220
10.	Mrs. Garima Maheshwari, <i>Additional Director (appointed on 08-Nov-14)</i>	-	-	-	-	25,000
	<b>Total</b>	<b>2,10,000</b>	<b>2,50,000</b>	<b>29,33,200</b>	<b>33,93,200</b>	<b>20,86,630</b>

# Sitting Fees for Board, Audit Committee and Nomination & Remuneration Committee Meetings

\* Guarantee Commission paid for providing personal guarantee for credit facilities availed by the Company.



## 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

### I. *Composition of the Committee*

The Stakeholder Relationship Committee of the Board as at 31st March 2015 consisted of two members. Mr. Prashant Sekhar Panda, a Non-Executive Independent Director, was the Chairman of the Committee. Mr. Anil Kumar Birla, Non-Executive Directors was the other Member of the Committee.

### II. *Brief description of the terms of reference*

The terms of reference of the Committee are to look into redressal of Shareholders'/Investors' complaints relating to non-receipt of notices, share certificates, annual reports, dividends, transfer of shares, dematerialisation of shares and other grievances. The mode of functioning of the committee is as follows:

- i) The Secretarial Department of the Company and the Registrar and Share Transfer Agent [Maheshwari Datamatics Pvt. Ltd., Kolkata] attend to all grievances of the shareholders.
- ii) The Company Secretary has been delegated with required authority to address issues relating to shareholders' grievances, for speedy disposal thereof with regular updation to the Board of Directors of the Company. All the 3 (three) grievances received during the year have been resolved and no transfer or grievance is pending to be addressed.
- iii) The Minutes of the Stakeholders' Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.
- iv) Continuous efforts are made to ensure that grievances are redressed expeditiously to the complete satisfaction of the investors (normally within 7 days, when required documents are in order). Shareholders are requested to furnish their telephone numbers and e-mail addresses to facilitate prompt action.
- v) The Stakeholders' Relationship Committee met on April 3, 2014 and July 10, 2014 for effecting Transfer of Shares. It met on May 16, 2015 to review the status Investors' Complaints received during the year and status of disposal thereof.

### III. *Name and designation of the Compliance Officer*

Mr. Deb Kumar Sett  
 Company Secretary & Compliance Officer  
 Sumedha Fiscal Services Ltd.  
 6A Geetanjali,  
 8B Middleton Street,  
 Kolkata 700071.

### IV. *Details of Complaints received, redressed and pending during the financial year ended 31st March, 2015*

Pending at the beginning of the year	Received during the year	Redressed/ Replied during the year	Pending at the year end
Nil	3	3	Nil

## 6. MANAGEMENT COMMITTEE

The Management Committee, consisting of Mr. Bijay Murmuria, Mr. Vijay Maheshwari and Mr. Anil Kumar Birla, Directors of the Company, is headed by Mr. Bijay Murmuria. It deals with the issues arising out of day to day management of the Company including general financial matters, on the basis of authority delegated by the Board of Directors. The Committee met 13 times during the year under review.

The Board at its meeting held on February 7, 2015 delegated authority to the Management Committee of the Directors, to issue Duplicate Share Certificates pursuant to MCA Circular No. 19/2014 dated June 12, 2014 and also effect transfer of physical Shares of the Company.

## 7. SUBSIDIARY COMPANIES

The Company does not have any "Material Subsidiary" as defined under Clause 49 of the Listing Agreement. However, the Company has formulated Policy on Determining Material Subsidiary and uploaded it on the website of the Company ([http://www.sumedhafiscal.com/material\\_subsidary.pdf](http://www.sumedhafiscal.com/material_subsidary.pdf)).

## 8. GENERAL BODY MEETINGS

### i. Location and time of last three Annual General Meetings:

Financial Year ended	Date and time	Venue
31st March, 2012	August 25, 2012 at 10.30 a.m.	MCC Chamber of Commerce & Industry, 15B Hemanta Basu Sarani, Kolkata – 700 001.
31st March, 2013	August 10, 2013 at 10.30 a.m.	MCC Chamber of Commerce & Industry, 15B Hemanta Basu Sarani, Kolkata – 700 001.
31st March, 2014	September 13, 2014 at 10:30 AM	MCC Chamber of Commerce & Industry, 15B Hemanta Basu Sarani, Kolkata – 700 001.

### ii. Special Resolutions passed in the previous three AGMs.

AGM held on	Special Resolution Passed
August 25, 2012	<ul style="list-style-type: none"> <li>● Appointment and payment of remuneration to Mr. Rajesh Kumar Gupta as a Wholetime Director</li> <li>● Increase in remuneration of Mr. Bhawani Sankar Rathi, Wholetime Director &amp; Chief Financial Officer</li> </ul>
August 10, 2013	<ul style="list-style-type: none"> <li>● Re-Appointment and payment of remuneration to Mr. Bhawani Sankar Rathi as Wholetime Director &amp; Chief Financial Officer</li> </ul>
September 13, 2014	<ul style="list-style-type: none"> <li>● Leasing of office space u/s. 188(1)(c) of the Companies Act, 2013</li> </ul>

### iii. Particulars about Postal Ballot, Special Resolution etc. during 2014-15 : NIL

### iv. Resume and other information regarding the Directors being appointed/re-appointed as required under Clause 49 VIII(E)(1) of the Listing Agreement have been given in the Notice of the Annual General Meeting annexed to this Annual Report.

## 9. DISCLOSURES

i) Transactions with the related parties have been disclosed in Note No. 23 of the Notes to Financial Statements in the Annual Report for the year under review. There was no materially significant related party transactions that may have potential conflict with the interests of the Company at large.

The Company's Policy on dealing with related party transactions as approved by the Board is available on the website of the Company at the link: ([http://www.sumedhafiscal.com/policy\\_on\\_rpt.pdf](http://www.sumedhafiscal.com/policy_on_rpt.pdf)).

ii) The Company has complied with all the mandatory requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the financial year. No penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets during the financial years ended 31st March 2013, 31st March 2014 and 31st March 2015.

iii) Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has formulated Whistle Blower Policy / vigil mechanism for Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimisation of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. Company's Policy thereon is available on the Company's Website at the weblink : ([http://www.sumedhafiscal.com/whistle\\_blower\\_policy.pdf](http://www.sumedhafiscal.com/whistle_blower_policy.pdf)).

iv) All the mandatory requirements have been appropriately complied with and the non-mandatory requirements are dealt with at the end of this Report.

### v) Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

**vi) Risk Management**

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Audit Committee and the Board of Directors.

**vi) Proceeds from public issues, right issues, preferential issues etc.**

The Company did not have any of the above issues during the year under review.

**10. MEANS OF COMMUNICATION****i. Quarterly Results and publication thereof in newspapers**

Quarterly, half-yearly and annual results are published in prominent dailies as Financial Express (English) and Arthik Lipi / Akdin (Bengali) newspapers in the form prescribed by Clause 41 of the Listing Agreements with the Stock Exchanges.

**ii. Display on Website**

Financial Results, Shareholding Pattern, Quarterly Report on Corporate Governance, Information Update etc., are displayed on the Company's Website [www.sumedhafiscal.com](http://www.sumedhafiscal.com).

**iii. Display of Official news and presentation made to the Shareholders/ Institutional Investors/Analysts:**

Press releases and Information Updates as and when made are displayed on the Company's website and also sent to the Stock Exchanges to enable them to put the same on their own websites.

**iv. Details of Unpaid/ Unclaimed Dividend are displayed on website of the Company (<http://www.sumedhafiscal.com/UnpaidUnclaimedDividend.asp>)****11. GENERAL SHAREHOLDERS' INFORMATION****i. 26th Annual General Meeting**

Date	Time	Venue
12th September, 2015 (Saturday)	10.30 a.m.	MCC Chamber of Commerce & Industry 15B Hemanta Basu Sarani, Kolkata – 700001.

**ii. Financial Year : 1st April to 31st March****iii. Dates of Book Closure**

The Share Transfer Books and Register of Members of the Company will remain closed from 4th September, 2015 to 12th September, 2015 (both days inclusive) for the purpose of the Annual General Meeting of the Company and payment of Dividend, if declared.

**iv. Dividend Payment Date**

The Dividend, if declared, shall be paid/credited on or after 16th September, 2015 within the statutory time limit.

**v. Listing on Stock Exchanges**

The Company's Shares are listed at the following Stock Exchanges and the Annual Listing Fees for the year 2015-16 have been paid to all these Stock Exchanges within the statutory time limit.

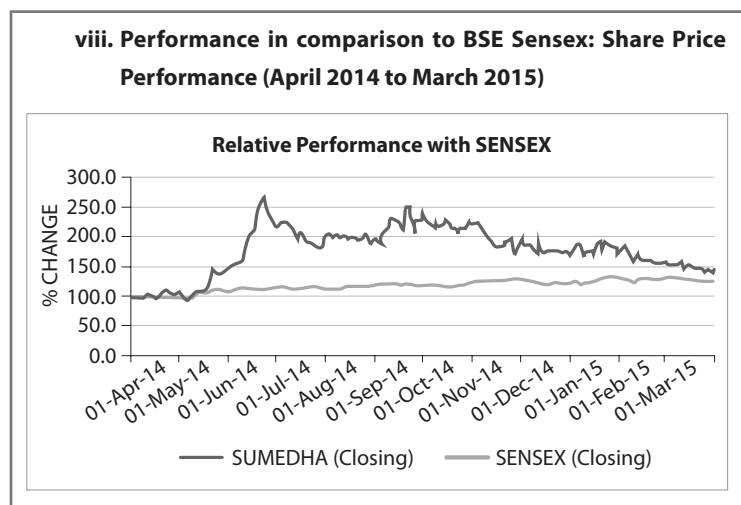
- BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. (BSE)
- The Calcutta Stock Exchange Ltd., 7, Lyons Range, Kolkata - 700 001. (CSE)

**vi. Stock Code**

BSE Ltd.	Stock Code : 530419
The Calcutta Stock Exchange Ltd.	Stock Code : 029093
ISIN for NSDL & CDSL :	INE886B01012

**vii. Stock Price Data:**

Period	The Calcutta Stock Exchange Ltd.		BSE Ltd.			
	High	Low	High	Low	Closing	Sensex (Closing)
April, 2014	-	-	10.50	8.66	10.00	22417.80
May, 2014	-	-	14.15	9.05	13.40	24217.34
June, 2014	-	-	25.96	13.41	19.95	25413.78
July, 2014	-	-	22.10	15.90	18.10	25894.97
August, 2014	-	-	19.95	17.35	17.45	26638.11
September, 2014	-	-	24.90	16.60	22.20	26630.51
October, 2014	-	-	24.40	15.60	20.50	27865.83
November, 2014	-	-	21.95	15.55	16.35	28693.99
December, 2014	-	-	19.60	14.55	15.80	27499.42
January, 2015	-	-	19.00	13.05	15.85	29182.95
February, 2015	-	-	19.15	13.75	14.35	29361.50
March, 2015	-	-	15.37	12.29	13.79	27957.49

**viii. Performance in comparison to BSE Sensex: Share Price Performance (April 2014 to March 2015)****ix. Registrar and Share Transfer Agents:**

In accordance with the SEBI directive vide Circular Nos. D&CC/ FITTC/CIR-15/2002 dated 27th December 2002 the Company appointed the following SEBI registered Agency as the Common Registrar and Share Transfer Agents of the Company for both the Physical and Dematerialised Shares of the Company :-

Maheshwari Datamatics Pvt. Ltd.

6, Mangoe Lane, 2nd Floor,  
Kolkata – 700001.

Tel.: (033) 2243-5809; 2243-5029; 2248-2248

Fax: (033) 2248-4787 E-mail: rpatra@mdpl.in;  
mdpldc@yahoo.com

**x) Share Transfer System:**

The requests for transfer of shares held in physical mode should be lodged at the office of the Company's Registrar & Share Transfer Agents, Maheshwari Datamatics Private Limited, 6 Mangoe Lane, 2nd Floor, Kolkata 700001 or at the Registered Office of the Company. The Board of Directors has delegated the powers of share transfer, transmission, sub-division, consolidation and also issue of Duplicate Share Certificate (vide MCA Circular No. 19/2014 dated June 12, 2014) to the Management Committee in order to expedite transfer, transmission etc. in the physical form and also to comply with the statutory time-limits. Share Transfers are registered within statutory time limit of 15 days, if the transfer documents are found technically in order and complete in all respect.

**xi) Distribution of Shareholding as on March 31, 2015:****a) Shareholding Pattern as on 31st March, 2015**

Category	No. of Shares	% of holding	Held in Demat Form	% in Demat Form
Promoters (Individual & Bodies Corporate)	3739176	46.831	3739176	46.831
Mutual Funds/Government(s)	10500	0.131	-	-
Bodies Corporate (Non-promoter)	1879357	23.538	1780257	22.297
Indian Public (Individual)	2304214	28.859	2132094	26.703
NRIs/OCBs	48856	0.612	44956	0.563
Clearing Member	2321	0.029	2321	0.029
<b>Total</b>	<b>7984424</b>	<b>100.000</b>	<b>7698804</b>	<b>96.423</b>

**b) According to number of Shares held****c) According to number of Shares held**

No. of Shares	No. of Shareholders	% of Shareholders	Shares held	% of Shareholding
1-500	1795	73.66	318520	3.99
501-1000	256	10.51	208628	2.61
1001-2000	144	5.91	230803	2.89
2001-3000	72	2.95	180651	2.26
3001-4000	29	1.19	104566	1.31
4001-5000	27	1.11	126468	1.58
5001-10000	50	2.05	353997	4.44
10001 and above	64	2.62	6460791	80.92
	<b>2437</b>	<b>100.00</b>	<b>7984424</b>	<b>100.00</b>

Sl. No.	Date of Allotment	No. of Shares
1.	28-08-89	200
2.	26-08-91	30000
3.	01-03-93	237950
4.	25-03-94	86500
5.	03-11-94	690000
6.	12-05-95	3959950
7.	27-08-99	1638340
8.	24-01-09	125000
9.	30-03-10	56600
10.	22-01-11	24400
11.	30-03-12	1135484
	<b>Total</b>	<b>7984424</b>

**xii) Dematerialisation of Shares and liquidity:**

The Company's Shares form part of the SEBI's Compulsory Demat segment for all Shareholders/investors. The Company has established connectivity with both the Depositories viz. National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL] through the Registrar, Maheshwari Datamatics Private Limited, 6 Mangoe Lane, 2nd Floor, Kolkata - 700001. Requests for dematerialisations of shares are processed and confirmations are given to the respective Depositories.

As on 31st March 2015, 95.42% of the Company's equity shares of ₹ 10/- each representing 76,98,804 equity shares were in dematerialised form and the balance 4.58% representing 2,85,620 shares were in physical form. The entire shareholding of the Promoters is in the dematerialised form.

**xiii) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments:**

The Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instrument.

**xiv) Branch Locations:**

Mumbai	New Delhi	Bangalore
C-703 "Marathon Innova", Off Ganapatrao Kadam Marg, Opp Peninsula Corporate Park, Lower Parel (W), Mumbai - 400 013	B1/12 Safdarjung Enclave, 2nd Floor, New Delhi - 110 029	First Floor, Park Plaza, No. 1 Park Road, (Off. Infantry Road), Tasker Town, Bangalore - 560 051
Hyderabad	Chennai	Ahmedabad
309/1, 3rd Floor, Krishna Plaza, Khairatabad, Hyderabad-500 004	Door No: 7, Illrd floor, Vairam Complex, 112, Thyagaraya Road, T. Nagar, Chennai - 600 017	A/82, Pariseema Complex, Opp. IFCI Bhavan, C. G. Road, Ahmedabad - 380 009

**xv) Address for correspondence for Share and related services:**

For any assistance regarding Share transfers and transmission, change of address, non-receipt of share certificate/duplicate share certificate, demat and other matters and for redressal of all share-related complaints and grievances, the Members are requested to write to or contact the Registrar & Share Transfer Agents or the Secretarial Department of the Company. For all queries relating to their shareholding in the Company at the addresses given below:

**Registrar and Share Transfer Agents' Registered Office at:**

Maheshwari Datamatics Private Ltd.,  
6, Mangoe Lane, 2nd Floor, Kolkata - 700 001  
Telephone No. (033) 2243-5809, (033) 2243-5029  
Fax No. (033) 2248-4787  
E-mail: rpatra@mdpl.in; mdpldc@yahoo.com

**The Company's Registered Office at:**

Secretarial Department – Sumedha Fiscal Services Ltd.  
8B, Middleton Street, 6A Geetanjali, Kolkata-700071  
Telephone No. (033) 2229-8936, (033) 2229-3237  
Fax No. (033) 2229-4140; E-mail: investors@sumedhafiscal.com

**Compliance of Non-Mandatory Requirements**

- **Audit Qualification:** Nil
- **Reporting of Internal Auditors:** The Internal Auditors of the Company are Independent and their reports are placed before the Audit Committee.

Place: Kolkata  
Date: 16th May, 2015

For and on behalf of the Board



**Ratan Lal Gaggar**  
Chairman



## Annexure - IV

# AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members,

### **SUMEDHA FISCAL SERVICES LIMITED**

We have examined the compliance of conditions of Corporate Governance by Sumedha Fiscal Services Limited for the year ended on 31st March, 2015 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 a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For **ARSK & Associates**  
Chartered Accountants  
Firms' Registration No. 315082E

**CA. Ravindra Khandelwal**  
Partner  
Membership No. 054615

Place : Kolkata  
Date: 16th May, 2015

## Annexure - V

# REMUNERATION POLICY

### PREAMBLE

Section 178 of the Companies Act, 2013 requires every Listed Company and certain other class of Companies to adopt a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Nomination and Remuneration Committee set up, pursuant to above Section is to formulate the criteria for determining qualifications and positive attributes and independence of a Director and recommend to the Board the above Policy for adoption. Clause 49 of the Listing Agreement also contains a similar provision. Additionally it requires, a Policy on Board diversity. The Company is also required to disclose the Remuneration Policy in its Annual Report.

### POLICY

In compliance of the above requirements the Board of Directors of Sumedha Fiscal Services Limited ('the Company'), being a Listed Company, has adopted this Remuneration Policy which would be reviewed at regular intervals by the Nomination and Remuneration Committee of the Board.

#### 1. OBJECTIVE

- 1.1. To guide the Board in relation to appointment, evaluation and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2. To guide the Board towards evaluation of performance of the Board.
- 1.3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.4. To provide to Key Managerial Personnel and Senior Management rewards linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.6. To devise a policy on Board diversity.
- 1.7. To develop a succession plan for the Board and to regularly review the plan;

#### 2. DEFINITIONS

- 2.1. Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 2.2. Board means Board of Directors of the Company.
- 2.3. Directors mean Directors of the Company.
- 2.4. Key Managerial Personnel means -
  - 2.4.1. Chief Executive Officer or the Managing Director or the Manager;
  - 2.4.2. Whole-time director;
  - 2.4.3. Chief Financial Officer;
  - 2.4.4. Company Secretary; and
  - 2.4.5. such other Officer as may be prescribed.
- 2.5. Senior Management means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

### 3. ROLE OF COMMITTEE

3.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

***The Committee shall -***

3.1.1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.

3.1.2. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

3.1.3. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

3.2. Policy for appointment and removal of Director, KMP and Senior Management

**3.2.1. Appointment criteria and qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond age of seventy years.

**3.2.2. Term / Tenure**

**a) Managing Director/Whole-time Director**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**b) Independent Director**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

**3.2.3. Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular intervals.

**3.2.4. Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, Rules and Regulations.

### 3.2.5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

### 3.3. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

#### 3.3.1. General:

- a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/ compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

#### 3.3.2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

##### a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

##### b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

##### c) Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

#### 3.3.3. Remuneration to Non- Executive / Independent Director:

##### a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

##### b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

##### c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

**d) Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company (based on extant regulatory guidelines). [The Company's ongoing Stock Option Scheme for its employees comes under purview of the SEBI (ESOP & ESPS) Guidelines, 1999. [The Company is required to align the Scheme with the SEBI (Share Based Employee Benefit) Regulations, 2014 notified on 28-Oct-14 – within one year i.e. 27-Oct-15]

**4. MEMBERSHIP**

- 4.1 The Committee shall consist of a minimum 3 (three) non-executive directors, majority of them being independent.
- 4.2 Minimum 2 (two) members shall constitute a quorum for the Committee meeting or as may be required by applicable laws.
- 4.3 Membership of the Committee shall be disclosed in the Annual Report.
- 4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

**5. CHAIRPERSON**

- 5.1 Chairperson of the Committee shall be an Independent Director.
- 5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be Chairman of the Committee.
- 5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- 5.4 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

**6. FREQUENCY OF MEETINGS**

The meeting of the Committee shall be held at such regular intervals as may be required.

**7. COMMITTEE MEMBERS' INTERESTS**

- 7.1 A member of the Committee is not entitled to be present if he/she is interested in the business to be transacted/ discussed.
- 7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

**8. SECRETARY**

The Company Secretary of the Company shall act as Secretary of the Committee.

**9. VOTING**

- 9.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- 9.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

**10. DUTIES RELATING TO NOMINATION*****The duties of the Committee in relation to nomination matters include -***

- 10.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- 10.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- 10.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.
- 10.4 Determining the appropriate size, diversity and composition of the Board;
- 10.5 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 10.6 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- 10.7 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- 10.8 Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- 10.9 Recommend any necessary changes to the Board; and
- 10.10 Considering any other matters, as may be requested by the Board.

## 11. DUTIES RELATING TO REMUNERATION

### *The duties of the Committee in relation to remuneration matters include -*

- 11.1 to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- 11.2 To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- 11.3 To delegate any of its powers to one or more of its members or the Secretary of the Committee.
- 11.4 to consider any other matters as may be requested by the Board.
- 11.5 Professional indemnity and liability insurance for Directors and senior management.

## 12. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings shall be minuted and signed by the Chairman of the Committee at the subsequent meeting thereof. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meetings.



## Annexure - VI

## FORM AOC – 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with the related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereof.

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

Sl. No.	Name of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient features of contracts/ arrangements/ transactions, including value, if any	Justification for entering into such contracts/ arrangements/ transactions	Date of approval by the Board	Amount paid as advance, if any	Date on which special resolution was passed in General meeting u/s. 188(1)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
				Not Applicable				

**2. Details of contracts or arrangements or transactions at arm's length basis:**

Sl. No.	Name (s) of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient features of contracts/ arrangements/ transactions, including value, if any	Justification for entering into such contracts/ arrangements/ transactions	Date of approval by the Board	Amount paid as advance, if any	Date on which special resolution was passed in General meeting u/s. 188(1st proviso)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1.	SFSL Commodity Trading Pvt. Ltd. (Subsidiary)	Rent Agreement	Subsisting arrangement – renewable	Office space at Flat No. 7E, Geetanjali Apartments, 8B, Middleton Street, Kolkata – 700071; Rent - ₹ 9,00,000/- per annum.	Office space used by the Company	Note 1	Nil	Not applicable
2.	Mr. Vijay Maheshwari, Director	Payment of Guarantee Commission	Subsisting arrangement linked to renewal of credit facilities by Bank (Annual)	Consideration for providing Personal Guarantee (as Director) to lending Bank towards credit facilities provided to the Company; ₹ 1,25,000/- per annum.	As per Bank's terms of sanction	Note 1	Nil	Not applicable

**2. Details of contracts or arrangements or transactions at arm's length basis: (contd.)**

Sl. No.	Name (s) of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient features of contracts/ arrangements/ transactions, including value, if any	Justification for entering into such contacts/ arrangements/ transactions	Date of approval by the Board	Amount paid as advance, if any	Date on which special resolution was passed in General meeting u/s. 188(1st proviso)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
3.	Mr. Vijay Maheshwari, Director	Rent Agreement	Subsisting arrangement – renewable	Office space at Flat No. 6A, Geetanjali Apartments, 8B, Middleton Street, Kolkata – 700071; ₹ 6,00,000/- per annum.	Office space used by the Company	Note 1	₹ 3,00,000/-	Not applicable
4.	Mr. Bijay Murmura, Director	Payment of Guarantee Commission	Subsisting arrangement linked to renewal of credit facilities by Bank (Annual)	Consideration for providing Personal Guarantee (as Director) to lending Bank towards credit facilities provided to the Company; ₹ 1,25,000/- per annum.	As per Bank's terms of sanction	Note 1	Nil	Not applicable
5.	Superb Estates Services Pvt. Ltd. (Company in which Director is interested)	Rent Agreement	Subsisting arrangement – renewable	Space at 5B, Sarat Bose Road, Kolkata – 700020; Rs. 2,40,000/- per annum.	Record storage space	Note 1	Nil	Not applicable
6.	M/s. Maheshwari & Associates (Partnership Firm in which three Directors of the Company are Partners)	Licence/Tenancy Agreement	Subsisting arrangement – renewable	Office space at Flat No. 1/1C, 8B, Middleton Street, Kolkata – 700 071; Rent - ₹ 4,20,000/- per annum	Vacant office space let out	17-May-14	Nil	13-Sep-14

Note 1: Existing contracts/arrangements at the date of commencement of the Section 188 of the Companies Act, 2013 [i.e. April 1, 2014]

## Annexure - VII

## FORM NO. MGT-9

Extract of Annual Return as on the financial year ended on 31 March, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

(i)	CIN	L70101WB1989PLC047465
(ii)	Registration Date	28/08/1989
(iii)	Name of the Company	SUMEDHA FISCAL SERVICES LTD
(iv)	Category / Sub-Category of the Company	Company limited by shares / Indian Non-Government Company
(v)	Address of the Registered office and contact details	6A Geetanjali, 8B Middleton Street, Kolkata – 700071, West Bengal. Phone : 033-2229-8936/6758 Fax : 033-2226-4140 Email : investors@sumedhafiscal.com
(vi)	Whether listed company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Pvt. Ltd. 6 Mangoe Lane, 2nd Floor, Kolkata – 700 001, West Bengal. Phone : 033-2243-5029/5809 Fax : 033-2248-4787 Email : rpatra@mdpl.in; mdpldc@yahoo.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl.No.	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the Company
1.	Investment Banking Services	99712000	50.57
2.	Broking Services	99715210	49.43

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	SFSL Commodity Trading Pvt. Ltd.	U65999WB1996PTC077314	Subsidiary	100	2(87)
2.	SFSL Insurance Advisory Services Pvt. Ltd.	U02720WB1983PTC036736	Associate	23.80	2(6)
3.	SFSL Risk Management Services Pvt. Ltd.	U19121WB1986PTC040937	Associate	38.43	2(6)
4.	Capita Finance Services Ltd.	U67120WB1992PLC054935	Associate	26.61	2(6)
5.	US Infotech Pvt. Ltd.	U72900WB2002PTC095028	Associate	43.35	2(6)

#### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	2472510	0	2472510	30.9667	2472510	0	2472510	30.9667	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	1266666	0	1266666	15.8642	1266666	0	1266666	15.8642	0.0000
e) Banks/FI									
f) Any other									
<b>Sub-total (A)(1)</b>	<b>3739176</b>	<b>0</b>	<b>3739176</b>	<b>46.8309</b>	<b>3739176</b>	<b>0</b>	<b>3739176</b>	<b>46.8309</b>	<b>0.0000</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>3739176</b>	<b>0</b>	<b>3739176</b>	<b>46.8309</b>	<b>3739176</b>	<b>0</b>	<b>3739176</b>	<b>46.8309</b>	<b>0.0000</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	3200	3200	0.0401	0	3200	3200	0.0401	0.0000
b) Banks/FI									
c) Central Govt	0	7300	7300	0.0914	0	7300	7300	0.0914	0.0000
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-total(B)(1):-</b>	<b>0</b>	<b>10500</b>	<b>10500</b>	<b>0.1315</b>	<b>0</b>	<b>10500</b>	<b>10500</b>	<b>0.1315</b>	<b>0.0000</b>
<b>(2) Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	1908866	99100	2007966	25.1485	1780257	99100	1879357	23.5378	-6.4049
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1059476	177420	1236896	15.4914	1166963	172120	1339083	16.7712	8.2616
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	928788	0	928788	11.6325	965131	0	965131	12.0877	3.9129
c) Others (Specify)									
Non Resident Indians	56840	3900	60740	0.7607	44956	3900	48856	0.6119	-19.5654
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	358	0	358	0.0045	2321	0	2321	0.0291	548.3240
Trusts									
Foreign Bodies-D R									
<b>Sub-total(B)(2):-</b>	<b>3954328</b>	<b>280420</b>	<b>4234748</b>	<b>53.0376</b>	<b>3959628</b>	<b>275120</b>	<b>4234748</b>	<b>53.0376</b>	<b>0.0000</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>3954328</b>	<b>290920</b>	<b>4245248</b>	<b>53.1691</b>	<b>3959628</b>	<b>285620</b>	<b>4245248</b>	<b>53.1691</b>	<b>0.0000</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>7693504</b>	<b>290920</b>	<b>7984424</b>	<b>100.0000</b>	<b>7698804</b>	<b>285620</b>	<b>7984424</b>	<b>100.0000</b>	<b>0.0000</b>

#### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (contd.)

##### ii) Shareholding of Promoters

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / Encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / Encumbered to total Shares	
1.	Sri Vijay Maheshwari	1562220	19.57	0	1562220	19.57	0	0.00
2.	Sri Bijay Murmuria	369920	4.63	0	369920	4.63	0	0.00
3.	Sri Bhawani Shankar Rathi	119270	1.49	0	119270	1.49	0	0.00
4.	Smt. Sangeeta Murmuria	110800	1.39	0	110800	1.39	0	0.00
5.	Smt. Savita Maheshwari	106100	1.33	0	106100	1.33	0	0.00
6.	Smt. Sangeeta Rathi	50600	0.63	0	50600	0.63	0	0.00
7.	Smt. Sumedha Bansal	50000	0.63	0	50000	0.63	0	0.00
8.	Sri Vijay Maheshwari HUF	37000	0.46	0	37000	0.46	0	0.00
9.	Smt. Garima Maheshwari	25000	0.31	0	25000	0.31	0	0.00
10.	Smt. Pushpa Devi Murmuria	23200	0.29	0	23200	0.29	0	0.00
11.	Sri Kartick Maheshwari	8000	0.10	0	8000	0.10	0	0.00
12.	Sri Banwari Lal Murmuria	5200	0.07	0	5200	0.07	0	0.00
13.	Smt. Lila Devi Murmuria	5000	0.06	0	5000	0.06	0	0.00
14.	Smt. Rekha Murmuria	200	0.01	0	200	0.01	0	0.00
15.	Hitech Tradecomm Pvt. Ltd.	566900	7.10	0	566900	7.10	0	0.00
16.	Superb Estate Services Pvt. Ltd.	218600	2.74	0	218600	2.74	0	0.00
17.	SFSL Risk Management Services Private Limited	190950	2.39	0	190950	2.39	0	0.00
18.	SFSL Insurance Advisory Services Private Limited	156200	1.96	0	156200	1.96	0	0.00
19.	APC Plants Pvt. Ltd.	90616	1.13	0	90616	1.13	0	0.00
20.	Ritik Roadways Pvt. Ltd.	43400	0.54	0	43400	0.54	0	0.00
	<b>Total</b>	<b>3739176</b>	<b>46.82</b>	<b>0</b>	<b>3739176</b>	<b>46.82</b>	<b>0</b>	<b>0.00</b>

##### iii) Change in Promoters' Shareholding (please specify, if there is no change)

There is no change in Promoter's shareholding during FY 2014- 15.

##### iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>1</b>	<b>IFB LEASING &amp; FINANCE LTD</b>				
	At the beginning of the year	50000	0.6262	50000	0.6262
	At the end of the year			50000	0.6262
<b>2</b>	<b>HOPE CONSULTANTS LIMITED</b>				
	At the beginning of the year	0		0	
	As on 23/05/2014 - Transfer			46775	0.5858
	As on 06/06/2014 - Transfer			50261	0.6295
	As on 13/06/2014 - Transfer			50371	0.6309
	At the end of the year			50371	0.6309

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): (contd.)**

Sl.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>3</b>	<b>INTEGRATED MASTER SECURITIES (P) LTD.</b>				
	At the beginning of the year	100	0.0013	100	0.0013
	As on 30/06/2014 - Transfer			3100	0.0388
	As on 04/07/2014 - Transfer			3200	0.0401
	As on 11/07/2014 - Transfer			3350	0.0420
	As on 12/09/2014 - Transfer			3100	0.0388
	As on 19/09/2014 - Transfer			3323	0.0416
	As on 30/09/2014 - Transfer			3100	0.0388
	As on 19/12/2014 - Transfer			58100	0.7277
	As on 20/02/2015 - Transfer			3200	0.0401
	As on 27/02/2015 - Transfer			100	0.0013
	At the end of the year			100	0.0013
<b>4</b>	<b>SMC GLOBAL SECURITIES LIMITED</b>				
	At the beginning of the year	11650	0.1459	11650	0.1459
	As on 18/04/2014 - Transfer			11652	0.1459
	As on 16/05/2014 - Transfer			11702	0.1466
	As on 06/06/2014 - Transfer			30845	0.3863
	As on 13/06/2014 - Transfer			59311	0.7428
	As on 20/06/2014 - Transfer			59068	0.7398
	As on 30/06/2014 - Transfer			54358	0.6808
	As on 04/07/2014 - Transfer			39519	0.4950
	As on 11/07/2014 - Transfer			11629	0.1456
	As on 18/07/2014 - Transfer			15431	0.1933
	As on 25/07/2014 - Transfer			13786	0.1727
	As on 01/08/2014 - Transfer			13625	0.1706
	As on 08/08/2014 - Transfer			13550	0.1697
	As on 14/08/2014 - Transfer			13700	0.1716
	As on 22/08/2014 - Transfer			12306	0.1541
	As on 29/08/2014 - Transfer			11288	0.1414
	As on 05/09/2014 - Transfer			11325	0.1418
	As on 12/09/2014 - Transfer			11250	0.1409
	As on 19/09/2014 - Transfer			11252	0.1409
	As on 30/09/2014 - Transfer			11250	0.1409
	As on 10/10/2014 - Transfer			11251	0.1409
	As on 24/10/2014 - Transfer			11250	0.1409
	As on 05/12/2014 - Transfer			12050	0.1509
	As on 12/12/2014 - Transfer			11250	0.1409
	As on 23/01/2015 - Transfer			11262	0.1410
	As on 30/01/2015 - Transfer			11250	0.1409
	As on 13/02/2015 - Transfer			11300	0.1415
	As on 27/02/2015 - Transfer			11250	0.1409
	As on 06/03/2015 - Transfer			2700	0.0338
	At the end of the year			2700	0.0338



**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) : (contd.)**

Sl.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>5</b>	<b>ARIHANT CAPITAL MKT. LTD</b>				
	At the beginning of the year	0		0	0.0000
	As on 13/06/2014 - Transfer			5100	0.0639
	As on 20/06/2014 - Transfer			40500	0.5072
	As on 30/06/2014 - Transfer			90500	1.1335
	As on 18/07/2014 - Transfer			90400	1.1322
	As on 19/09/2014 - Transfer			5846	0.0732
	As on 30/09/2014 - Transfer			6000	0.0751
	As on 17/10/2014 - Transfer			8318	0.1042
	As on 24/10/2014 - Transfer			8319	0.1042
	As on 14/11/2014 - Transfer			5980	0.0749
	As on 21/11/2014 - Transfer			7269	0.0910
	As on 28/11/2014 - Transfer			7232	0.0906
	As on 05/12/2014 - Transfer			7231	0.0906
	As on 12/12/2014 - Transfer			1263	0.0158
	As on 19/12/2014 - Transfer			1363	0.0171
	As on 31/12/2014 - Transfer			1433	0.0179
	As on 09/01/2015 - Transfer			2033	0.0255
	As on 16/01/2015 - Transfer			2133	0.0267
	As on 23/01/2015 - Transfer			1623	0.0203
	As on 06/02/2015 - Transfer			1533	0.0192
	As on 13/02/2015 - Transfer			3648	0.0457
	As on 20/02/2015 - Transfer			4131	0.0517
	As on 27/02/2015 - Transfer			9443	0.1183
	As on 06/03/2015 - Transfer			9353	0.1171
	As on 20/03/2015 - Transfer			1453	0.0182
	As on 27/03/2015 - Transfer			3120	0.0391
	At the end of the year			4120	0.0516
<b>6</b>	<b>CAPITA FINANCE SERVICES LTD.</b>				
	At the beginning of the year	217900	2.7291	217900	2.7291
	At the end of the year			217900	2.7291
<b>7</b>	<b>CAMEL FOODS PRIVATE LIMITED</b>				
	At the beginning of the year	86105	1.0784	86105	1.0784
	As on 25/04/2014 - Transfer			91308	1.1436
	As on 02/05/2014 - Transfer			113542	1.4220
	As on 09/05/2014 - Transfer			114034	1.4282
	As on 23/05/2014 - Transfer			103927	1.3016
	As on 30/05/2014 - Transfer			103877	1.3010
	As on 06/06/2014 - Transfer			95577	1.1970
	As on 13/06/2014 - Transfer			86390	1.0820
	As on 20/06/2014 - Transfer			65000	0.8141
	As on 30/06/2014 - Transfer			27366	0.3427
	As on 04/07/2014 - Transfer			26566	0.3327
	As on 18/07/2014 - Transfer			26561	0.3327
	As on 01/08/2014 - Transfer			28091	0.3518
	As on 22/08/2014 - Transfer			33316	0.4173
	As on 29/08/2014 - Transfer			39101	0.4897
	As on 05/09/2014 - Transfer			40357	0.5054
	As on 21/11/2014 - Transfer			40657	0.5092
	At the end of the year			40657	0.5092

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) : (contd.)**

Sl.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>8</b>	<b>GBK RESOURCES PRIVATE LIMITED</b>				
	At the beginning of the year	1871	0.0234	1871	0.0234
	As on 04/04/2014 - Transfer			5108	0.0640
	As on 25/04/2014 - Transfer			9798	0.1227
	As on 09/05/2014 - Transfer			9799	0.1227
	As on 06/06/2014 - Transfer			11661	0.1460
	As on 13/06/2014 - Transfer			13741	0.1721
	As on 18/07/2014 - Transfer			12889	0.1614
	As on 12/09/2014 - Transfer			13186	0.1651
	As on 19/09/2014 - Transfer			12708	0.1592
	As on 30/09/2014 - Transfer			3821	0.0479
	As on 10/10/2014 - Transfer			9022	0.1130
	As on 17/10/2014 - Transfer			23668	0.2964
	As on 24/10/2014 - Transfer			51838	0.6492
	As on 14/11/2014 - Transfer			73838	0.9248
	As on 21/11/2014 - Transfer			76098	0.9531
	As on 28/11/2014 - Transfer			74893	0.9380
	At the end of the year			74893	0.9380
<b>9</b>	<b>RDH PLASTICS &amp; METALS PVT LTD</b>				
	At the beginning of the year	267378	3.3487	267378	3.3487
	As on 30/06/2014 - Transfer			252378	3.1609
	At the end of the year			252378	3.1609
<b>10</b>	<b>BRAND EQUITY TREATIES LIMITED</b>				
	At the beginning of the year	935484	11.7164	935484	11.7164
	As on 23/05/2014 - Transfer			888710	11.1305
	As on 22/08/2014			0	
	At the end of the year			0	
<b>11</b>	<b>SAHUJAIN SERVICES LIMITED</b>				
	At the beginning of the year	0		0	
	As on 22/08/2014 - Transfer			888710	11.1305
	At the end of the year			888710	11.1305
<b>12</b>	<b>RAJ KUMAR LOHIA</b>				
	At the beginning of the year	139171	1.7430	139171	1.7430
	At the end of the year			139171	1.7430

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) : (contd.)**

Sl.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>13</b>	<b>ARISTRO CAPITAL MARKETS LIMITED</b>				
	At the beginning of the year	167221	2.0943	167221	2.0943
	As on 04/04/2014 - Transfer			167196	2.0940
	As on 11/04/2014 - Transfer			164766	2.0636
	As on 18/04/2014 - Transfer			164664	2.0623
	As on 25/04/2014 - Transfer			156465	1.9596
	As on 16/05/2014 - Transfer			154465	1.9346
	As on 06/06/2014 - Transfer			138965	1.7405
	As on 13/06/2014 - Transfer			112965	1.4148
	As on 20/06/2014 - Transfer			80965	1.0140
	As on 30/06/2014 - Transfer			70965	0.8888
	As on 08/08/2014 - Transfer			65465	0.8199
	As on 14/08/2014 - Transfer			61465	0.7698
	As on 22/08/2014 - Transfer			61164	0.7660
	As on 29/08/2014 - Transfer			60164	0.7535
	As on 05/09/2014 - Transfer			59164	0.7410
	As on 12/09/2014 - Transfer			57300	0.7176
	As on 30/09/2014 - Transfer			39145	0.4903
	As on 03/10/2014 - Transfer			28648	0.3588
	As on 17/10/2014 - Transfer			27998	0.3507
	As on 24/10/2014 - Transfer			802	0.0100
	At the end of the year			802	0.0100
<b>14</b>	<b>PAVEL GARG</b>				
	At the beginning of the year	80000	1.0020	80000	1.0020
	As on 30/06/2014 - Transfer			55000	0.6888
	As on 19/12/2014			0	0
	At the end of the year			0	0
<b>15</b>	<b>KUSUM JAIN</b>				
	At the beginning of the year	0		0	
	As on 22/08/2014 - Transfer			70000	0.8767
	At the end of the year			70000	0.8767
<b>16</b>	<b>PRERNA JAIN</b>				
	At the beginning of the year	104312	1.3064	104312	1.3064
	As on 30/05/2014 - Transfer			94312	1.1812
	As on 06/06/2014 - Transfer			69312	0.8681
	As on 13/06/2014 - Transfer			44312	0.5550
	As on 20/06/2014 - Transfer			14312	0.1792
	As on 30/06/2014 - Transfer			5412	0.0678
	As on 27/03/2015 - Transfer			50	0.0006
	At the end of the year			50	0.0006
<b>17</b>	<b>DR JAGADISH G DONKI</b>				
	At the beginning of the year	0		0	
	As on 30/06/2014 - Transfer			50122	0.6277
	As on 01/08/2014 - Transfer			50120	0.6277
	As on 14/08/2014			0	
	At the end of the year			0	

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) : (contd.)**

Sl.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>18</b>	<b>DHEERAJ KUMAR LOHIA</b>				
	At the beginning of the year	51594	0.6462	51594	0.6462
	As on 30/06/2014 - Transfer			31341	0.3925
	As on 07/11/2014 - Transfer			31706	0.3971
	As on 14/11/2014 - Transfer			33958	0.4253
	At the end of the year			33958	0.4253
<b>19</b>	<b>KESHAV N PRABHU</b>				
	At the beginning of the year	0		0	
	As on 01/08/2014 - Transfer			4455	0.0558
	As on 08/08/2014 - Transfer			18006	0.2255
	As on 14/08/2014 - Transfer			48806	0.6113
	As on 22/08/2014 - Transfer			53500	0.6701
	As on 29/08/2014 - Transfer			57000	0.7139
	As on 05/09/2014 - Transfer			60000	0.7515
	As on 19/09/2014 - Transfer			50000	0.6262
	As on 14/11/2014			0	
	At the end of the year			0	
<b>20</b>	<b>SANJIV SWARUP</b>				
	At the beginning of the year	84933	1.0637	84933	1.0637
	As on 27/02/2015 - Transfer			63281	0.7926
	At the end of the year			63281	0.7926
<b>21</b>	<b>PALAK CHOUDHARY</b>				
	At the beginning of the year	0		0	
	As on 20/02/2015 - Transfer			55000	0.6888
	At the end of the year			55000	0.6888

**v) Shareholding of Directors and Key Managerial Personnel**

Sl.No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>1</b>	<b>DR. BASUDEB SEN</b>				
	At the beginning of the year	4000	0.0501	4000	0.0501
	At the end of the year			4000	0.0501
<b>2</b>	<b>MR. ANIL KUMAR BIRLA</b>				
	At the beginning of the year	6000	0.0751	6000	0.0751
	At the end of the year			6000	0.0751
<b>3</b>	<b>MR. BHAWANI SHANKAR RATHI</b>				
	At the beginning of the year	119270	1.4938	119270	1.4938
	At the end of the year			119270	1.4938
<b>4</b>	<b>MR. BIJAY MURMURIA</b>				
	At the beginning of the year	369920	4.6330	369920	4.6330
	At the end of the year			369920	4.6330

**v) Shareholding of Directors and Key Managerial Personnel (contd.)**

Sl.No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
5	<b>MR. VIJAY MAHESHWARI</b>				
	At the beginning of the year	1562220	19.5658	1562220	19.5658
	At the end of the year			1562220	19.5658
6	<b>MRS. GARIMA MAHESHWARI</b>				
	At the beginning of the year	25000	0.3131	25000	0.3131
	At the end of the year			25000	0.3131
7	<b>MR. DEB KUMAR SETT</b>				
	At the beginning of the year	700	0.0088	700	0.0088
	At the end of the year			700	0.0088

**V. INDEBTEDNESS**
**Indebtedness of the Company including interest outstanding / accrued but not due for payment** (Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i. Principal Amount	47,43,295	-	-	47,43,295
ii. Interest due but not paid				
iii. Interest accrued but not due	7,183	-	-	7,183
<b>Total (i + ii + iii)</b>	47,50,478	-	-	47,50,478
<b>Change in indebtedness during the financial year</b>				
● Addition	-	-	-	-
● Reduction	39,58,293	-	-	39,58,293
<b>Net Change</b>	39,58,293	-	-	39,58,293
<b>Indebtedness at the end of the financial year</b>				
i. Principal Amount	7,92,185	-	-	7,92,185
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	4,746	-	-	4,746
<b>Total (i + ii + iii)</b>	7,96,931	-	-	7,96,931

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A) Remuneration to Managing Director, Whole-time Directors and/or Manager :**

Sl.No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Mr. Bhawani Sankar Rathi, Wholetime Director & Chief Financial Officer	Mr. Rajesh Kumar Gupta, Wholetime Director (Resigned on 31-Aug-14)	
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	19,81,200	9,52,000	29,33,200
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profit in lieu of Salary under Section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- As % of profit	-	-	-
	- Others, specify	-	-	-
5.	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>19,81,200</b>	<b>9,52,000</b>	<b>29,33,200</b>
	Ceiling as per the Act			<b>36,35,501</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (contd.)****B) Remuneration to other directors :**

(Amount in ₹)

Sl.No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Ratan Lal Gaggar	Dr. Basudeb Sen	Mr. Atul Chandra Varma	Mr. Prashant Sekhar Panda	
1.	Independent Directors					
	● Fee for attending board /committee meeting	20,000	15,000	45,000	45,000	1,25,000
	● Commission					
	● Others, please specify					
	<b>Total (1)</b>	20,000	15,000	45,000	45,000	1,25,000
2.	Other Non-Executive Directors					
		<b>Mr. Vijay Maheshwari</b>	<b>Mr. Anil Kumar Birla</b>	<b>Mr. Bijay Murmuria</b>	<b>Mrs. Garima Maheshwari</b>	
	● Fee for attending board /committee meeting	25,000	15,000	40,000	-	80,000
	● Commission					
	● Others, please specify					
	<b>Total (2)</b>	25,000	15,000	40,000	-	80,000
	<b>Total (B) = (1+2)</b>	45,000	30,000	85,000	45,000	2,05,000
	Total Managerial Remuneration					2,05,000
	Overall Ceiling as per the Act					<b>3,63,550</b>

**C) Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

Sl.No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO*	Company Secretary	CFO**	
1.	Gross Salary				
	a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	6,91,604	19,81,200	26,72,804
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	c) Profit in lieu of Salary under Section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- As % of profit	-	-	-	-
	- Others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total (A)</b>	-	<b>6,91,604</b>	<b>19,81,200</b>	<b>26,72,804</b>

\* There is no CEO in the Company.

\*\* Mr. Bhawani Sankar Rathi, Wholetime Director is also designated as CFO of the Company whose Remuneration is shown above in Para VI.A in the same format.

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OFFENCES :**

There has been no penalties, punishment or compounding offences for the year ended 31st March, 2015.

For and on behalf of the Board


**Ratan Lal Gaggar**  
 Chairman

 Place: Kolkata  
 Date: 16th May, 2015



## Annexure - VIII

FORM NO. MR-3

**SECRETARIAL AUDIT REPORT**

For the financial year ended 31st March, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
 The Members,  
**Sumedha Fiscal Services Limited**  
 6A, Geetanjali, 8B Middleton Street,  
 Kolkata-700071.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sumedha Fiscals Services Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Sumedha Fiscal Services Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Sumedha Fiscal Services Limited ("the company") for the financial year ended on 31st March, 2015 according to the provisions of:-

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi)
  - a) The Securities and Exchange Board of India (Depositories & Participants) Regulations, 1996.
  - b) The Securities and Exchange Board of India (Merchants Bankers) Regulations, 1992.
  - c) The Securities and Exchange Board of India (Stock Brokers & Sub Brokers) Regulations, 1992.

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreement entered into by the Company with NSE and BSE.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations: **Nil**

**I further report that -**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members views, if any, are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the Audit period that there was no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, regulations, guidelines, standards etc. referred to above.

Place : Kolkata  
Date: 6th May, 2015

**BABU LAL PATNI**  
Company Secretary in Practice  
Membership No. 2304  
Certificate of Practice No.1321

**Note:**

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## Annexure - A

To,  
The Members,  
**Sumedha Fiscal Services Limited**  
6A, Geetanjali, 8B Middleton Street,  
Kolkata-700071.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata  
Date: 6th May, 2015

**BABU LAL PATNI**  
Company Secretary in Practice  
Membership No. 2304  
Certificate of Practice No.1321

## Annexure - IX

## REMUNERATION AND OTHER SPECIFIED PARTICULARS OF EMPLOYEES

[Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**A. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year: (2014-2015)**

Sl.No.	Name of the Directors	Ratio to median remuneration
1.	Mr. BHAWANI SHANKAR RATHI	6.71
2.	Mr. RAJESH KUMAR GUPTA*	8.00

\* Since this information is for part of the year, the same is not comparable.

**B. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:**

Sl.No.	Name of the Directors	Salary for FY 2013 - 2014	Salary for FY 2014 - 2015	% increase in remuneration in the financial year
1	Mr. BHAWANI SHANKAR RATHI	1929000	1929000	NIL
2	Mr. RAJESH KUMAR GUPTA	2299000	957917*	N.A.
3	Mr. DEB KUMAR SETT	650004	725004	11.54%

\* Since this information is for part of the year, the same is not comparable.

**C. The percentage increase in the median remuneration of employees in the financial year:**

Sl.No.	Median	FY 2013 - 2014	FY 2014 - 2015	% increase in median remuneration in the financial year
1	Median Remuneration of employees	263004	287502	9.31%

**D. The number of permanent employees on the rolls of Company:** 66 employees as on 31st March, 2015

**E. The explanation on the relationship between average increase in remuneration and Company performance:**

The average increase of 9.41% in remuneration given in the Company was in-line with the average inflation of 8.5% in the year 2014 – 2015.

**F. Comparison of the remuneration of the key managerial personnel against the performance of the Company:**

Aggregate remuneration of key managerial personnel (KMP) in FY 15 (₹Lacs)	36.19
Revenue (₹ Lacs)	1814.22
Remuneration of KMPs (as % of revenue)	2.00
Profit before Tax (PBT) (₹ Lacs)	363.12
Remuneration of KMP (as % of PBT)	9.9

**G. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:**

Particulars	March 31, 2015	March 31, 2014	% Change
Market Capitalisation (₹Lacs)	1101.00	726.00	51.65
Price Earnings Ratio	4.34	2.86	51.74

**H. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:**

Particulars	March 31, 2015 ₹	20/03/1995 ₹	% Change
Market Price (BSE)	13.79	10.00	37.90

**I. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average annual increase was around 9.67%. Increase in the managerial remuneration for the year was 3.85%.

There are no exceptional circumstances of increase in KMP remuneration.

**J. Comparison of each remuneration of the key managerial personnel against the performance of the Company:**

	Mr. Bhawani Sankar Rathi (Wholetime Director & Chief Financial Officer)	Mr. Rajesh Kumar Gupta (Wholetime Director)	Mr. Deb Kumar Sett (Company Secretary)
Remuneration in FY 15	19.81	9.52	7.25
Revenue (₹Lacs)	1814.22		
Remuneration as % of revenue	1.09	1.26*	0.40
Profit before Tax (PBT) (₹ Lacs)	363.12		
Remuneration (as % of PBT)	5.45	6.29*	2.00

\* Annualised

**K. The key parameters for any variable component of remuneration availed by the directors: NIL**

**L. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: NIL**

**M. Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

The remuneration paid during the financial year ended 31st March, 2015 is in terms of the Remuneration Policy of the Company.

For and on behalf of the Board



**Ratan Lal Gaggar**  
Chairman

Place: Kolkata

Date: 16th May, 2015

## INDEPENDENT AUDITORS' REPORT

To The Members of **SUMEDHA FISCAL SERVICES LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying standalone financial statements of SUMEDHA FISCAL SERVICES LIMITED ('the Company'), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statement

### **Opinion**

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31 March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **ARSK & Associates**  
Chartered Accountants  
Firm's Registration No. 315082E

**CA. Ravindra Khandelwal**  
Partner  
Membership No. 054615

Place : Kolkata  
Date: 16th May, 2015

## ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the SUMEDHA FISCAL SERVICES LIMITED on the standalone financial statements for the year ended 31st March 2015.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
b) The fixed assets have been physically verified by the management during the year, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
2. a) Inventories of the Company have been physically verified by the management at reasonable intervals during the year.  
b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.  
c) The Company has maintained proper record of its inventories and no discrepancies were noticed on physical verification.
3. a) According to the information and explanation given to us the company has granted unsecured loan to its subsidiary company covered in the register maintained under section 189 of the Companies' Act, 2013.  
b) In respect of aforesaid unsecured loan, receipt of interest is regular and the principal amount is repayable on demand.  
c) There are no overdue amount of more than Rupees one lakh in respect of the loans granted to its Subsidiary company.



4. In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of Company and the nature of its business for the purchase of inventory of shares and securities and fixed assets and for the sale of shares, services and property. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. The company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
6. The provisions of the Companies Act for maintenance of cost records under Section 148(1) are not applicable to the company.
7. (a) According to the information and explanations given to us and the books and records examined by us, the company is regular in depositing with the appropriate authorities the undisputed statutory dues relating to Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues as applicable to it have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Service Tax, Cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax, service tax, sales tax, wealth-tax, custom duty, excise duty and cess which have not been deposited on account of any dispute, except as under
- (c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.

Name of the statute pending	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income Tax	1,15,615	AY 2008-09	Commissioner of Income Tax (Appeals)

8. The Company has no accumulated losses as at 31st March 2015 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
9. The Company has not defaulted in repayment of dues to financial institution, bank or to debenture holders.
10. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
11. In our opinion and according to the information and explanation given to us, the Company has applied the term loans for the purpose for which the loans have been obtained.
12. According to the information and explanations given by the management to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For **ARSK & Associates**  
 Chartered Accountants  
 Firm's Registration No. 315082E

**CA. Ravindra Khandelwal**  
 Partner  
 Membership No. 054615

Place : Kolkata  
 Date: 16th May, 2015

## Balance Sheet as at 31st March, 2015

(Amount in ₹)

Particulars	Note No.	As at 31st March	
		2015	2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
Share Capital	1	7,98,44,240	7,98,44,240
Reserves and Surplus	2	22,79,42,600	21,08,05,686
	I	<b>30,77,86,840</b>	<b>29,06,49,926</b>
<b>2 Non-Current Liabilities</b>			
Long-Term Borrowings	3	2,85,252	24,42,560
Deferred Tax Liabilities (Net)	4	96,71,699	1,07,49,972
	II	<b>99,56,951</b>	<b>1,31,92,532</b>
<b>3 Current Liabilities</b>			
Trade Payables		16,70,614	26,00,949
Other Current Liabilities	5	1,46,47,407	2,15,89,422
Short-Term Provisions	6	85,20,381	80,29,353
	III	<b>2,48,38,402</b>	<b>3,22,19,724</b>
	I+II+III	<b>34,25,82,193</b>	<b>33,60,62,182</b>
<b>II. ASSETS</b>			
<b>1 Non-Current Assets</b>			
Fixed Assets	7		
Tangible Assets		8,35,63,215	8,98,51,572
Non-Current Investments	8	2,00,54,280	1,77,23,923
Long-Term Loans and Advances	9	4,62,42,186	5,39,59,633
	IV	<b>14,98,59,681</b>	<b>16,15,35,128</b>
<b>2 Current Assets</b>			
Current Investments	10	3,93,31,361	3,71,90,888
Inventories	11	4,60,76,909	3,89,39,053
Trade Receivables	12	3,63,29,559	5,35,91,022
Cash and Cash Equivalents	13	6,40,64,279	4,19,15,869
Short-Term Loans and Advances	14	12,47,402	12,48,373
Other Current Assets	15	56,73,002	16,41,849
	V	<b>19,27,22,512</b>	<b>17,45,27,054</b>
	IV+V	<b>34,25,82,193</b>	<b>33,60,62,182</b>
Significant Accounting Policies	a-r		
Notes on Financial Statements	1 to 36		

As per our report of even date attached

For **ARSK & Associates**

Chartered Accountants

Firm's Registration No. 315082E

**CA. Ravindra Khandelwal**

Partner

Membership No. 054615

Place : Kolkata

Date : 16th May, 2015

For and on behalf of the Board of Directors

**Vijay Maheshwari**

Director

**Bijay Murmuria**

Director

**Bhawani Sankar Rathi**Wholtime Director &  
Chief Financial Officer**Deb Kumar Sett**

Company Secretary

## Statement of Profit and Loss for the year ended 31st March, 2015

(Amount in ₹)

Particulars	Note No.	For the year ended 31st March	
		2015	2014
<b>I. Revenue:</b>			
Revenue from Operations	16	17,04,60,284	13,14,96,085
Other Income	17	1,09,61,798	66,39,858
<b>Total Revenue</b>		<b>18,14,22,082</b>	<b>13,81,35,943</b>
<b>II. Expenses:</b>			
Purchases of Stock-in-Trade - Shares and Securities		6,59,65,609	1,92,94,481
Changes in Inventories of Stock in Trade - Shares and Securities		(71,37,856)	(1,29,89,977)
Employee Benefit Expense	18	3,24,33,260	3,28,23,281
Finance Cost	19	4,09,991	4,80,768
Depreciation Expense	7	75,05,026	39,15,611
Other Expenses	20	4,59,33,397	4,61,76,803
<b>Total Expenses</b>		<b>14,51,09,427</b>	<b>8,97,00,967</b>
<b>III. Profit before Tax</b>	(I-II)	<b>3,63,12,655</b>	<b>4,84,34,976</b>
<b>IV. Tax Expense:</b>			
Current Tax Expense		1,19,20,000	1,46,00,000
Deferred Tax		(10,78,273)	(5,08,468)
Wealth Tax		1,05,706	-
Short/(Excess) Provision for Tax Relating to Prior Years		5,42,816	(1,04,026)
<b>V. Profit for the Year</b>	(III - IV)	<b>2,48,22,406</b>	<b>3,44,47,470</b>
<b>VI. Earnings Per Equity Share:</b>	27		
(1) Basic		3.11	4.31
(2) Diluted		3.11	4.31
Significant Accounting Policies	a-r		
Notes on Financial Statements	1 to 36		

As per our report of even date attached

For **ARSK & Associates**

Chartered Accountants

Firm's Registration No. 315082E

**CA. Ravindra Khandelwal**

Partner

Membership No. 054615

Place : Kolkata

Date : 16th May, 2015

For and on behalf of the Board of Directors

**Vijay Maheshwari**

Director

**Bijay Murmuria**

Director

**Bhawani Sankar Rathi**Wholetime Director &  
Chief Financial Officer**Deb Kumar Sett**

Company Secretary

## Cash Flow Statement for the year ended 31st March, 2015

(Amount in ₹)

Particulars	For the year ended 31st March	
	2015	2014
<b>A. Cash flows from operating activities</b>		
Profit before Taxation and after Exceptional Items	3,63,12,655	4,84,34,976
Adjustments for :		
Depreciation	75,05,026	39,15,611
Interest Income	47,97,866	(26,15,721)
Dividend Income	(8,20,826)	(8,79,572)
Provision for Leave Encashment	3,77,843	3,28,443
Interest Paid	4,09,991	4,80,768
(Profit)/Loss on Sale of Fixed Assets (Net)	42,846	1,88,524
(Profit)/Loss on Fixed Asset Written off	-	10,44,233
(Profit)/Loss on Sale of Investments	(35,86,119)	(29,07,131)
Adjustment in Diminution in Value of Investments	(7,80,208)	(24,381)
Liabilities No Longer Required Written back	(1,010)	-
Rent Received	(4,20,000)	-
Operating Profit before Working Capital Changes	<b>4,38,38,064</b>	<b>4,79,65,750</b>
Adjustments for :		
(Increase) / Decrease in Other Current Assets	(40,31,153)	(1,67,603)
(Increase) / Decrease in Trade Receivables	1,72,61,463	(3,05,00,925)
(Increase) / Decrease in Inventories	(71,37,856)	(1,29,89,977)
(Increase) / Decrease in Loans and Advances	88,46,637	14,71,209
Increase / (Decrease) in Trade and Other Payables	(73,80,918)	99,86,217
Cash Generated from Operations	<b>5,13,96,237</b>	<b>1,57,64,671</b>
Direct Taxes Paid	(1,30,90,168)	(1,42,90,569)
Cash Flow before Extra Ordinary Items	<b>3,83,06,069</b>	<b>14,74,102</b>
Adjustment of Earlier Years	-	1,32,026
Net Cash from Operating Activities	<b>3,83,06,069</b>	<b>16,06,128</b>
<b>B. Cash flows from Investing Activities</b>		
(Purchase)/Sale of Fixed Assets	(6,21,656)	(27,30,371)
(Purchase)/Sale of Investments	(1,04,504)	(12,47,326)
Rent Received	4,20,000	-
Loan to Subsidiary	(11,28,219)	3,50,000
Interest Received	(47,97,866)	26,15,721
Dividend Received	8,20,826	8,79,572
Net Cash (used in) / from Investing Activities	<b>(54,11,419)</b>	<b>(1,32,404)</b>
<b>C. Cash Flows from Financing Activities</b>		
Proceeds/(Repayment) of Long Term Borrowings	(39,51,110)	4,16,493
Proceeds from Employee Stock Option Plan	2,400	2,300
Dividend Paid	(63,87,539)	(39,92,212)
Interest Paid	(4,09,991)	(4,80,768)
Net Cash (used in) / from Financing Activities	<b>(1,07,46,240)</b>	<b>(40,54,187)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>2,21,48,410</b>	<b>(25,80,463)</b>
Cash and Cash Equivalents at the Beginning of the Year	4,19,15,869	4,44,96,332
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>6,40,64,279</b>	<b>4,19,15,869</b>

- Notes:**
- Components of cash and cash equivalents include cash, bank balances in current and deposit accounts as disclosed under note no 13 of the accounts.
  - The above cash flow statement has been prepared under the indirect method as set out in accounting standard 3 on "Cash Flow Statement".

As per our report of even date attached

For **ARSK & Associates**

Chartered Accountants

Firm's Registration No. 315082E

**CA. Ravindra Khandelwal**

Partner

Membership No. 054615

Place : Kolkata

Date : 16th May, 2015

For and on behalf of the Board of Directors

**Vijay Maheshwari**

Director

**Bijay Murmuria**

Director

**Bhawani Sankar Rathi**Wholetime Director &  
Chief Financial Officer**Deb Kumar Sett**

Company Secretary

## SIGNIFICANT ACCOUNTING POLICIES

### a Basis of preparation of accounts

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies applied by the Company are consistent with those used in the previous year.

### b Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

### c Fixed Assets

#### i) *Tangible assets*

Fixed assets are stated at cost of acquisition inclusive of duties (net of CENVAT and other credits, wherever applicable), taxes, incidental expenses, erection / commissioning expenses and borrowing costs etc. up to the date the assets are ready for their intended use.

Fixed Assets retired from active use are valued at net realisable value.

#### ii) *Intangible assets*

Intangible assets are stated at cost.

### d Depreciation

Depreciation on Fixed Assets is provided on straight line method at the rates prescribed in Schedule III of the Companies Act, 2013 or at rates determined based on the useful life of the assets, whichever is higher.

In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over their remaining useful life.

### e Impairment of Assets

The carrying amount of assets is reviewed at each balance sheet date to determine if there is any indication of impairment thereof based on external / internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount, which represents the greater of the net selling price of assets and their 'value in use'. The estimated future cash flows are discounted to their present value at appropriate rate arrived at after considering the prevailing interest rates and weighted average cost of capital.

### f Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost, but provision for diminution in value is made to recognise a decline other than temporary in the value of such investments.

### g Inventories

Inventories of shares and securities are valued at lower of cost or market value.

## **h Revenue recognition**

### ***Sale of Service***

Revenue is recognised when no significant uncertainty as to its determination exists.

### ***Sale of Goods***

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

### ***Insurance and other claims / refunds***

Revenue, due to uncertainty in realisation, are accounted for on acceptance / actual receipt basis.

### ***Interest***

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

### ***Dividends***

Dividend is recognised when the shareholders' right to receive payment is established by the balance sheet date.

## **i Retirement and other employee benefits**

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are accrued. There are no obligations other than the contribution payable to the respective trusts.

Gratuity liability is a defined benefit obligation and is provided for on the basis of actuarial valuation made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation.

Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

## **j Taxation**

Tax expense comprises of current and deferred tax.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred tax is recognized on a prudent basis for timing differences, being difference between taxable and accounting income/expenditure that originate in one period and are capable of reversal in one or more subsequent period(s). Deferred tax asset is recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such asset can be realised against future taxable income. Unrecognised deferred tax asset of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

## **k Earning per share**

Earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders, by the weighted average number of equity shares outstanding during the period.

## **l Segment Reporting**

### **i) Identification of segments**

The Company has identified that its operating segments are the primary segments. The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit and offering different products and serving different markets.

ii) **Allocation of common costs**

Common allocable costs are inter-se allocated to segments based on the basis most relevant to the nature of the cost concerned. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, are included under the head unallocated expense / income.

**m Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**n Contingent liabilities**

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent and disclosed by way of notes to the accounts.

**o Provisions**

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance date and adjusted to reflect the current best estimates.

**p Equity Index/Stock- Futures**

Initial margin and additional margin paid, for entering into contracts for equity index/stock futures, which are released on final settlement/squaring-up of underlying contracts, are disclosed under Current Assets, Loans and Advances.

Equity index/stock futures are marked-to-market on a daily basis. Debit or credit balance disclosed under Current Assets, Loans and Advances or Current Liabilities, respectively represents the net amount paid or received on the basis of movement in the prices of index/stock futures till the balance sheet date.

As on the balance sheet date, profit/loss on open positions in index/stock futures are accounted for as follows :

Profit and loss on hedged transactions are recognized on net basis. In respect of other transactions, credit balance being anticipated profit is ignored and no credit for the same is taken in the profit and loss account. Debit balance being anticipated loss is adjusted in the profit and loss account.

On final settlement or squaring-up of contracts for equity index/stock futures, the profit or loss is calculated as the difference between settlement/squaring-up price and contract price. Accordingly, debit or credit balance pertaining to the settled/squared-up contract is recognised in the profit and loss account.

**q Equity Index/Stock - Options**

Initial margin and additional margin paid for entering into contracts for equity index/stock options, which are released on final settlement/squaring-up of underlying contracts, are disclosed under Current Assets, Loans and Advances.

As at the balance sheet date, profit and loss account on hedged transactions is recognized on net basis. In case of other transactions, in the case of long positions, provision is made for the amount by which the premium paid for those options exceeds the premium prevailing on the balance sheet date, and in the case of short positions, for the amount by which premium prevailing on the balance sheet date exceeds the premium received for those options. The premium paid or received as the case may be, after the aforesaid provision, is disclosed in Current Assets or Current Liabilities.

**r Foreign Currency Transactions**

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are translated at the year-end rates.



## Notes forming part of the Financial Statement for the year ended 31st March, 2015

	As at 31st March, 2015		As at 31st March, 2014	
	Number	Amount (₹)	Number	Amount (₹)
<b>1 SHARE CAPITAL</b>				
<b>Authorised</b>				
Equity Shares of ₹ 10/- each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
<b>Issued, Subscribed &amp; Paid up</b>				
Equity Shares of ₹ 10/- each fully paid	79,84,424	7,98,44,240	79,84,424	7,98,44,240
<b>Total</b>	<b>79,84,424</b>	<b>7,98,44,240</b>	<b>79,84,424</b>	<b>7,98,44,240</b>

### 1.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	Equity Shares as at 31st March, 2015		Equity Shares as at 31st March, 2014	
	Number	Amount (₹)	Number	Amount (₹)
a) Shares outstanding at the beginning of the year	79,84,424	7,98,44,240	79,84,424	7,98,44,240
Shares outstanding at the end of the year	<b>79,84,424</b>	<b>7,98,44,240</b>	<b>79,84,424</b>	<b>7,98,44,240</b>
<i>Out of the above:</i>				
b) 96,000 employee stock options had been granted by the Company in 2007-08 out of which 56,600 employee stock options were exercised in 2009-10 and 24,400 were exercised during the year 2010-11.				

### 1.2 Rights, preferences and restrictions attached to shares

The Company has only one class of issued shares i.e. Equity Shares having par value of ₹10 per share. Each holder of Equity Shares is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

### 1.3 The details of Shareholders holding more than 5 % shares :-

Name of Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Vijay Maheshwari	15,62,220	19.57	15,62,220	19.57
Brand Equity Treaties Limited.	-	-	9,35,484	11.72
Sahujain Services Limited	8,88,710	11.13	-	-
Hitech Tradecomm Pvt Limited.	5,66,900	7.10	5,66,900	7.10
<b>Total</b>	<b>30,17,830</b>	<b>37.80</b>	<b>30,64,604</b>	<b>38.39</b>

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

	As at 31st March	
	2015	2014
<b>2 RESERVES &amp; SURPLUS</b>		
<b>a. Securities Premium Reserve</b>		
Opening Balance	2,57,20,164	2,57,20,164
<b>Closing Balance</b> I	<b>2,57,20,164</b>	<b>2,57,20,164</b>
<b>b. Revaluation Reserve</b>		
Opening Balance	9,26,545	9,47,918
(-) Written Back in Current Year	20,505	21,373
<b>Closing Balance</b> II	<b>9,06,040</b>	<b>9,26,545</b>
<b>c. General Reserve</b>		
Opening Balance	-	-
Add: Transfer during the year	20,505	-
<b>Closing Balance</b> III	<b>20,505</b>	-
<b>d. Employee Stock Option*</b>		
Opening Balance	2,300	-
Add: Amount received during the year	2,400	2,300
<b>Closing Balance</b> IV	<b>4,700</b>	<b>2,300</b>
<b>e. Surplus in statement of Profit and Loss</b>		
Opening Balance	18,41,56,677	15,71,82,308
(+) Net Profit/(Net Loss) for the Current Year	2,48,22,406	3,44,47,470
(-) Dividends proposed to be distributed to equity shareholders ₹ 0.80 per share (Previous year ₹ 0.80 per share)	63,87,539	63,87,539
(-) Tax on Dividend	13,00,353	10,85,562
<b>Closing Balance</b> V	<b>20,12,91,191</b>	<b>18,41,56,677</b>
<b>Total</b> I+II+III+IV+V	<b>22,79,42,600</b>	<b>21,08,05,686</b>

\* The Company had approved an Employee Stock Option Plan on 24th March, 2011 which was further amended on 09th November, 2013. 3,48,000 options were granted to 68 employees on 09th November, 2013. Out of 68 employees to whom the Options were granted only 23 employees have paid the application money of ₹ 100/- each in F Y 2013-14 and 24 employees have paid the application money of ₹ 100/- each in F Y 2014-15. The aggregate Options for which application has been received from the employees is 1,17,000 in F Y 2013-14 and 1,28,000 in F Y 2014-15. The intrinsic value of the Stock Option is nil as the exercise price exceeds the market price on the date of Grant. Therefore the Company has not recognised any expense in respect of Employee Stock Option during the financial year.

Particulars	Non-current portion As at 31st March		Current maturities* As at 31st March	
	2015	2014	2015	2014
<b>3 LONG-TERM BORROWINGS</b>				
<b>Secured</b>				
Term Loan from Schedules Banks - Note (3.1)	2,85,252	24,42,560	5,06,933	23,00,735
<b>Total</b>	<b>2,85,252</b>	<b>24,42,560</b>	<b>5,06,933</b>	<b>23,00,735</b>

\* Amount disclosed under the head "Other Current Liabilities" (Note 5)

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

Particulars	Repayment Schedule	As at 31st March	
		2015	2014
<b>3.1</b>			
<b>A. Borrowings from State Bank of Hyderabad</b>			
Term Loan	Repayable in 16 quarterly installments of ₹ 16.5 Lacs each and the final installment would be due by the Quarter ended June 2015. However, the same has been prepaid in the current Financial Year itself.	-	35,12,854
<b>B. Borrowings from HDFC Bank</b>			
Vehicle Loan	Repayable in 36 monthly installments of ₹ 22,669 and final installment would be due on 5th November, 2016.	4,15,147	6,32,378
<b>C. Borrowings from Canara Bank</b>			
Vehicle Loan	Repayable in 36 monthly installments. 35 installments of ₹ 22,735 and Final installment of ₹ 22,667 due on 16th August, 2016.	3,77,038	5,98,063
Less: Current portion of term loans from schedule banks shown under Other current Liabilities.		5,06,933	23,00,735
<b>Total</b>		<b>2,85,252</b>	<b>24,42,560</b>

**Additional Information:****A. State Bank of Hyderabad**

- (i) Primarily secured by equitable mortgage of unit no. C-703 in Wing C alongwith Car Parking (2 nos.) of Marathon Innova IT Part situated at Off G. K. Marg, Lower Parel (W), Mumbai.
- (ii) Secondary security provided by the way of Pledge of Term Deposit Receipt worth ₹ 0.44 Crores.
- (iii) Personal Guarantee by Mr. Vijay Maheshwari
- (iv) Rate of interest is 10.40% p.a. with an option to reset the interest every two years.

**B. HDFC Bank**

- (i) Secured by hypothecation of the corresponding vehicle.
- (ii) Rate of interest is 10.75% p.a.

**C. Canara Bank**

- (i) Secured by hypothecation of the corresponding vehicle.
- (ii) Rate of interest is 10.70% p.a.

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

Particulars	As at 31st March	
	2015	2014
<b>4 NET DEFERRED TAX LIABILITY</b>		
In accordance with AS-22 on 'Accounting for taxes on Income' by the Institute of Chartered Accountants of India, net deferred tax, has been accounted for, as detailed below :		
<b>Deferred Tax Liability</b>		
Difference between Book and Tax Depreciation	1,13,48,998	1,18,49,345
Sub Total (A)	<b>1,13,48,998</b>	<b>1,18,49,345</b>
<b>Deferred Tax Asset</b>		
Leave Encashment	2,13,017	1,80,504
Long Term Capital Loss	14,64,282	9,18,869
Sub Total (B)	<b>16,77,299</b>	<b>10,99,373</b>
<b>Net Deferred Tax Liability (A-B)</b>	<b>96,71,699</b>	<b>1,07,49,972</b>
<b>5 OTHER CURRENT LIABILITIES</b>		
Due to Micro, Small and Medium enterprises	-	-
Current Maturities of Long Term Borrowings (Refer Note No. 3)	5,06,933	23,00,735
<b>Received from clients :</b>		
- Against Margin Money	60,51,000	1,29,44,500
- As Advance	28,28,574	26,61,134
Unclaimed Dividend	12,41,759	12,70,932
Payable for Expenses	35,19,013	14,52,803
Statutory Dues	5,00,128	9,59,318
<b>Total</b>	<b>1,46,47,407</b>	<b>2,15,89,422</b>
<b>6 SHORT-TERM PROVISIONS</b>		
<b>Provision for employee benefits</b>		
Gratuity	1,76,043	-
Leave Encashment	6,56,446	5,56,252
<b>Others</b>		
Proposed Dividend	63,87,539	63,87,539
Corporate Dividend Tax	13,00,353	10,85,562
<b>Total</b>	<b>85,20,381</b>	<b>80,29,353</b>

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

### 7 FIXED ASSETS

(Amount in ₹)

PARTICULARS	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	Balance as at 1st April, 2014	Additions	Disposals	Balance as at 31st March, 2015	Balance as at 1st April, 2014	Depreciation for the year	On Disposals	Balance as at 31st March, 2015	Balance as at 31st March, 2014
<b>Tangible Assets</b>									
a Buildings	7,70,83,210 (7,70,83,210)	5,59,159	-	7,76,42,369 (7,70,83,210)	66,72,357 (54,15,902)	12,19,498 (12,56,455)	-	78,91,855 (66,72,357)	7,04,10,853 (7,16,67,308)
b Electrical Installation	6,05,835 (6,48,810)	-	-	6,05,835 (6,05,835)	3,04,916 (2,84,875)	1,60,764 (40,674)	-	4,65,680 (3,04,916)	3,00,919 (3,63,935)
c Furniture & Fixtures	91,37,607 (98,70,978)	18,835	-	91,56,442 (91,37,607)	33,81,539 (31,23,901)	13,07,755 (6,04,076)	-	46,89,294 (33,81,539)	57,56,068 (67,47,077)
d Computers & Software	1,41,56,680 (1,40,60,242)	6,02,230 (6,11,923)	-	1,47,58,910 (1,41,56,680)	1,19,69,008 (1,17,01,419)	11,51,984 (7,19,759)	-	1,31,20,992 (1,19,69,008)	21,87,672 (23,58,823)
e Office equipment	42,06,743 (50,62,742)	2,05,591 (2,20,427)	9,100 (10,76,426)	44,03,234 (42,06,743)	10,73,394 (12,77,285)	19,32,918 (2,42,889)	8,645 (4,46,780)	29,97,667 (10,73,394)	31,33,349 (37,85,457)
f Vehicles	1,16,74,369 (1,05,08,374)	-	7,97,905 (7,89,026)	1,08,76,464 (1,16,74,369)	36,11,658 (31,40,032)	17,32,107 (10,73,131)	6,29,214 (6,01,505)	47,14,551 (36,11,658)	80,62,711 (73,68,342)
<b>Total</b>	<b>11,68,64,444</b>	<b>13,85,815</b>	<b>8,07,005</b>	<b>11,74,43,254</b>	<b>2,70,12,872</b>	<b>75,05,026</b>	<b>6,37,859</b>	<b>3,38,80,039</b>	<b>8,98,51,572</b>
<b>Previous Year</b>	<b>(11,72,34,356)</b>	<b>(27,87,371)</b>	<b>(31,57,283)</b>	<b>(11,68,64,444)</b>	<b>(2,49,43,414)</b>	<b>(39,36,984)</b>	<b>(18,67,526)</b>	<b>(2,70,12,872)</b>	<b>(9,22,90,942)</b>

Note : Previous year's figures are shown in the brackets.

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

Particulars	As at 31st March	
	2015	2014
<b>8 NON-CURRENT INVESTMENTS</b>		
<b>Non-Trade Investments</b>		
<b>a) Unquoted (Refer 'a' below)</b>		
Investment in Equity Instruments (I)	1,58,07,688	1,58,57,688
<b>b) Quoted</b>		
Investment in Equity Instruments (Refer 'b' below) (II)	54,11,611	38,11,461
Investment in Debentures (Refer 'c' below) (III)	-	-
<b>c) Unquoted (Refer 'd' below)</b>		
Investments in Mutual Funds (IV)	1,797	1,797
<b>Grand Total</b> (I+II+III+IV)	<b>2,12,21,096</b>	<b>1,96,70,946</b>
Less : Provision for diminution in the value of Investments	11,66,816	19,47,023
<b>Total</b>	<b>2,00,54,280</b>	<b>1,77,23,923</b>

### a Details of Non-Trade Investments (Unquoted - at Cost)

Sl. No.	Name of the body corporate (Face value of ₹ 10 unless otherwise stated)	No. of Shares As at 31st March		Amount (₹) As at 31st March	
		2015	2014	2015	2014
	<b>In Subsidiary</b>				
1	SFSL Commodity Trading Pvt. Limited	6,51,000	6,51,000	80,10,000	80,10,000
	<b>In Associates</b>				
1	Capita Finance Services Limited	40,000	40,000	4,00,000	4,00,000
2	SFSL Risk Management Service Pvt. Limited (F.V. ₹ 100)	9,250	9,250	9,25,000	9,25,000
3	SFSL Insurance Advisory Services (P) Limited (F.V. ₹ 100)	8,500	8,500	8,50,000	8,50,000
4	US Infotech Pvt. Limited	3,10,000	3,10,000	56,22,688	56,22,688
	<b>In Others</b>				
1	Vijaya Home Loan Limited	-	5,000	-	50,000
2	Sijberia Industries Limited	20	20	-	-
	<b>Total</b>			<b>1,58,07,688</b>	<b>1,58,57,688</b>

### b Details of Non-Trade Investments (Quoted-at Cost) (Face value of ₹ 10 unless otherwise stated)

Sl. No.	Equity Instruments of Bodies Corporate	No. of Shares As at 31st March		Amount (₹) As at 31st March	
		2015	2014	2015	2014
1	Aravali Securities & Finance Limited	200	200	4,000	4,000
2	Assam Brook Limited	3,625	3,625	2,29,012	2,29,012
3	APS Star Industries Limited	600	600	43,950	43,950
4	Oriental Civil Engineering Company Limited	-	400	-	4,000
5	Bajaj Hindustan Limited (F.V. ₹ 1)	2,500	2,500	90,000	90,000

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

### 8 NON-CURRENT INVESTMENTS (Contd.)

#### b Details of Non-Trade Investments (Quoted-at Cost) (Face value of ₹ 10 unless otherwise stated) (Contd.)

Sl. No.	Equity Instruments of Bodies Corporate	No. of Shares As at 31st March		Amount (₹) As at 31st March	
		2015	2014	2015	2014
6	Business Forms Limited	6,000	6,000	72,000	72,000
7	Carbon Composites (I) Limited	-	500	-	5,500
8	CDR Health Care Limited	2,200	2,200	53,350	53,350
9	Gold Star Steel & Alloys Limited	-	1,220	-	6,100
10	Gujarat Inject (Kerela) Limited	900	900	14,850	14,850
11	IFB Industries Limited	5,500	7,100	7,64,946	9,87,476
12	Leafin India Limited	500	500	64,000	64,000
13	Maruti Cottex Limited	17,000	17,000	1,72,000	1,72,000
14	Madhya Bharat Papers Limited	500	500	3,125	3,125
15	MCC Investment & Leasing Co. Limited	400	400	4,000	4,000
16	Modern Denim Limited	700	700	43,870	43,870
17	Neha Export Limited	-	1,900	-	28,500
18	Orkay Industries Limited	1,100	1,100	73,215	73,215
19	Opal Luxury Time Products Limited	2,000	2,000	2,60,000	2,60,000
20	Paam Pharmaceuticals (Delhi) Limited	252	252	6,120	6,120
21	Parakaram Technofeb Limited	1,200	1,200	12,830	12,830
22	Platinum Finance Limited	-	100	-	3,000
23	Pioneer Financial Management Services Limited	1,000	1,000	10,000	10,000
24	Primax Fiscal Services Limited	800	800	8,000	8,000
25	Richimen Silks Limited	-	500	-	5,000
26	Sanderson Industries Limited	2,65,850	2,65,850	2,65,850	2,65,850
27	Sen Pet India Limited	29,300	29,300	2,93,000	2,93,000
28	Shree Digvijay Cement Limited	-	4,000	-	1,43,515
29	Skipper Ltd.	24,000	-	22,74,316	-
30	State Bank of India (FV 1)	1,870	187	2,97,330	2,97,330
31	T & I Global Limited	-	100	-	2,000
32	Technology Plastics Limited	1,000	1,000	24,085	24,085
33	Thejo Engineering Limited ( includes 600 bonus shares)	1,200	1,200	2,41,200	2,41,200
34	Timbor Home Limited	1,374	1,374	86,562	86,562
35	Uniworth Limited	-	2,627	-	2,42,075
36	Uniworth Textiles Limited	-	500	-	11,946
	<b>Total</b>			<b>54,11,611</b>	<b>38,11,461</b>
	Market value of Quoted Investment			82,83,943	19,66,403

#### c Debentures

Sl. No.	Equity Instruments of Bodies Corporate	No. of Units As at 31st March		Amount (₹) As at 31st March	
		2015	2014	2015	2014
1	NTPC Limited #	2000	-	-	-
	<b>Total</b>		-		-
	Market value of Quoted Debentures		25,000		-

# During the year the company has received 2000 bonus debentures.



## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

### 8 NON-CURRENT INVESTMENTS (Contd.)

#### d Mutual Funds

Sl. No.	Equity Instruments of Bodies Corporate	No. of Units As at 31st March		Amount (₹) As at 31st March	
		2015	2014	2015	2014
1	UTI Equity Fund	200	200	1,797	1,797
	<b>Total</b>			<b>1,797</b>	<b>1,797</b>
	NAV of Mutual Fund			17,236	12,326

(Amount in ₹)

Particular	As at 31st March	
	2015	2014
<b>9 LONG TERM LOANS AND ADVANCES</b>		
<b>(Unsecured, considered good, unless otherwise stated)</b>		
<b>Loan to Subsidiary</b>		
SFSL Commodity Trading Pvt. Limited ( Subsidiary)	25,28,219	14,00,000
<b>Capital Advances</b>	1,72,08,915	1,72,08,915
<b>Security Deposits</b> (Secured, considered good)	1,21,81,900	1,23,81,900
<b>Others</b>		
Advance Payment of Taxes (Net)	16,99,382	46,33,067
Other Advances	1,21,63,763	1,74,36,099
Other Deposits	4,60,007	8,99,652
<b>Total</b>	<b>4,62,42,186</b>	<b>5,39,59,633</b>

	No. of Units As at 31st March		Amount (₹) As at 31st March	
	2015	2014	2015	2014
<b>10 CURRENT INVESTMENTS</b>				
<b>Investments in Mutual Funds</b>				
ICICI Prudential Flexible Income Growth	1,05,825	-	2,61,42,638	-
ICICI Prudential Liquid Direct Plan Growth	-	1,14,462	-	2,05,15,956
ICICI Prudential Liquid - Weekly Dividend	-	2,507	-	2,51,310
HDFC Debt Fund for Cancer	10,000	10,000	1,00,000	1,00,000
HDFC Liquid Fund - Direct Plan- Growth	3,49,567	2,69,094	95,02,141	64,78,546
HDFC Liquid Fund - Dividend Plan	-	6,06,584	-	62,58,494
Canara Rebeco Medium Term Opportunities	40,000	40,000	4,00,000	4,00,000
JP Morgan India Treasury Fund	791	791	10,000	10,000
SBI SHF Ultra STD Fund- Direct Plan- Growth	2,081	2,081	31,76,582	31,76,582
<b>Total</b>			<b>3,93,31,361</b>	<b>3,71,90,888</b>
Market Value of Investment as on 31.03.2015			4,18,49,687	3,86,56,790

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

### 11 INVENTORIES

(As taken by the management and certified by a Director) (At lower of cost and net realisable value)

#### Stock - in - trade

Sl. No.	Name of the Body Corporate	Face Value (₹)	As at 31st March, 2015		As at 31st March, 2014	
			No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
<b>A</b>	<b>In Equity Instruments (Quoted)</b>					
1	3I Infotech Limited	10	10,000	58,500	10,000	77,500
2	Akar Laminators Limited	10	500	1	500	1
3	All Cargo Logistics Limited	2	-	-	1,000	1,53,900
4	Alok Industries Limited	10	45,000	3,33,000	45,000	2,92,500
5	Apple Finance Limited	10	-	-	200	390
6	Bajaj Hindusthan Sugar Limited	1	1,000	14,400	1,000	16,350
7	Balaji Telefilms Pvt. Ltd.	2	5,000	3,20,548	-	-
8	Balasore Alloys Ltd.	5	10,000	1,46,500	-	-
9	Balarampur Chini Mills Limited	1	-	-	2,000	73,400
10	Bank of India	10	-	-	2,000	3,19,000
11	Bells Control Limited	10	50	1	50	1
12	Bharti Airtel Limited	5	4,000	11,68,558	4,000	11,68,558
13	Birla Power Solutions Limited	1	-	-	12,000	1,320
14	Cairn India Limited	10	2,500	5,34,625	2,500	7,97,696
15	Cals Refineries Limited	1	-	-	15,000	1,350
16	Castrol India Ltd.	1	2,000	9,48,800	-	-
17	Claris Lifescience Ltd.	10	2,500	4,70,471	-	-
18	Core Education & Technologies Limited	2	11,000	84,700	11,000	1,35,300
19	DLF Limited	2	8,700	13,09,539	700	1,23,515
20	Daewoo Motors (India) Limited	10	100	1	100	1
21	Dreging Corporation Ltd.	10	1,000	3,73,500	-	-
22	Dr. Datsons Limited (Formerly Aanjaneya Lifecare Limited)	10	-	-	500	21,225
23	Edelweiss Financial Services Limited	1	500	31,875	500	14,325
24	EIH Limited	2	4,000	2,75,953	4,000	2,75,953
25	Electrosteel Castings Limited	1	10,000	1,90,000	5,000	81,500
26	Electrosteel Steels Limited	10	60,000	2,37,600	40,000	1,58,000
27	Firstsource Solutions Ltd.	10	5,000	1,54,500	-	-
28	Fortis Healthcare Limited	10	-	-	1,000	97,700
29	GMR Infrastructure Limited	1	30,000	4,98,000	10,000	2,07,000
30	Gol Offshore Ltd.	10	2,000	1,14,600	-	-
31	GTL Infrastructure Limited	10	-	-	4,000	5,800
32	GTL Limited	10	-	-	1,000	14,300
33	Gujarat Lease Financing Limited	10	-	-	25	1
34	Gujarat NRE Coke Limited	10	4,000	20,640	4,000	34,400
35	Gujarat State Fertilisers & Chemicals Ltd.	2	1,000	83,250	-	-
36	Himachal Futuristic Communications Limited	1	2,000	26,800	2,000	16,400

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

### 11 INVENTORIES

(As taken by the management and certified by a Director) (At lower of cost and net realisable value) (Contd.)

#### Stock - in - trade

Sl. No.	Name of the Body Corporate	Face Value (₹)	As at 31st March, 2015		As at 31st March, 2014	
			No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
37	Himadri Chemicals & Industries Limited	1	2,000	30,000	1,000	1,150
38	Hindustan Copper Limited	5	2,500	1,57,750	5,500	3,77,575
39	Hotel Leela Ventures Ltd.	2	20,000	3,74,000	-	-
40	ICICI Bank Limited	2	1,375	3,99,024	275	2,98,488
41	IFB Industries Limited	10	1,000	5,83,500	8,400	6,65,280
42	India Infoline Limited	2	-	-	250	19,538
43	Indian Bank	10	-	-	1,000	69,200
44	Insecticides Ltd.	10	2,000	13,82,000	-	-
45	IVRCL Limited	2	-	-	5,000	66,000
46	Information Technologies (India) Limited	5	-	-	100	1
47	ITC Ltd.	1	1,000	3,25,450	-	-
48	Jaiprakash Power Ventures Limited	10	15,000	3,70,000	5,000	70,750
49	JSW Steel Limited ( Formerly JSW Ispat Steel Limited)	10	-	-	69	71,487
50	K.S.Oils Limited	1	-	-	500	615
51	Lanco Infratech Limited	1	20,000	1,08,800	20,000	1,42,000
52	Larsen & Toubro Limited	2	300	2,47,749	300	2,47,749
53	LIC Housing Finance Limited	2	4,000	10,16,100	4,000	9,44,600
54	Maruthi Cotex Limited	10	2,000	1	2,000	1
55	Lords Chloro Alkali Limited	10	10	68	100	675
56	Lokesh Machines Ltd.	10	3,053	2,09,595	-	-
57	Motilal Oswal Financial Services Limited	1	-	-	250	23,125
58	Mahanagar Telephone Nigam Limited	10	4,000	72,800	4,000	60,800
59	National Aluminium Co. Ltd.	5	15,000	6,99,750	-	-
60	NMDC Limited	1	1,500	1,73,925	4,500	6,26,625
61	NTPC Limited	10	2,000	2,30,200	2,000	2,39,800
62	Nicco Corporation Limited	2	2,000	1,060	2,000	1,300
63	Orient Green Power Co. Ltd.	10	10,000	1,46,500	-	-
64	Oriental Bank of Commerce	10	17,000	34,79,900	25,000	49,23,260
65	Padmini Technologies Limited	10	3,200	1	3,200	1
66	Parakaram Technofab Limited	10	84,400	1	84,400	1
67	Radha Madhav Corporation Ltd.	10	2,000	64,400	-	-
68	Rama Newsprints and Papers Limited	10	-	-	125	850
69	Ranbaxy Laboratories Limited	5	-	-	150	51,802
70	Reliance Industries Limited	10	4,000	32,98,800	4,500	35,57,062
71	Religare Enterprises Limited	10	-	-	50	15,858
72	Standard Shoe Sole and Mould(India) Ltd.	10	28,000	1	28,000	1
73	Sanderson Industries Limited	10	1,83,400	1	1,83,400	1

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

### 11 INVENTORIES

(As taken by the management and certified by a Director) (At lower of cost and net realisable value) (Contd.)

#### Stock - in - trade

Sl. No.	Name of the Body Corporate	Face Value (₹)	As at 31st March, 2015		As at 31st March, 2014	
			No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
74	Sharon Bio-Medicines Ltd.	2	5,000	89,750	-	-
75	Shipping Corporation of India Ltd.	10	2,000	92,300	-	-
76	Shreyas Shipping & Logistics Ltd.	10	1,000	4,04,400	-	-
77	SJVN Limited	10	-	-	10,000	2,10,500
78	Speciality Restaurants Limited	10	1,000	1,23,495	1,000	1,23,495
79	MW Unitexx Limited	10	195	556	195	556
80	State Bank of India	1	90,500	1,95,84,882	10,600	2,03,27,620
81	Sterling Biotech Ltd.	1	5,000	30,950	-	-
82	Suryodaya Allo - Metal Powders Limited	10	6,500	1	6,500	1
83	Telephone Cables Limited	10	100	1	100	1
84	Texmaco Infrastructure & Holdings Limited	1	19,000	6,67,850	7,999	2,05,974
85	Texmaco Rail & Engineering Limited	1	16,000	19,31,871	6,000	2,86,800
86	Uco Bank	10	24,000	15,32,400	4,000	2,60,200
87	Unitech Ltd.	2	10,000	1,62,000	-	-
88	United Bank of India	10	1,000	28,550	9,000	2,82,150
89	Vatsa Corporation Limited	1	100	1	100	1
90	Veto Switchgear Cable Ltd.	10	1,650	1,02,300	-	-
91	Vijaya Bank	10	8,000	3,72,000	10,000	3,76,500
92	Vimta Labs Limited	2	1,500	71,248	1,500	71,248
93	Viniyoga Clothex Limited	10	1,800	1	1,800	1
94	Visa Steel Ltd.	10	5,300	77,380	-	-
95	Wockhardt Limited	5	-	-	400	1,83,080
96	Walchandnagar Industries Limited	2	-	-	100	6,085
	<b>Total</b>			<b>4,60,39,674</b>		<b>3,88,97,193</b>

Note: The quoted shares for which no trading is done in scrips since long time and the market value is negligible or not available have been valued at ₹ 1/-

<b>B</b>	<b>In Preference Shares</b>					
1	Venkateshwara Hatcheries Limited	10	20	1	20	1
	<b>Total</b>		<b>20</b>	<b>1</b>	<b>20</b>	<b>1</b>
<b>C</b>	<b>In Mutual Funds (Quoted)</b>					
1	Goldman Sachs Gold ETF (Goldbees)		15	35,984	15	40,609
2	UTI Master Shares - Unit Scheme		100	1,250	100	1,250
	<b>Total</b>		<b>115</b>	<b>37,234</b>	<b>115</b>	<b>41,859</b>
	<b>Grand Total</b>			<b>4,60,76,909</b>		<b>3,89,39,053</b>

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

Particular	As at 31st March	
	2015	2014
<b>12 TRADE RECEIVABLES</b>		
(Unsecured, considered good)		
Trade receivables		
- outstanding for a period less than six months	2,82,04,792	4,78,30,600
- outstanding for a period exceeding six months	81,24,767	57,60,422
<b>Total</b>	<b>3,63,29,559</b>	<b>5,35,91,022</b>
<b>13 CASH AND CASH EQUIVALENTS</b>		
a. Balances with banks *	3,45,00,962	1,56,40,060
b. Cash on hand	5,04,620	3,17,432
c. Fixed deposits with banks #	2,90,58,697	2,59,58,377
<b>Total</b>	<b>6,40,64,279</b>	<b>4,19,15,869</b>
* Balance with banks include Unclaimed Dividend of ₹ 12,41,789/- (Previous Year ₹ 12,70,932/-)		
# Fixed Deposits with banks includes deposit of ₹ 9,00,000/- (Previous Year ₹ 20,00,000/-) with maturity more than 12 months.		
# Fixed Deposits with banks includes fixed deposits pledged with banks against Bank Guarantee and margin money amounting to ₹ 1,72,79,443/- (Previous Year - ₹ 1,71,33,026/-) and pledged with BSE against is ₹ 33,75,000/- (Previous Year- ₹ 33,75,000/-).		
<b>14 SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
Other advances	12,47,402	12,48,373
<b>Total</b>	<b>12,47,402</b>	<b>12,48,373</b>
<b>15 OTHER CURRENT ASSETS</b>		
Prepaid Expenses	5,82,289	6,20,436
Income Tax Refundable	37,74,195	-
Accrued Interest	13,16,518	10,21,413
<b>Total</b>	<b>56,73,002</b>	<b>16,41,849</b>

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

Particular	For the year ended 31st March	
	2015	2014
<b>16 REVENUE FROM OPERATIONS</b>		
Investment Banking	8,45,46,818	11,24,10,346
Sales of stock-in-trade - Shares and Securities	6,66,32,401	73,12,000
Brokerage, commission and other charges	1,92,81,065	1,17,73,739
<b>Total</b>	<b>17,04,60,284</b>	<b>13,14,96,085</b>
<b>17 OTHER INCOME</b>		
Interest Income on		
- Fixed Deposits	26,09,944	24,28,306
- Income Tax Refund	1,77,840	-
- Loan	1,42,466	1,87,415
- Others	18,67,616	-
Dividend Income	8,20,826	8,79,572
Net Gain on Sale of Mutual Funds	31,67,251	29,07,131
Net Gain on Intraday Trading of Shares and Securities	5,32,348	37,524
Net Gain on Currency Derivatives	-	11,831
Adjustment in Diminution in value of Investments	7,80,208	24,381
Profit on Sale of Investments	4,18,868	-
Other non-operating Income	4,44,431	1,63,698
<b>Total</b>	<b>1,09,61,798</b>	<b>66,39,858</b>
<b>18 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Bonus and Incentives	2,95,96,338	2,97,02,244
Contribution to Provident and Other Funds	13,39,985	14,29,732
Gratuity Fund Expense	6,31,809	6,05,355
Staff Welfare Expenses	8,65,128	10,85,950
<b>Total</b>	<b>3,24,33,260</b>	<b>3,28,23,281</b>
<b>19 FINANCE COST</b>		
Interest Expense	4,09,991	4,80,768
<b>Total</b>	<b>4,09,991</b>	<b>4,80,768</b>

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

Particular	For the year ended 31st March	
	2015	2014
<b>20 OTHER EXPENSES</b>		
Communication Expenses	11,36,296	12,62,941
Insurance	3,19,620	2,12,536
Rent	23,40,000	26,28,000
Electricity	11,95,140	11,45,745
Office Maintenance	13,10,391	16,85,362
Travelling & Conveyance	29,58,938	34,73,657
Net Loss on Derivative Transactions	11,13,395	22,73,571
Net Loss on Currency Derivatives	57,707	-
Loss on Sale of Fixed Assets	42,846	1,88,524
Obsolete Fixed Assets Written off	-	10,44,233
Rates & Taxes	1,83,389	2,22,704
SEBI Turnover and Membership Registration Fees	7,99,700	8,09,884
Commission	37,50,000	77,50,000
Processing Fees	25,948	24,470
Professional Charges	1,13,15,680	78,01,845
Payment to Auditor	2,82,000	2,59,500
Repairs & Maintenance	1,28,689	1,91,952
Advertisement & Business Promotion	68,32,670	58,72,445
Bad Debts	12,04,396	-
Car Expenses	32,12,650	27,51,890
Printing & Stationery	7,58,717	7,84,974
Charity and Donation	3,69,687	1,71,500
Computer Expenses	2,02,479	2,33,500
NSE / BSE / SHCIL charges	7,61,933	4,18,291
VSAT Charges	84,900	96,978
Miscellaneous Expenses	55,46,226	48,38,526
Loss due to Foreign Exchange Fluctuation	-	33,775
<b>Total</b>	<b>4,59,33,397</b>	<b>4,61,76,803</b>
<b>21 PAYMENTS TO AUDITOR</b>		
- Statutory Audit	1,70,000	1,50,000
- Tax Audit	75,000	60,000
- Limited Review	15,000	15,000
- Certification and Other Services	22,000	34,500
<b>Total</b>	<b>2,82,000</b>	<b>2,59,500</b>

Note: The above figures are exclusive of service tax as the company has taken Cenvat input of the service tax charged on the audit fees.

### 22 OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31ST MARCH, 2015:

Sl.No.	Name of the future	Series of future	Number of contracts	Number of units per lot
1	Bank of India	30th April, 2015	5	1,000
2	Cairn India Limited	30th April, 2015	1	1,000



## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

### 22 OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31ST MARCH, 2015: (Contd.)

Sl.No.	Name of the future	Series of future	Number of contracts	Number of units per lot
3	Canara Bank	30th April, 2015	4	1,000
4	The Federal Bank Limited	30th April, 2015	1	2,000
5	Glenmark Pharmaceuticals Limited	30th April, 2015	12	500
6	Hindalco Industries Limited	30th April, 2015	2	2,000
7	ICICI Bank Limited	30th April, 2015	2	1,250
8	ITC Limited	30th April, 2015	5	1,000
9	Oil & Natural Gas Corporation Limited	30th April, 2015	4	500
10	Oriental Bank of Commerce	30th April, 2015	2	1,000
11	Reliance Communications Limited	30th April, 2015	4	2,000
12	Reliance Industries Limited	30th April, 2015	40	250
13	State Bank of India	30th April, 2015	2	1,250
14	Tata Communications Limited	30th April, 2015	4	1,000
15	UCO Bank	30th April, 2015	8	4,000

### OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31ST MARCH, 2014:

Sl.No.	Name of the future	Series of future	Number of contracts	Number of units per lot
1	Bharat Heavy Electronics Limited	24th April, 2014	1	2,000
2	Reliance Industries Limited	24th April, 2014	4	1,000

### 23 DISCLOSURES OF RELATED PARTY TRANSACTIONS (AS IDENTIFIED & CERTIFIED BY THE MANAGEMENT):

a As per Accounting Standard-18 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India, the names of the related parties are given below :

b **List of related parties with whom the Company has transacted during the year**

- |     |   |   |
|-----|---|---|
| i   | Subsidiary Company  | SFSL Commodity Trading Pvt. Ltd.  |
| ii  | Associate /Joint Venture Concerns   | SFSL Insurance Advisory Services Pvt. Ltd.<br>SFSL Risk Management Services Pvt. Ltd.<br>Capita Finance Services Ltd.<br>U.S. Infotech Pvt. Ltd.  |
| iii | Key Management Personnel  | Mr. Bhawani Sankar Rathi (Wholetime Director)<br>Mr. Rajesh Kumar Gupta* (Wholetime Director)<br>Mr. Vijay Maheshwari ( Director)<br>Mr. Bijay Murmuria ( Director)<br>* Resigned w.e.f. 31.08.2014 |
| iv  | Enterprise/Firm owned or significantly influenced by Key Management Personnel and their relatives | Superb Estate Services Pvt. Ltd.<br>M/s. Maheshwari & Associates, Chartered Accountants   |

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

### 23 DISCLOSURES OF RELATED PARTY TRANSACTIONS (AS IDENTIFIED & CERTIFIED BY THE MANAGEMENT): (Contd.)

c Transaction with related parties during the year and year end outstanding balance thereof are as follows :

(Amount in ₹)

Nature of Transactions	Associate/ Joint Venture Concerns	Subsidiary	Enterprise owned or significantly influenced by Key Management Personnel and their relatives	Key Manage- ment Personnel	Total
i) Managerial remuneration	-	-	-	29,33,200	29,33,200
	-	-	-	(43,01,840)	(43,01,840)
ii) Rent paid	-	9,00,000	2,40,000	6,00,000	17,40,000
	-	(9,00,000)	(2,28,000)	(6,00,000)	(17,28,000)
iii) Guarantee commission paid	-	-	-	2,50,000	2,50,000
	-	-	-	(2,50,000)	(2,50,000)
iv) Balance receivable/(payable)	-	25,28,219	-	-	25,28,219
	-	(14,00,000)	-	-	(14,00,000)
v) Dividend Paid	4,52,040	-	1,74,880	16,41,128	22,68,048
	(2,82,525)	-	(1,09,300)	(10,25,705)	(14,17,530)
vi) Rent Received	-	-	4,20,000	-	4,20,000
	-	-	-	-	-

Note: The above transactions do not include reimbursement of expenses made / received during the year.  
Previous year figures are in the brackets.

### d Disclosure in Respect of Material Related Party Transactions during the year

Particular	For the year ended 31st March	
	2015	2014
<b>Managerial Remuneration</b>		
Mr. Bhawani Sankar Rathi	19,81,200	19,94,640
Mr. Rajesh Kumar Gupta	9,52,000	23,07,200
<b>Rent Paid</b>		
SFSL Commodity Trading Pvt. Ltd.	9,00,000	9,00,000
Superb Estate Services Pvt. Ltd.	2,40,000	2,28,000
Mr. Vijay Maheshwari	6,00,000	6,00,000
<b>Guarantee Commission Paid</b>		
Mr. Vijay Maheshwari	1,25,000	1,25,000
Mr. Bijay Murmuria	1,25,000	1,25,000
<b>Balance Receivable</b>		
SFSL Commodity Trading Pvt. Ltd.	25,28,219	14,00,000

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

### 23 DISCLOSURES OF RELATED PARTY TRANSACTIONS (AS IDENTIFIED & CERTIFIED BY THE MANAGEMENT): (Contd.)

#### d Disclosure in Respect of Material Related Party Transactions during the year (Contd.)

(Amount in ₹)

Particular	For the year ended 31st March	
	2015	2014
<b>Dividend Paid</b>		
Mr. Bijay Murmuria	2,95,936	1,84,960
Mr. Bhawani Sankar Rathi	95,416	59,635
Mr. Vijay Maheshwari	12,49,776	7,81,110
<b>Rent Received</b>		
M/s. Maheshwari & Associates, Chartered Accountants	4,20,000	-
<b>24 EXPENDITURE / EARNING IN FOREIGN CURRENCY</b>		
<b>a) Expenditure in Foreign Currency</b>		
Travelling	93,891	5,75,367
<b>Total</b>	<b>93,891</b>	<b>5,75,367</b>
Note : The figures given above are net payments after withholding tax deducted at source.		
<b>b) Earnings in Foreign currency</b>		
Consultancy Fees	7,74,823	18,09,579
<b>Total</b>	<b>7,74,823</b>	<b>18,09,579</b>

### 25 GRATUITY AND POST-EMPLOYMENT BENEFITS PLANS

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than 'The provisions of Gratuity Act, 1972'. The above said scheme is funded.

The following table summarises the components of net benefits / expense recognised in the profit and loss account and the balance sheet for the respective plans.

Particular	For the year ended 31st March	
	2015	2014
<b>A Defined Contribution Plans:</b>		
The Company has recognised the following amounts in the Profit/ Loss Account for the Year:		
Contribution to Employee's Provident Fund	7,04,195	8,72,633
Contribution to Employee's Family Pension Fund	4,36,097	3,56,064
<b>Total</b>	<b>11,40,292</b>	<b>12,28,697</b>

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

### 25 GRATUITY AND POST-EMPLOYMENT BENEFITS PLANS (Contd.)

#### B Defined Benefit Plans:

a) Expenses recognised in the statement of Profit and Loss Account for the year ended 31st March, 2015 (Amount in ₹)

Particulars	For the year ended 31st March			
	2015		2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>(A) Component of Employer's Expense</b>				
Current service cost	4,64,583	1,03,054	4,66,020	57,634
Interest cost on benefit obligation	3,00,494	50,062	2,37,690	48,359
Expected return on plan assets	(3,29,131)	-	(3,15,466)	-
Net actuarial( gain) / loss recognised during the period	1,95,863	2,24,727	2,17,111	2,22,450
Total expenses	6,31,809	3,77,843	6,05,355	3,28,443
<b>(B) Actual Contribution and Benefits Payments for period ending</b>				
Actual Benefit Payments	1,93,159	2,77,649	2,07,693	3,09,507
Actual Contribution	33,087	2,77,649	2,21,318	3,09,507

b) Net assets/ (liability) recognised in the balance sheet as at 31st March, 2015

Particulars	For the year ended 31st March			
	2015		2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of defined benefits obligation	41,19,123	6,56,446	33,38,822	5,56,252
Fair value of plan assets	39,43,080	-	37,61,501	-
Net assets/ (liability) recognised in the balance sheet as at 31st March, 2015	(1,76,043)	(6,56,446)	4,22,679	(5,56,252)
Employer's Expense				
(a) Current Service Cost	4,64,583	1,03,054	4,66,020	57,634
(b) Total Employer Expense	6,31,809	3,77,843	6,05,355	3,28,443

c) Change in obligations during the year ended 31st March, 2015

Particulars	For the year ended 31st March			
	2015		2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of defined obligation at the beginning of the period	33,38,822	5,56,252	26,41,002	5,37,316
Current service cost	4,64,583	1,03,054	4,66,020	57,634
Interest cost	3,00,494	50,062	2,37,690	48,359
Benefits paid	(1,93,159)	(2,77,649)	(2,07,693)	(3,09,507)
Actuarial (gains)/losses	2,08,383	2,24,727	2,01,803	2,22,450
Present value of defined benefits obligation at the end of the period	41,19,123	6,56,446	33,38,822	5,56,252

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

### 25 GRATUITY AND POST-EMPLOYMENT BENEFITS PLANS (Contd.)

d) Change in the fair value of plan Assets during the year ended 31st March, 2015

(Amount in ₹)

Particulars	For the year ended 31st March			
	2015		2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Plan Asset at the beginning of the period	37,61,501	-	34,47,718	-
Actual return on Plan Asset	3,41,651	-	3,00,158	-
Contribution by the employer	33,087	2,77,649	2,21,318	3,09,507
Employee Contributions	-	-	-	-
Benefits Paid	(1,93,159)	(2,77,649)	(2,07,693)	(3,09,507)
Plan Asset at the end of the period	39,43,080	-	37,61,501	-

e) Gratuity plan

Particulars	For the year ended 31st March				
	2015	2014	2013	2012	2011
Present value of defined benefit obligation	41,19,123	33,38,822	26,41,002	23,91,167	21,34,619
Fair value of plan assets	39,43,080	37,61,501	34,47,718	32,32,296	26,30,227
Surplus /(deficit)	(1,76,043)	4,22,679	8,06,716	8,41,129	4,95,608
Experience adjustment (gain)/ loss for plan liability	(2,87,300)	(25,228)	2,80,417	(39,515)	-
Experience adjustment (gain)/ loss for plan assets	12,520	(15,308)	(22,272)	(1,554)	-

f) Leave encashment

Particulars	For the year ended 31st March				
	2015	2014	2013	2012	2011
Present value of defined benefit obligation	6,56,446	5,56,252	5,37,316	4,51,588	4,83,528
Surplus /(deficit)	(6,56,446)	(5,56,252)	(5,37,316)	(4,51,588)	(4,83,528)
Experience adjustment (gain)/ loss for plan liability	1,40,360	1,92,190	2,04,123	1,51,194	-
Experience adjustment (gain)/ loss for plan assets	-	-	-	-	-

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

### 26 SEGMENT INFORMATION

(Amount in ₹)

Particular	For the year ended 31st March	
	2015	2014
<b>A Primary segment information (by business segments)</b>		
i Segment Revenue		
– Capital Market Operations	8,93,19,779	2,22,65,704
– Investment Banking	9,20,35,901	11,58,45,858
– Others (Unallocable)	-	-
Total Segment Revenue	<b>18,13,55,680</b>	<b>13,81,11,562</b>
ii Segment Results (before Interest and Unallocated Income/Expense)		
– Capital Market Operations	1,48,96,882	(1,83,340)
– Investment Banking	2,30,95,307	5,00,24,059
– Others (Unallocable)	(12,69,543)	(9,24,975)
Total Segment Results	<b>3,67,22,646</b>	<b>4,89,15,744</b>
iii Operating Profit	3,67,22,646	4,89,15,744
iv Unallocated Interest Expenses	4,09,991	4,80,768
v Unallocated Interest Income	-	-
vi Total Profit before Tax	<b>3,63,12,655</b>	<b>4,84,34,976</b>
vii Segment Assets		
– Capital Market Operations	13,96,90,424	12,71,00,613
– Investment Banking	19,61,87,175	20,30,74,738
– Others (Unallocable)	67,24,590	58,86,831
Total Segment Assets	<b>34,26,02,189</b>	<b>33,60,62,182</b>
viii Segment Liabilities		
– Capital Market Operations	1,10,49,344	1,78,25,700
– Investment Banking	51,44,658	80,92,549
– Others (Unallocable)	89,29,651	87,44,032
Total Segment Liabilities	<b>2,51,23,653</b>	<b>3,46,62,281</b>
ix Depreciation		
– Capital Market Operations	6,78,229	4,37,158
– Investment Banking	68,26,797	34,78,453
– Others (Unallocable)	-	-
Total Depreciation	<b>75,05,026</b>	<b>39,15,611</b>
x Capital employed		
– Capital Market Operations	12,86,41,080	10,92,74,913
– Investment Banking	19,10,42,517	19,49,82,189
– Others (Unallocable)	(22,05,061)	(28,57,201)
Total Capital Employed	<b>31,74,78,536</b>	<b>30,13,99,901</b>

#### Note:

- The Company is operating in three main service segments mainly.
  - Capital Market Operations comprising of Stock Broking, Investment, Mutual Funds & other products distribution.
  - Investment Banking comprising of Loan Syndication, Merchant Banking, Restructuring & Other related advisory services.
  - Other comprising of other services area.
 Segments have been identified and reported taking into account the nature of services, different risk & return and internal reporting system.
- Segment Revenue, Results, Assets and Liabilities include the respective amounts identified to each of the segment and amounts allocated on a reasonable basis. Whereas un- allocable Revenue, Results, Assets and Liabilities have been included in "others".
- Segment liabilities excludes Deferred Tax Liabilities of ₹ 96,71,700/- (Previous year ₹ 1,07,49,972/-).

#### B. There is no reportable geographical segment.

## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

Particular	For the year ended 31st March	
	2015	2014
<b>27 EARNING PER SHARE (EPS)</b>		
a. Profit after Tax	2,48,22,406	3,44,47,470
b. Weighted Average Number of Equity Shares outstanding during the year (nos.)	79,84,424	79,84,424
c. Nominal Value of Equity Per Share	10	10
d. Weighted Average Number of Equity Shares outstanding during the year in computing diluted Earning Per Share (nos.)	79,84,424	79,84,424
e. Earning Per Share		
- Basic [a/b]	<b>3.11</b>	<b>4.31</b>
- Diluted [a/d]	<b>3.11</b>	<b>4.31</b>

**28** Quoted Equity Instruments held as stock in trade includes shares which the Company has pledged with Stock Holding Corporation of India Limited amounting to ₹ 1,39,26,971/- (P.Y. ₹ 1,06,97,248/-)

Scrip Name	Quantity	Value (₹)
Bharti Airtel Ltd	4,000	11,68,558
Larsen & Toubro Limited	300	2,47,749
Oriental Bank of Commerce	8,000	16,37,600
Reliance Industries Limited	4,000	32,98,800
State Bank of India	35,000	75,74,264

Pledged Quoted Equity Instruments as at 31.03.2014

Scrip Name	Quantity	Value (₹)
Gujarat NRE Coke Limited	3,000	15,480
Larsen & Toubro Limited	300	3,52,952
LIC Housing Finance Limited	4,000	7,55,680
Mahanagar Telephone Nigam Limited	3,200	29,184
NMDC Limited	2,500	3,22,016
NTPC Limited	2,000	2,21,575
Oriental Bank of Commerce	8,000	10,69,920
Reliance Industries Limited	2,000	17,21,888
State Bank of India	3,500	62,08,554

**29** Balances of some of the trade receivables, trade payable, loans and advances incorporated in the books as per balances appearing in the relevant subsidiary records, are subject to confirmation from the respective parties and consequential adjustments arising from reconciliation, if any. The management, however, is of the view that there will be no material discrepancies in this regard.

**30** During the year unpaid dividend amounting to ₹ 1,78,080/- relating to financial year 2006-07 has been transferred to the Investor Education and Protection Fund as per Section 205C of the Companies Act, 1956.

**31** Historically, the company's investment in unquoted shares has been done with a view to hold them for long term and thereby earn capital gains, since dividend payout on such investments has generally been irregular. The aforesaid policy has been taken into consideration while computing the provision for income-tax as applicable.



## Notes forming part of the Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

Particular	As at 31st March	
	2015	2014
<b>32 CONTINGENT LIABILITY</b>		
a) Contingent liabilities not provided for in respect of Guarantee given by Canara Bank to National Securities Clearing Corporation Limited ( ₹ 80 lacs) and Stock Holding Corporation of India Limited ( ₹ 50 lacs) #	1,30,00,000	1,30,00,000
b) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	20,01,085	20,01,085
c) The Income Tax has raised a demand in respect of A.Y 2008-09 for which the company has preferred appeal with Commissioner of Income Tax (Appeals). The Company being confident of getting the case settled in its favour, no provision for the aforesaid has been made in the accounts.	1,15,615	1,15,615

# : The above bank guarantees extended by Canara Bank is secured by pledge of fixed deposits and also secured by way of equitable mortgage of a company's Immovable Property. The said facilities are further secured by personal guarantees of three directors of the Company.

- 33** Pursuant to the Companies Act, 2013 the Company had revised depreciation rates on Fixed Assets w.e.f. 1st April, 2014 as per the useful life specified in schedule II of the Companies Act, 2013. Accordingly depreciation for the year ending on 31st March, 2015 is higher by ₹ 33,50,056/-.
- 34** Revaluation of Office Premises was carried out as on 31.03.96 by an approved Valuer. The revaluation resulted in an increase of ₹ 13,11,255/- in the value of the assets over its net book value as on 31.03.96 which has been credited to Revaluation Reserve. The difference between depreciation based on the revalued carrying amount of the office premises and on its original cost, that is, ₹ 20,505/- is transferred to General Reserve as per Schedule II of Companies Act, 2013.
- 35** Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.
- 36** Figures have been rounded off to nearest rupee.

As per our report of even date attached

For **ARSK & Associates**

Chartered Accountants

Firm's Registration No. 315082E

**CA. Ravindra Khandelwal**

Partner

Membership No. 054615

Place : Kolkata

Date : 16th May, 2015

For and on behalf of the Board of Directors

**Vijay Maheshwari**

Director

**Bijay Murmuria**

Director

**Bhawani Sankar Rathi**

Wholetime Director &  
Chief Financial Officer

**Deb Kumar Sett**

Company Secretary

## FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/Associate Companies/Joint ventures (As on 31st March, 2015)

### Part A : Subsidiary

1.	Sl. No.	1
2.	Name of the Subsidiary	SFSL Commodity Trading Pvt. Ltd.
3.	Reporting period for the Subsidiary concerned, if different from the holding company's reporting period	01 April, 2014 to 31 March, 2015
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable
5.	Share Capital	₹ 65,12,000
6.	Reserves & Surplus	₹ 60,33,137
7.	Total Assets	₹ 1,51,02,603
8.	Total Liabilities	₹ 1,51,02,603
9.	Investments	₹ 35,91,100
10.	Turnover	₹ 13,86,547
11.	Profit before Taxation	₹ 3,14,106
12.	Provision for Taxation	₹ 13,381
13.	Profit after Taxation	₹ 3,00,725
14.	Proposed Dividend	-
15.	% of Shareholding	99.97

- Notes: 1. There is no subsidiary which is yet to commence operations.  
2. There is no subsidiary which has been liquidated or sold during the year.

### Part B : Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies

Name of Associates / Joint Ventures	SFSL Risk Management Services Pvt. Ltd.	Capita Finance Services Ltd.	SFSL Insurance Advisory Services Pvt. Ltd.	US Infotech Pvt. Ltd.
1. Latest Audited Balance Sheet Date	13-May-15	02-May-15	15-May-15	13-May-15
2. Shares of Associate / Joint Ventures held by the company on the year end				
No.	9,250	40,000	8,500	3,10,000
Amount of Investment in Associates / Joint Venture	₹ 9,25,000	₹ 4,00,000	₹ 8,50,000	₹ 56,22,688
Extend of Holding %	38.43	26.61	23.80	43.35
3. Description of how there is significant influence	Share Ownership	Share Ownership	Share Ownership	Share Ownership
4. Reason why the Associate/ Joint Venture is not consolidated	-	-	-	-
5. Networth attributable to shareholding as per latest audited Balance Sheet	₹ 11,70,155	₹ 34,07,021	₹ 5,99,528	₹ 83,90,223
6. Profit / Loss for the year	₹ 36,054	₹ 2,10,861	₹ 63,822	₹ 4,71,225
i. Considered in Consolidation	₹ 13,856	₹ 2,10,861	₹ 15,190	₹ 2,32,275
ii. Not considered in Consolidation	-	-	-	-

For and on behalf of the Board of Directors

**Vijay Maheshwari**  
Director

**Bhawani Sankar Rathi**  
Wholetime Director &  
Chief Financial Officer

Place : Kolkata  
Date : 16th May, 2015

**Bijay Murmuria**  
Director

**Deb Kumar Sett**  
Company Secretary

## AUDITORS' REPORT

To The Members

### SUMEDHA FISCAL SERVICES LIMITED

1. We have audited the attached consolidated Balance Sheet of **SUMEDHA FISCAL SERVICES LIMITED** and its subsidiary and associates as at 31st March, 2015, the consolidated Profit and Loss Statement and the consolidated Cash Flow Statement for the year ended on that date. The consolidated financial statements are responsibility of Sumedha Fiscal Services Limited's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We have also audited the financial statements of the subsidiary – SFSL Commodity Trading Private Limited whose financial statements reflect total assets of ₹ 15,102 thousands as at 31st March, 2015 and total revenues of ₹ 1,386 thousands for the year ended on that date.
4.
  - a) We have audited the financial statement of the associates SFSL Insurance Advisory Services Pvt. Ltd. The audited statements reflects total assets of ₹ 4,114 thousands as at 31st March, 2015 and total revenue of ₹ 164 thousands for the year ended.
  - b) We did not audit the financial statements of the Company's associates SFSL Risk Management Services Pvt. Ltd. whose statements reflects total assets of ₹ 4,219 thousands as at 31st March, 2015 and total revenue of ₹ 105 thousands for the year ended and the Company's associate – Capita Finance Services Limited, whose financial statements reflects total assets of ₹ 12,600 thousands as at 31st March, 2015 and total revenue of ₹ 261 thousands for the year ended and the Company's associate US Infotech Pvt. Ltd. whose financial statements reflects total assets ₹ 20,613 thousands as at 31st March, 2015 and revenue of ₹ 1,800 thousands for the year ended. These financial statements have been audited by other auditors whose report has been furnished to us, and our opinion, is so far as it relates to the amounts included in respect of the associates, is based solely on the report of the other auditors.
5. We report that the Consolidated Financial Statements have been prepared by the management of Sumedha Fiscal Services Limited in accordance with the requirements of Accounting Standard (AS) 21 - "Consolidated Financial Statements" and Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements", issued by the "Institute of Chartered Accountants of India" and on the basis of the separate audited financial statements of Sumedha Fiscal Services Ltd. and its subsidiary and audited results of the associates included in the Consolidated Financial Statements.
6. On the basis of the information and explanation given to us and on the consideration of the separate audit reports on individual audited financial statements of Sumedha Fiscal Services Ltd. and its aforesaid subsidiary and associates we are of the opinion that:
  - a. the Consolidated Balance Sheet gives a true and fair view of the consolidated state of affairs of Sumedha Fiscal Services Ltd. and its subsidiary and associates as at 31st March, 2015 and;
  - b. the Consolidated Profit & Loss Statement gives a true and fair view of the consolidated results of operations of Sumedha Fiscal Services Ltd. and its subsidiary and associates for the year ended on that date
  - c. In the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Company and its subsidiary and associates for the year ended on that date.

For **ARSK & Associates**  
 Chartered Accountants  
 Firm's Registration No. 315082E

**CA. Ravindra Khandelwal**  
 Partner  
 Membership No. 054615

Place : Kolkata  
 Date: 16th May, 2015

## Consolidated Balance Sheet as at 31st March, 2015

(Amount in ₹)

Particulars	Note No.	As at 31st March	
		2015	2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
Share Capital	1	7,98,44,240	7,98,44,240
Reserves and Surplus	2	23,60,10,097	21,79,76,119
Minority Interest		3,125	3,033
	I	<b>31,58,57,462</b>	<b>29,78,23,392</b>
<b>2 Non-Current Liabilities</b>			
Long-Term Borrowings	3	2,85,252	24,42,560
Deferred Tax Liabilities (Net)	4	95,56,297	1,09,88,081
	II	<b>98,41,549</b>	<b>1,34,30,641</b>
<b>3 Current Liabilities</b>			
Trade Payables		16,70,614	26,13,949
Other Current Liabilities	5	1,46,76,654	2,17,16,155
Short-Term Provisions	6	85,20,381	80,29,353
	III	<b>2,48,67,649</b>	<b>3,23,59,457</b>
	I+II+III	<b>35,05,66,660</b>	<b>34,36,13,490</b>
<b>II. ASSETS</b>			
<b>1 Non-Current Assets</b>			
Fixed Assets	7		
Tangible Assets		8,57,69,592	9,09,51,607
Non-Current Investments	8	1,92,30,718	1,74,98,378
Long-Term Loans and Advances	9	5,01,98,995	5,71,72,051
	IV	<b>15,51,99,305</b>	<b>16,56,22,036</b>
<b>2 Current Assets</b>			
Current Investments	10	3,93,31,361	3,71,90,888
Inventories	11	4,60,76,909	3,89,39,053
Trade Receivables	12	3,63,29,559	5,38,44,363
Cash and Cash Equivalents	13	6,65,35,905	4,48,05,772
Short-Term Loans and Advances	14	12,47,402	12,48,373
Other Current Assets	15	58,46,219	19,63,005
	V	<b>19,53,67,355</b>	<b>17,79,91,454</b>
	IV+V	<b>35,05,66,660</b>	<b>34,36,13,490</b>
Significant Accounting Policies	a-s		
Notes on Financial Statements	1 to 37		

As per our report of even date attached

For **ARSK & Associates**

Chartered Accountants

Firm's Registration No. 315082E

**CA. Ravindra Khandelwal**

Partner

Membership No. 054615

Place : Kolkata

Date : 16th May, 2015

For and on behalf of the Board of Directors

**Vijay Maheshwari**

Director

**Bijay Murmuria**

Director

**Bhawani Sankar Rathi**Wholetime Director &  
Chief Financial Officer**Deb Kumar Sett**

Company Secretary

## Consolidated Statement of Profit and Loss for the year ended 31st March, 2015

(Amount in ₹)

Particulars	Note No.	For the year ended 31st March	
		2015	2014
<b>I. Revenue:</b>			
Revenue from Operations	16	17,04,65,343	13,15,87,705
Other Income	17	1,13,00,820	83,46,265
<b>Total Revenue</b>		<b>18,17,66,163</b>	<b>13,99,33,970</b>
<b>II. Expenses:</b>			
Purchases of Stock-in-Trade - Shares and Securities		6,59,65,609	1,92,94,481
Changes in Inventories of Stock in Trade - Shares and Securities		(71,37,856)	(1,29,89,977)
Employee Benefit Expense	18	3,24,33,260	3,28,23,281
Finance Cost	19	4,09,991	4,80,768
Depreciation Expense	7	75,56,852	39,38,841
Other Expenses	20	4,59,11,546	4,75,39,520
<b>Total Expenses</b>		<b>14,51,39,402</b>	<b>9,10,86,914</b>
<b>III. Profit Before Tax</b>	(I - II)	<b>3,66,26,761</b>	<b>4,88,47,056</b>
<b>IV. Tax Expense:</b>			
Current Tax Expense		1,19,79,853	1,46,20,500
Deferred Tax		(13,71,931)	(1,74,361)
Wealth Tax		1,05,706	-
MAT Credit Entitlement		(31,409)	-
Short/(Excess) Provision for Tax Relating to Prior Years		5,42,411	(1,02,277)
<b>V. Profit for the Year before Adjustment of Minority Interest</b>	(III - IV)	<b>2,54,02,131</b>	<b>3,45,03,194</b>
Add : Share of Profit of Associates		3,17,431	1,51,260
Less: Minority Interest		92	122
<b>Profit for the Year</b>		<b>2,57,19,470</b>	<b>3,46,54,332</b>
<b>VI. Earnings Per Equity Share:</b>	27		
(1) Basic		3.18	4.32
(2) Diluted		3.18	4.32
Significant Accounting Policies	a-s		
Notes on Financial Statements	1 to 37		

As per our report of even date attached

For **ARSK & Associates**

Chartered Accountants

Firm's Registration No. 315082E

**CA. Ravindra Khandelwal**

Partner

Membership No. 054615

Place : Kolkata

Date : 16th May, 2015

For and on behalf of the Board of Directors

**Vijay Maheshwari**

Director

**Bijay Murmuria**

Director

**Bhawani Sankar Rathi**Wholetime Director &  
Chief Financial Officer**Deb Kumar Sett**

Company Secretary

## Consolidated Cash Flow Statement for the year ended 31st March, 2015

(Amount in ₹)

Particulars	For the year ended 31st March	
	2015	2014
<b>A. Cash flows from operating activities</b>		
Profit before Taxation and after Exceptional Items	3,66,26,761	4,88,47,056
Adjustments for :		
Depreciation	75,56,852	39,38,841
Interest Income	50,47,209	(30,06,068)
Dividend Income	(8,20,826)	(8,79,572)
Provision for Leave Encashment	3,77,843	3,28,443
Interest Paid	4,09,991	4,80,768
(Profit)/Loss on Sale of Fixed Assets (Net)	42,846	1,88,524
(Profit)/Loss on Fixed Asset Written off	-	10,44,233
(Profit)/Loss on Sale of Investments	(36,52,710)	(33,23,191)
Adjustment in Diminution in Value of Investments	(7,80,208)	(24,381)
Liabilities No Longer Required Written back	(1,010)	-
Rent Received	(4,20,000)	-
Operating Profit before Working Capital Changes	<b>4,43,86,748</b>	<b>4,75,94,653</b>
Adjustments For :		
(Increase) / Decrease in Other Current Assets	(38,83,214)	10,755
(Increase) / Decrease in Trade Receivables	1,75,14,804	(2,93,80,233)
(Increase) / Decrease in Inventories	(71,37,856)	(1,29,89,977)
(Increase) / Decrease in Loans and Advances	69,74,027	4,12,030
Increase / (Decrease) in Trade and Other Payables	(72,61,865)	95,14,180
Cash Generated from Operations	<b>5,05,92,644</b>	<b>1,51,61,408</b>
Direct Taxes Paid	(1,30,90,168)	(1,40,49,736)
Cash Flow before Extra Ordinary Items	<b>3,75,02,476</b>	<b>11,11,672</b>
Adjustment of Earlier Years	-	1,30,277
Net Cash from Operating Activities	<b>3,75,02,476</b>	<b>12,41,949</b>
<b>B. Cash Flows from Investing Activities</b>		
(Purchase)/Sale of Fixed Assets	(17,79,824)	(27,43,321)
(Purchase)/Sale of Investments	5,60,104	(13,00,964)
Rent Received	4,20,000	-
Interest Received	(50,47,209)	30,06,068
Dividend Received	8,20,826	8,79,572
Net Cash (used in) / from Investing Activities	<b>(50,26,103)</b>	<b>(1,58,645)</b>
<b>C. Cash Flows from Financing Activities</b>		
Proceeds/(Repayment) of Long Term Borrowings	(39,51,110)	4,16,493
Proceeds from Employee Stock Option Plan	2,400	2,300
Dividend Paid	(63,87,539)	(39,92,212)
Interest Paid	(4,09,991)	(4,80,768)
Net Cash (used in) / From Financing Activities	<b>(1,07,46,240)</b>	<b>(40,54,187)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>I+II+III</b>	<b>(29,70,883)</b>
Cash and Cash Equivalents at the Beginning of the Year	4,48,05,772	4,77,76,655
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>6,65,35,905</b>	<b>4,48,05,772</b>

**Notes:** 1 Components of cash and cash equivalents include cash, bank balances in current and deposit accounts as disclosed under note no 13 of the accounts.  
 2 The above cash flow statement has been prepared under the indirect method as set out in accounting standard 3 on "Cash Flow Statement".

As per our report of even date attached

For **ARSK & Associates**

Chartered Accountants

Firm's Registration No. 315082E

**CA. Ravindra Khandelwal**

Partner

Membership No. 054615

Place : Kolkata

Date : 16th May, 2015

For and on behalf of the Board of Directors

**Vijay Maheshwari**

Director

**Bijay Murmuria**

Director

**Bhawani Sankar Rathi**

Wholetime Director &  
Chief Financial Officer

**Deb Kumar Sett**

Company Secretary

## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2014

### **a Consolidation of Accounts**

The Consolidated Financial Statements are prepared in accordance with Accounting Standard (AS) 21 on Consolidated Financial Statements and Accounting Standard (AS) 23 on Accounting for Investment in Associates in Consolidated Financial Statements issued by the Institute of Chartered Accountants of India. The Consolidated Financial Statements comprise the financial statement of SFSL Commodity Trading (P) Ltd., the Subsidiary Company and Associates SFSL Insurance Advisory Services (P) Ltd., SFSL Risk Management Services (P) Ltd., Capita Finance Services Ltd. and US Infotech Pvt. Ltd.

### **b Basis of preparation of Accounts**

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies applied by the Company are consistent with those used in the previous year.

### **c Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

### **d Fixed Assets**

#### **i) *Tangible assets***

Fixed assets are stated at cost of acquisition inclusive of duties (net of CENVAT and other credits, wherever applicable), taxes, incidental expenses, erection / commissioning expenses and borrowing costs etc. up to the date the assets are ready for their intended use.

Fixed Assets retired from active use are valued at net realisable value.

#### **ii) *Intangible assets***

Intangible assets are stated at cost.

### **e Depreciation**

Depreciation on Fixed Assets is provided on straight line method at the rates prescribed in Schedule III of the Companies Act, 2013 or at rates determined based on the useful life of the assets, whichever is higher.

In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over their remaining useful life.

### **f Impairment Of Assets**

The carrying amount of assets is reviewed at each balance sheet date to determine if there is any indication of impairment thereof based on external / internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount, which represents the greater of the net selling price of assets and their 'value in use'. The estimated future cash flows are discounted to their present value at appropriate rate arrived at after considering the prevailing interest rates and weighted average cost of capital.

### **g Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost, but provision for diminution in value is made to recognise a decline other than temporary in the value of such investments.



**h Inventories**

Inventories of shares and securities are valued at lower of cost or market value.

**I Revenue recognition*****Sale of Service***

Revenue is recognised when no significant uncertainty as to its determination exists.

***Sale of Goods***

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

***Insurance and other claims / refunds***

Revenue, due to uncertainty in realisation, are accounted for on acceptance / actual receipt basis.

***Interest***

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

***Dividends***

Dividend is recognised when the shareholders' right to receive payment is established by the balance sheet date.

**j Retirement and other employee benefits**

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are accrued. There are no obligations other than the contribution payable to the respective trusts.

Gratuity liability is a defined benefit obligation and is provided for on the basis of actuarial valuation made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation.

Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

**k Taxation**

Tax expense comprises of current and deferred tax.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred tax is recognized on a prudent basis for timing differences, being difference between taxable and accounting income/expenditure that originate in one period and are capable of reversal in one or more subsequent period(s). Deferred tax asset is recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such asset can be realised against future taxable income. Unrecognised deferred tax asset of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

**l Earning Per Share**

Earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders, by the weighted average number of equity shares outstanding during the period.

## m Segment Reporting

### i) **Identification of segments**

The Company has identified that its operating segments are the primary segments. The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit and offering different products and serving different markets.

### ii) **Allocation of common costs**

Common allocable costs are inter-se allocated to segments based on the basis most relevant to the nature of the cost concerned. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, are included under the head unallocated expense / income.

## n Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

## o Contingent Liabilities

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent and disclosed by way of notes to the accounts.

## p Provisions

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance date and adjusted to reflect the current best estimates.

## q Equity Index/Stock- Futures

Initial margin and additional margin paid, for entering into contracts for equity index/stock futures, which are released on final settlement/squaring-up of underlying contracts, are disclosed under Current Assets, Loans and Advances.

Equity index/stock futures are marked-to-market on a daily basis. Debit or credit balance disclosed under Current Assets, Loans and Advances or Current Liabilities, respectively represents the net amount paid or received on the basis of movement in the prices of index/stock futures till the balance sheet date.

As on the balance sheet date, profit/loss on open positions in index/stock futures are accounted for as follows :

Profit and loss on hedged transactions are recognized on net basis. In respect of other transactions, credit balance being anticipated profit is ignored and no credit for the same is taken in the profit and loss account. Debit balance being anticipated loss is adjusted in the profit and loss account.

On final settlement or squaring-up of contracts for equity index/stock futures, the profit or loss is calculated as the difference between settlement/squaring-up price and contract price. Accordingly, debit or credit balance pertaining to the settled/squared-up contract is recognised in the profit and loss account.

## r Equity Index/Stock - Options

Initial margin and additional margin paid for entering into contracts for equity index/stock options, which are released on final settlement/squaring-up of underlying contracts, are disclosed under Current Assets, Loans and Advances.

As at the balance sheet date, profit and loss account on hedged transactions is recognized on net basis. In case of other transactions, in the case of long positions, provision is made for the amount by which the premium paid for those options exceeds the premium prevailing on the balance sheet date, and in the case of short positions, for the amount by which premium prevailing on the balance sheet date exceeds the premium received for those options. The premium paid or received as the case may be, after the aforesaid provision, is disclosed in Current Assets or Current Liabilities.

## s Foreign Currency Transactions

Transaction denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are translated at the year-end rates.

## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015

	As at 31st March, 2015		As at 31st March, 2014	
	Number	Amount (₹)	Number	Amount (₹)
<b>1 SHARE CAPITAL</b>				
<b>Authorised</b>				
Equity Shares of ₹ 10/- each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
<b>Issued, Subscribed &amp; Paid up</b>				
Equity Shares of ₹ 10/- each fully paid	79,84,424	7,98,44,240	79,84,424	7,98,44,240
<b>Total</b>	<b>79,84,424</b>	<b>7,98,44,240</b>	<b>79,84,424</b>	<b>7,98,44,240</b>

### 1.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	Equity Shares as at 31st March, 2015		Equity Shares as at 31st March, 2014	
	Number	Amount (₹)	Number	Amount (₹)
a) Shares outstanding at the beginning of the year	79,84,424	7,98,44,240	79,84,424	7,98,44,240
Shares outstanding at the end of the year	<b>79,84,424</b>	<b>7,98,44,240</b>	<b>79,84,424</b>	<b>7,98,44,240</b>
<i>Out of the above:</i>				
b) 96,000 employee stock options had been granted by the Company in 2007-08 out of which 56,600 employee stock options were exercised in 2009-10 and 24,400 were exercised during the year 2010-11.				

### 1.2 Rights, preferences and restrictions attached to shares

The Company has only one class of issued shares i.e. Equity Shares having par value of ₹10 per share. Each holder of Equity Shares is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

### 1.3 The details of Shareholders holding more than 5% shares :-

Name of Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Vijay Maheshwari	15,62,220	19.57	15,62,220	19.57
Brand Equity Treaties Limited	-	-	9,35,484	11.72
Sahujain Services Limited	8,88,710	11.13	-	-
Hitech Tradecomm Pvt Limited	5,66,900	7.10	5,66,900	7.10
<b>Total</b>	<b>30,17,830</b>	<b>37.80</b>	<b>30,64,604</b>	<b>38.39</b>

## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

	As at 31st March	
	2015	2014
<b>2 RESERVES &amp; SURPLUS</b>		
<b>a. Securities Premium Reserve</b>		
Opening Balance	2,57,20,164	2,57,20,164
<b>Closing Balance</b> I	<b>2,57,20,164</b>	<b>2,57,20,164</b>
<b>b. Revaluation Reserve</b>		
Opening Balance	9,26,545	9,47,918
(-) Written Back in Current Year	20,505	21,373
<b>Closing Balance</b> II	<b>9,06,040</b>	<b>9,26,545</b>
<b>c. General Reserve</b>		
Opening Balance	-	-
Add: Transfer during the year	20,505	-
<b>Closing Balance</b> III	<b>20,505</b>	-
<b>d. Employee Stock Option*</b>		
Opening Balance	2,300	-
Add: Amount received during the year	2,400	2,300
<b>Closing Balance</b> IV	<b>4,700</b>	<b>2,300</b>
<b>e. Surplus in statement of Profit and Loss</b>		
Opening Balance	19,13,27,110	16,41,45,879
(+) Net Profit/(Net Loss) for the Current Year	2,57,19,470	3,46,54,332
(-) Dividends proposed to be distributed to equity shareholders ₹ 0.80 per share (Previous year ₹ 0.80 per share)	63,87,539	63,87,539
(-) Tax on Dividend	13,00,353	10,85,562
<b>Closing Balance</b> V	<b>20,93,58,688</b>	<b>19,13,27,110</b>
<b>Total</b> I+II+III+IV+V	<b>23,60,10,097</b>	<b>21,79,76,119</b>

\* The Company had approved an Employee Stock Option Plan on 24th March, 2011 which was further amended on 09th November, 2013. 3,48,000 options were granted to 68 employees on 09th November, 2013. Out of 68 employees to whom the Options were granted only 23 employees have paid the application money of ₹ 100/- each in F Y 2013-14 and 24 employees have paid the application money of ₹ 100/- each in F Y 2014-15. The aggregate Options for which application has been received from the employees is 1,17,000 in F Y 2013-14 and 1,28,000 in F Y 2014-15. The intrinsic value of the Stock Option is nil as the exercise price exceeds the market price on the date of Grant. Therefore the Company has not recognised any expense in respect of Employee Stock Option during the financial year.

Particulars	Non-current portion As at 31st March		Current maturities* As at 31st March	
	2015	2014	2015	2014
<b>3 LONG-TERM BORROWINGS</b>				
<b>Secured</b>				
Term Loan from Schedules Banks - Note (3.1)	2,85,252	24,42,560	5,06,933	23,00,735
<b>Total</b>	<b>2,85,252</b>	<b>24,42,560</b>	<b>5,06,933</b>	<b>23,00,735</b>

\* Amount disclosed under the head "Other Current Liabilities" (Note 5)

## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

Particulars	Repayment Schedule	As at 31st March	
		2015	2014
<b>3.1</b>			
<b>A. Borrowings from State Bank of Hyderabad</b>			
Term Loan	Repayable in 16 quarterly installments of ₹ 16.5 Lacs each and the final installment would be due by the Quarter ended June, 2015. However, the same has been prepaid in the current Financial Year itself.	-	35,12,854
<b>B. Borrowings from HDFC Bank</b>			
Vehicle Loan	Repayable in 36 monthly installments of ₹ 22,669 and final installment would be due on 5th November, 2016.	4,15,147	6,32,378
<b>C. Borrowings from Canara Bank</b>			
Vehicle Loan	Repayable in 36 monthly installments. 35 installments of ₹ 22,735 and Final installment of ₹ 22,667 due on 16th August, 2016.	3,77,038	5,98,063
Less: Current portion of term loans from schedule banks shown under Other current Liabilities.		5,06,933	23,00,735
<b>Total</b>		<b>2,85,252</b>	<b>24,42,560</b>

**Additional Information:****A. State Bank of Hyderabad**

- (i) Primarily secured by equitable mortgage of unit no. C-703 in Wing C alongwith Car Parking (2 nos.) of Marathon Innova situated at Off G. K. Marg, Lower Parel (W), Mumbai.
- (ii) Secondary security provided by the way of Pledge of Term Deposit Receipt worth ₹ 0.44 Crores.
- (iii) Personal Guarantee by Mr. Vijay Maheshwari
- (iv) Rate of interest is 10.40% p.a. with an option to reset the interest every two years.

**B. HDFC Bank**

- (i) Secured by hypothecation of the corresponding vehicle.
- (ii) Rate of interest is 10.75% p.a.

**C. Canara Bank**

- (i) Secured by hypothecation of the corresponding vehicle.
- (ii) Rate of interest is 10.70% p.a.

## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

Particulars	As at 31st March	
	2015	2014
<b>4 NET DEFERRED TAX LIABILITY</b>		
In accordance with AS-22 on 'Accounting for taxes on Income' by the Institute of Chartered Accountants of India, net deferred tax, has been accounted for, as detailed below :		
<b>Deferred Tax Liability</b>		
Difference between Book and Tax Depreciation	1,12,33,596	1,20,87,454
Sub Total (A)	<b>1,12,33,596</b>	<b>1,20,87,454</b>
<b>Deferred Tax Asset</b>		
Leave Encashment	2,13,017	1,80,504
Long Term Capital Loss	14,64,282	9,18,869
Sub Total (B)	<b>16,77,299</b>	<b>10,99,373</b>
<b>Net Deferred Tax Liability (A-B)</b>	<b>95,56,297</b>	<b>1,09,88,081</b>
<b>5 OTHER CURRENT LIABILITIES</b>		
Due to Micro, Small and Medium enterprises	-	-
Current Maturities of Long Term Borrowings (Refer Note No. 3)	5,06,933	23,00,735
<b>Received from clients :</b>		
- Against Margin Money	60,51,000	1,30,71,233
- As Advance	28,28,574	26,61,134
Unclaimed Dividend	12,41,759	12,70,932
Payable for Expenses	35,34,013	14,52,803
Statutory Dues	5,14,375	9,59,318
<b>Total</b>	<b>1,46,76,654</b>	<b>2,17,16,155</b>
<b>6 SHORT-TERM PROVISIONS</b>		
<b>Provision for employee benefits</b>		
Gratuity	1,76,043	-
Leave Encashment	6,56,446	5,56,252
<b>Others</b>		
Proposed Dividend	63,87,539	63,87,539
Corporate Dividend Tax	13,00,353	10,85,562
<b>Total</b>	<b>85,20,381</b>	<b>80,29,353</b>

## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015 (Contd.)

### 7 FIXED ASSETS

(Amount in ₹)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as at 1st April, 2014	Additions	Disposals	Balance as at 31st March, 2015	Balance as at 1st April, 2014	Depreciation for the year	On Disposals	Balance as at 31st March, 2015	Balance as at 31st March, 2015	Balance as at 31st March, 2014
<b>Tangible Assets</b>										
a Buildings	7,84,93,364 (7,84,93,364)	17,17,327	-	8,02,10,691 (7,84,93,364)	70,05,281 (57,26,123)	12,68,498 (12,79,158)	-	82,73,779 (70,05,281)	7,19,36,912 (7,14,88,083)	7,14,88,083 (7,27,67,241)
b Electrical Installation	6,05,835 (6,48,810)	-	-	6,05,835 (6,05,835)	3,04,916 (2,84,875)	1,60,764 (40,674)	-	4,65,680 (3,04,916)	1,40,155 (3,00,919)	3,00,919 (3,63,935)
c Furniture & Fixtures	91,37,607 (98,70,978)	18,835	-	91,56,442 (91,37,607)	33,81,539 (31,23,901)	13,07,755 (6,04,076)	-	46,89,294 (33,81,539)	44,67,148 (57,56,068)	57,56,068 (67,47,077)
d Computers & Software	1,43,68,896 (1,42,72,458)	6,02,230 (6,11,923)	-	1,49,71,126 (1,43,68,896)	1,21,70,842 (1,19,03,253)	11,51,984 (7,19,759)	-	1,33,22,826 (1,21,70,842)	16,48,300 (21,98,054)	21,98,054 (23,69,205)
e Office equipment	42,19,693 (50,62,742)	2,05,591 (2,33,377)	9,100 (10,76,426)	44,16,184 (42,19,693)	10,73,921 (12,77,285)	19,35,744 (2,43,416)	8,645 (4,46,780)	30,01,020 (10,73,921)	14,15,164 (31,45,772)	31,45,772 (37,85,457)
f Vehicles	1,16,74,369 (1,05,08,374)	-	7,97,905 (7,89,026)	1,08,76,464 (1,16,74,369)	36,11,658 (31,40,032)	17,32,107 (10,73,131)	6,29,214 (6,01,505)	47,14,551 (36,11,658)	61,61,913 (80,62,711)	80,62,711 (73,68,342)
<b>Total</b>	<b>11,84,99,764</b>	<b>25,43,983</b>	<b>8,07,005</b>	<b>12,02,36,742</b>	<b>2,75,48,157</b>	<b>75,56,852</b>	<b>6,37,859</b>	<b>3,44,67,150</b>	<b>8,57,69,592</b>	<b>9,09,51,607</b>
<b>Previous Year</b>	<b>(11,88,56,726)</b>	<b>(28,00,321)</b>	<b>(31,57,283)</b>	<b>(11,84,99,764)</b>	<b>(2,54,55,469)</b>	<b>(39,60,214)</b>	<b>(18,67,526)</b>	<b>(2,75,48,157)</b>	<b>(9,09,51,607)</b>	<b>-</b>

Note : Previous year's figures are shown in the brackets.



## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

Particulars	As at 31st March	
	2015	2014
<b>8 NON-CURRENT INVESTMENTS</b>		
<b>Non-Trade Investments</b>		
<b>a) In Associates</b>		
Cost of Investments	1,13,88,788	1,13,88,788
Add: Share of Post Acquisition of Profit	35,95,338	32,77,907
<b>Total</b> (Investment in Equity Instruments) (I)	<b>1,49,84,126</b>	<b>1,46,66,695</b>
<b>b) Quoted</b>		
Investment in Equity instruments	54,11,611	38,61,461
Investment in Debentures (2000 Bonus Debentures received)	-	-
<b>Total</b> (II)	<b>54,11,611</b>	<b>38,61,461</b>
<b>c) Unquoted</b>		
Investments in Mutual Funds	1,797	9,17,245
<b>Total</b> (III)	<b>1,797</b>	<b>9,17,245</b>
<b>Grand Total</b> (I + II + III)	<b>2,03,97,534</b>	<b>1,94,45,401</b>
Less : Provision for diminution in the value of Investments	11,66,816	19,47,023
<b>Total</b>	<b>1,92,30,718</b>	<b>1,74,98,378</b>
Market value of Quoted Investment	82,83,943	19,66,403
NAV of Unquoted Investment (Mutual Fund)	17,236	9,60,947
<b>9 LONG-TERM LOANS AND ADVANCES</b>		
<b>(Unsecured, considered good, unless otherwise stated)</b>		
<b>Loan to -</b>		
Related Party	9,22,858	27,62,904
Others	35,08,568	-
Capital Advances	1,72,08,915	1,72,08,915
Security Deposits (Secured, considered good)	1,21,81,900	1,41,95,399
Advance Payment of Taxes (Net)	18,15,524	46,33,067
Mat Credit Entitlement	72,690	-
Other Advances	1,22,15,034	1,74,72,114
Other Deposits	22,73,506	8,99,652
<b>Total</b>	<b>5,01,98,995</b>	<b>5,71,72,051</b>
<b>10 CURRENT INVESTMENTS</b>		
Investments in Mutual Funds	3,93,31,361	3,71,90,888
<b>Total</b>	<b>3,93,31,361</b>	<b>3,71,90,888</b>
Market Value of Investment as on 31.03.2015	4,18,49,687	3,86,56,790

## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

Particulars	As at 31st March	
	2015	2014
<b>11 INVENTORIES</b>		
(As taken by the Management and certified by a Director)		
(At lower of Cost and net realisable value)		
<b>Stock-in-trade</b>		
Equity Shares & Securities (Quoted)	4,60,39,674	3,88,97,193
Preference Shares	1	1
Mutual Funds (Quoted)	37,234	41,859
<b>Total</b>	<b>4,60,76,909</b>	<b>3,89,39,053</b>
<b>12 TRADE RECEIVABLES</b>		
(Unsecured, considered good)		
Trade Receivables		
- outstanding for a period less than six months	2,82,04,792	4,78,32,334
- outstanding for a period exceeding six months	81,24,767	60,12,029
<b>Total</b>	<b>3,63,29,559</b>	<b>5,38,44,363</b>
<b>13 CASH AND CASH EQUIVALENTS</b>		
a. Balances with Banks *	3,50,21,003	1,65,47,551
b. Cash on Hand	5,06,205	3,49,844
c. Fixed Deposits with Banks #	3,10,08,697	2,79,08,377
<b>Total</b>	<b>6,65,35,905</b>	<b>4,48,05,772</b>
* Balance with banks include Unclaimed Dividend of ₹12,41,789/- (Previous Year ₹ 12,70,932/-)		
# Fixed Deposits with banks includes deposit of ₹ 16,50,000/- (Previous Year ₹ 31,00,000/-) with maturity more than 12 months		
# Fixed Deposits with banks includes fixed deposits pledged with banks against Bank Guarantee and margin money amounting to ₹ 1,72,79,443/- (Previous Year - ₹ 1,71,33,026/-), pledged with BSE against is ₹ 33,75,000/- (Previous Year - ₹ 33,75,000/-) and pledged with Multi Commodity Exchange of India Ltd is ₹ 18,50,000/- (Previous Year - ₹ 18,50,000/-)		
<b>14 SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
Other advances	12,47,402	12,48,373
<b>Total</b>	<b>12,47,402</b>	<b>12,48,373</b>

## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

Particulars	As at 31st March	
	2015	2014
<b>15 OTHER CURRENT ASSETS</b>		
Prepaid Expenses	5,82,289	6,20,436
Income Tax Refundable	37,74,195	2,10,306
Accrued Interest	14,89,735	11,32,263
<b>Total</b>	<b>58,46,219</b>	<b>19,63,005</b>

Particulars	For the year ended 31st March	
	2015	2014
<b>16 REVENUE FROM OPERATIONS</b>		
Investment Banking	8,45,46,818	11,24,10,346
Sales of Stock-in-Trade - Shares and Securities	6,66,32,401	73,12,000
Brokerage, Commission and Other Charges	1,92,86,124	1,18,65,359
<b>Total</b>	<b>17,04,65,343</b>	<b>13,15,87,705</b>
<b>17 OTHER INCOME</b>		
Interest Income on		
- Fixed Deposits	27,92,026	26,46,489
- Income Tax Refund	1,83,260	-
- Loan	2,04,307	3,59,579
- Others	18,67,616	-
Dividend Income	8,20,826	12,95,632
Net Gain on Sale of Mutual Funds	32,33,842	29,07,131
Net Gain on Intraday Trading of Shares and Securities	5,32,348	37,524
Net Gain on Currency Derivatives	-	11,831
Adjustment in Diminution in value of Investments	7,80,208	24,381
Profit on Sale of Investments	4,18,868	-
Other non-operating Income	4,67,519	10,63,698
<b>Total</b>	<b>1,13,00,820</b>	<b>83,46,265</b>
<b>18 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Bonus and Incentives	2,95,96,338	2,97,02,244
Contribution to Provident and Other Funds	13,39,985	14,29,732
Gratuity Fund Expense	6,31,809	6,05,355
Staff Welfare Expenses	8,65,128	10,85,950
<b>Total</b>	<b>3,24,33,260</b>	<b>3,28,23,281</b>

## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

Particulars	For the year ended 31st March	
	2015	2014
<b>19 FINANCE COST</b>		
Interest Expense	4,09,991	4,80,768
<b>Total</b>	<b>4,09,991</b>	<b>4,80,768</b>
<b>20 OTHER EXPENSES</b>		
Communication Expenses	11,36,296	12,62,941
Insurance	3,22,155	2,15,206
Rent	14,40,000	26,28,000
Electricity	11,95,140	11,45,745
Office Maintenance	13,10,391	16,85,362
Travelling & Conveyance	29,65,438	34,81,157
Net Loss on Derivative Transactions	11,13,395	22,73,571
Net Loss on Currency Derivatives	57,707	-
Net Loss on Commodity Market Operation	508	7,08,775
Loss on Sale of Fixed Assets	42,846	1,88,524
Obsolete Fixed Assets Written off	-	10,44,233
Rates & Taxes	1,87,789	2,27,104
SEBI Turnover and Membership Registration Fees	7,99,700	8,09,884
Commission	37,50,000	77,50,000
Processing Fees	25,948	24,470
Professional Charges	1,13,21,180	78,05,145
Payment to Auditor	2,98,500	2,74,000
Repairs & Maintenance	1,28,689	1,91,952
Advertisement & Business promotion	68,32,670	58,72,445
Bad Debts	14,56,003	36,783
Car Expenses	32,12,650	27,51,890
Printing & Stationery	7,58,717	7,84,974
Charity and Donation	3,69,687	1,71,500
Computer Expenses	2,02,479	2,33,500
NSE / BSE/ SHCIL charges	7,61,933	4,18,291
VSAT Charges	84,900	96,978
Miscellaneous Expenses	61,36,825	54,23,315
Loss due to Foreign Exchange Fluctuation	-	33,775
<b>Total</b>	<b>4,59,11,546</b>	<b>4,75,39,520</b>
<b>21 PAYMENTS TO AUDITORS</b>		
- Statutory Audit	1,85,000	1,63,000
- Tax Audit	75,000	60,000
- Limited Review	15,000	15,000
- Certification and Other Services	23,500	36,000
<b>Total</b>	<b>2,98,500</b>	<b>2,74,000</b>

Note: The above figures are exclusive of service tax as the company has taken Cenvat input of the service tax charged on the audit fees.

## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015 (Contd.)

### 22 OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31ST MARCH, 2015:

Sl.No.	Name of the future	Series of future	Number of contracts	Number of units per lot
1	Bank of India	30th April, 2015	5	1,000
2	Cairn India Limited	30th April, 2015	1	1,000
3	Canara Bank	30th April, 2015	4	1,000
4	The Federal Bank Limited	30th April, 2015	1	2,000
5	Glenmark Pharmaceuticals Limited	30th April, 2015	12	500
6	Hindalco Industries Limited	30th April, 2015	2	2,000
7	ICICI Bank Limited	30th April, 2015	2	1,250
8	ITC Limited	30th April, 2015	5	1,000
9	Oil & Natural Gas Corporation Limited	30th April, 2015	4	500
10	Oriental Bank of Commerce	30th April, 2015	2	1,000
11	Reliance Communications Limited	30th April, 2015	4	2,000
12	Reliance Industries Limited	30th April, 2015	40	250
13	State Bank of India	30th April, 2015	2	1,250
14	Tata Communications Limited	30th April, 2015	4	1,000
15	UCO Bank	30th April, 2015	8	4,000

### OPEN INTEREST IN EQUITY INDEX/STOCK FUTURES AS AT 31ST MARCH, 2014:

Sl.No.	Name of the future	Series of future	Number of contracts	Number of units per lot
1	Bharat Heavy Electronics Limited	24th April, 2014	1	2,000
2	Reliance Industries Limited	24th April, 2014	4	1,000

### 23 DISCLOSURES OF RELATED PARTY TRANSACTIONS (AS IDENTIFIED & CERTIFIED BY THE MANAGEMENT):

- a As per Accounting Standard-18 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India, the names of the related parties are given below :
- b **List of related parties with whom the Company has transacted during the year**
- |   |  |
|---|--|
| i. Subsidiary Company   | SFSL Commodity Trading Pvt. Ltd.   |
| ii. Associate /Joint Venture Concerns   | SFSL Insurance Advisory Services Pvt. Ltd.<br>SFSL Risk Management Services Pvt. Ltd.<br>Capita Finance Services Ltd.<br>U.S. Infotech Pvt. Ltd.   |
| iii. Key Management Personnel   | Mr. Bhawani Sankar Rathi (Wholetime Director)<br>Mr. Rajesh Kumar Gupta* (Wholetime Director)<br>Mr. Vijay Maheshwari (Director)<br>Mr. Bijay Murmura (Director)<br>* Resigned w.e.f. 31.08.2014 |
| iv. Enterprise/Firm owned or significantly influenced by Key Management Personnel and their relatives | Superb Estate Services Pvt. Ltd.<br>M/s. Maheshwari & Associates, Chartered Accountants  |

## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015 (Contd.)

### 23 DISCLOSURES OF RELATED PARTY TRANSACTIONS (AS IDENTIFIED & CERTIFIED BY THE MANAGEMENT): (Contd.)

#### C Transaction with related parties during the year and year end outstanding balance thereof are as follows:

(Amount in ₹)

Nature of Transactions	Associate/ Joint Venture Concerns	Subsidiary	Enterprise owned or significantly influenced by Key Management Personnel and their relatives	Key Management Personnel	Total
i) Managerial Remuneration	-	-	-	29,33,200	29,33,200
	-	-	-	(43,01,840)	(43,01,840)
ii) Rent Paid	-	9,00,000	2,40,000	6,00,000	17,40,000
	-	(9,00,000)	(2,28,000)	(6,00,000)	(17,28,000)
iii) Guarantee Commission Paid	-	-	-	2,50,000	2,50,000
	-	-	-	(2,50,000)	(2,50,000)
iv) Balance Receivable/ (Payable)	-	25,28,219	-	-	25,28,219
	-	(14,00,000)	-	-	(14,00,000)
v) Dividend Paid	4,52,040	-	1,74,880	16,41,128	22,68,048
	(2,82,525)	-	(1,09,300)	(10,25,705)	(14,17,530)
vi) Rent Received	-	-	4,20,000	-	4,20,000
	-	-	-	-	-

Note: The above transactions do not include reimbursement of expenses made / received during the year.  
Previous year figures are in the brackets.

#### d Disclosure in Respect of Material Related Party Transactions during the year

Particular	For the year ended 31st March	
	2015	2014
<b>Managerial Remuneration</b>		
Mr. Bhawani Sankar Rathi	19,81,200	19,94,640
Mr. Rajesh Kumar Gupta	9,52,000	23,07,200
<b>Rent Paid</b>		
SFSL Commodity Trading Pvt. Ltd.	9,00,000	9,00,000
Superb Estate Services Pvt. Ltd.	2,40,000	2,28,000
Mr. Vijay Maheshwari	6,00,000	6,00,000
<b>Guarantee Commission Paid</b>		
Mr. Vijay Maheshwari	1,25,000	1,25,000
Mr. Bijay Murmuria	1,25,000	1,25,000
<b>Balance Receivable</b>		
SFSL Commodity Trading Pvt. Ltd.	25,28,219	14,00,000

## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015 (Contd.)

### 23 DISCLOSURES OF RELATED PARTY TRANSACTIONS (AS IDENTIFIED & CERTIFIED BY THE MANAGEMENT): (Contd.)

#### d Disclosure in Respect of Material Related Party Transactions during the year (Contd.)

(Amount in ₹)

Particular	For the year ended 31st March	
	2015	2014
<b>Dividend Paid</b>		
Mr. Bijay Murmuria	2,95,936	1,84,960
Mr. Bhawani Sankar Rathi	95,416	59,635
Mr. Vijay Maheshwari	12,49,776	7,81,110
<b>Rent Received</b>		
M/s. Maheshwari & Associates, Chartered Accountants	4,20,000	-

### 24 GRATUITY AND POST-EMPLOYMENT BENEFITS PLANS

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than 'The provisions of Gratuity Act, 1972'. The above said scheme is funded.

The following table summarises the components of net benefits / expense recognised in the profit and loss account and the balance sheet for the respective plans.

Particular	For the year ended 31st March	
	2015	2014
<b>A Defined Contribution Plans:</b>		
The Company has recognised the following amounts in the Profit/ Loss Account for the Year:		
Contribution to Employee's Provident Fund	7,04,195	8,72,633
Contribution to Employee's Family Pension Fund	4,36,097	3,56,064
<b>Total</b>	<b>11,40,292</b>	<b>12,28,697</b>

#### B Defined Benefit Plans:

a) Expenses recognised in the statement of Profit and Loss Account for the year ended 31st March, 2015

Particulars	For the year ended 31st March			
	2015		2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>(A) Component of Employer's Expense</b>				
Current service cost	4,64,583	1,03,054	4,66,020	57,634
Interest cost on benefit obligation	3,00,494	50,062	2,37,690	48,359
Expected return on plan assets	(3,29,131)	-	(3,15,466)	-
Net actuarial( gain) / loss recognised during the period	1,95,863	2,24,727	2,17,111	2,22,450
Total expenses	6,31,809	3,77,843	6,05,355	3,28,443
<b>(B) Actual Contribution and Benefits Payments for period ending</b>				
Actual Benefit Payments	1,93,159	2,77,649	2,07,693	3,09,507
Actual Contribution	33,087	2,77,649	2,21,318	3,09,507



## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015 (Contd.)

### 24 GRATUITY AND POST-EMPLOYMENT BENEFITS PLANS (Contd.)

b) Net assets/ (liability) recognised in the balance sheet as at 31st March, 2015

(Amount in ₹)

Particulars	For the year ended 31st March			
	2015		2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of defined benefits obligation	41,19,123	6,56,446	33,38,822	5,56,252
Fair value of plan assets	39,43,080	-	37,61,501	-
Net assets/ (liability) recognised in the balance sheet as at 31st March, 2015	(1,76,043)	(6,56,446)	4,22,679	(5,56,252)
Employer's Expense				
(a) Current Service Cost	4,64,583	1,03,054	4,66,020	57,634
(b) Total Employer Expense	6,31,809	3,77,843	6,05,355	3,28,443

c) Change in obligations during the year ended 31st March, 2015

Particulars	For the year ended 31st March			
	2015		2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present value of defined obligation at the beginning of the period	33,38,822	5,56,252	26,41,002	5,37,316
Current service cost	4,64,583	1,03,054	4,66,020	57,634
Interest cost	3,00,494	50,062	2,37,690	48,359
Benefits paid	(1,93,159)	(2,77,649)	(2,07,693)	(3,09,507)
Actuarial (gains)/losses	2,08,383	2,24,727	2,01,803	2,22,450
Present value of defined benefits obligation at the end of the period	41,19,123	6,56,446	33,38,822	5,56,252

d) Change in the fair value of plan Assets during the year ended 31st March, 2015

Particulars	For the year ended 31st March			
	2015		2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Plan Asset at the beginning of the period	37,61,501	-	34,47,718	-
Actual return on Plan Asset	3,41,651	-	3,00,158	-
Contribution by the employer	33,087	2,77,649	2,21,318	3,09,507
Employee Contributions	-	-	-	-
Benefits Paid	(1,93,159)	(2,77,649)	(2,07,693)	(3,09,507)
Plan Asset at the end of the period	39,43,080	-	37,61,501	-

e) Gratuity plan

Particulars	For the year ended 31st March				
	2015	2014	2013	2012	2011
Present value of defined benefit obligation	41,19,123	33,38,822	26,41,002	23,91,167	21,34,619
Fair value of plan assets	39,43,080	37,61,501	34,47,718	32,32,296	26,30,227
Surplus /(deficit)	(1,76,043)	4,22,679	8,06,716	8,41,129	4,95,608
Experience adjustment (gain)/ loss for plan liability	(2,87,300)	(25,228)	2,80,417	(39,515)	-
Experience adjustment (gain)/ loss for plan assets	12,520	(15,308)	(22,272)	(1,554)	-

## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015 (Contd.)

### 24 GRATUITY AND POST-EMPLOYMENT BENEFITS PLANS (Contd.)

f) Leave encashment

(Amount in ₹)

Particulars	For the year ended 31st March				
	2015	2014	2013	2012	2011
Present value of defined benefit obligation	6,56,446	5,56,252	5,37,316	4,51,588	4,83,528
Surplus /(deficit)	(6,56,446)	(5,56,252)	(5,37,316)	(4,51,588)	(4,83,528)
Experience adjustment (gain)/ loss for plan liability	1,40,360	1,92,190	2,04,123	1,51,194	-
Experience adjustment (gain)/ loss for plan assets	-	-	-	-	-

### 25 SEGMENT INFORMATION

Particular	For the year ended 31st March	
	2015	2014
<b>A Primary segment information (by business segments)</b>		
i Segment Revenue		
- Capital Market Operations	8,93,19,779	2,24,54,956
- Investment Banking	9,20,35,901	11,58,45,858
- Others (Unallocable)	-	-
Total segment revenue	<b>18,13,55,680</b>	<b>13,83,00,814</b>
ii Segment Results (before interest and unallocated income/expense)		
- Capital Market Operations	1,52,10,988	2,28,740
- Investment Banking	2,30,95,307	5,00,24,059
- Others (Unallocable)	(12,69,543)	(9,24,975)
Total Segment Results	<b>3,70,36,752</b>	<b>4,93,27,824</b>
iii Operating Profit	3,70,36,752	4,93,27,824
iv Unallocated Interest Expenses	4,09,991	4,80,768
v Unallocated Interest Income	-	-
vi Total Profit Before Tax	<b>3,66,26,761</b>	<b>4,88,47,056</b>
vii Segment Assets		
- Capital Market Operations	15,46,77,625	14,07,84,014
- Investment Banking	19,36,58,956	19,69,42,645
- Others (Unallocable)	67,24,590	58,86,831
Total Segment Assets	<b>35,50,61,171</b>	<b>34,36,13,490</b>
viii Segment Liabilities		
- Capital Market Operations	1,10,49,344	1,79,65,433
- Investment Banking	51,44,658	80,92,549
- Others (Unallocable)	89,29,651	87,44,032
Total Segment Liabilities	<b>2,51,23,653</b>	<b>3,48,02,014</b>
ix Depreciation		
- Capital Market Operations	7,30,055	4,60,388
- Investment Banking	68,26,797	34,78,453
- Others (Unallocable)	-	-
Total Depreciation	<b>75,56,852</b>	<b>39,38,841</b>
x Capital employed		
- Capital Market Operations	14,36,28,281	12,28,18,581
- Investment Banking	18,85,14,298	18,88,50,096
- Others (Unallocable)	(22,05,061)	(28,57,201)
Total Capital Employed	<b>32,99,37,518</b>	<b>30,88,11,476</b>

#### Note:

- The Company is operating in three main service segments mainly.
  - Capital Market Operations comprising of Stock Broking, Investment, Mutual Funds & other products distribution.
  - Investment Banking comprising of Loan Syndication, Merchant Banking, Restructuring & Other related advisory services.
  - Other comprising of other services area.
 Segments have been identified and reported taking into account the nature of services, different risk & return and internal reporting system.
- Segment Revenue, Results, Assets and Liabilities include the respective amounts identified to each of the segment and amounts allocated on a reasonable basis. Whereas un-allocable Revenue, Results, Assets and Liabilities have been included in "others".
- Segment liabilities excludes Deferred Tax Liabilities of ₹ 95,56,297/- (Previous year ₹ 1,09,88,081/-).

#### B. There is no reportable geographical segment.

## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015 (Contd.)

(Amount in ₹)

Particular	For the year ended 31st March	
	2015	2014
<b>26 EXPENDITURE / EARNING IN FOREIGN CURRENCY</b>		
<b>a) Expenditure in Foreign Currency</b>		
Travelling	93,891	5,75,367
<b>Total</b>	<b>93,891</b>	<b>5,75,367</b>
Note : The figures given above are net payments after withholding tax deducted at source.		
<b>b) Earnings in Foreign currency</b>		
Consultancy Fees	7,74,823	18,09,579
<b>Total</b>	<b>7,74,823</b>	<b>18,09,579</b>
<b>27 EARNING PER SHARE (EPS)</b>		
a. Profit after Tax	2,54,02,131	3,45,03,194
b. Weighted Average Number of Equity Shares outstanding during the year (nos.)	79,84,424	79,84,424
c. Nominal Value of Equity Per Share	10	10
d. Weighted Average Number of Equity Shares outstanding during the year in computing diluted Earning Per Share (nos.)	79,84,424	79,84,424
e. Earning Per Share		
- Basic [a/b]	<b>3.18</b>	<b>4.32</b>
- Diluted [a/d]	<b>3.18</b>	<b>4.32</b>

**28** Quoted Equity Instruments held as stock in trade includes shares which the company has pledged with Stock Holding Corporation of India Limited amounting to ₹ 1,39,26,971/- (P.Y. ₹ 1,06,97,248/-)

Scrip Name	Quantity	Value (₹)
Bharti Airtel Ltd	4,000	11,68,558
Larsen & Toubro Limited	300	2,47,749
Oriental Bank of Commerce	8,000	16,37,600
Reliance Industries Limited	4,000	32,98,800
State Bank of India	35,000	75,74,264

**QUOTED EQUITY INSTRUMENTS AS AT 31.03.2014**

Scrip Name	Quantity	Value (₹)
Gujarat NRE Coke Limited	3,000	15,480
Larsen & Toubro Limited	300	3,52,952
LIC Housing Finance Limited	4,000	7,55,680
Mahanagar Telephone Nigam Limited	3,200	29,184
NMDC Limited	2,500	3,22,016
NTPC Limited	2,000	2,21,575
Oriental Bank of Commerce	8,000	10,69,920
Reliance Industries Limited	2,000	17,21,888
State Bank of India	3,500	62,08,554

## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015 (Contd.)

- 29** Balances of some of the trade receivables, trade payable, loans and advances incorporated in the books as per balances appearing in the relevant subsidiary records, are subject to confirmation from the respective parties and consequential adjustments arising from reconciliation, if any. The management, however, is of the view that there will be no material discrepancies in this regard.
- 30** During the year unpaid dividend amounting to ₹ 1,78,080/- relating to financial year 2006-07 has been transferred to the Investor Education and Protection Fund as per Section 205C of the Companies Act, 1956.
- 31** Historically, the company's investment in unquoted shares has been done with a view to hold them for long term and thereby earn capital gains, since dividend payout on such investments has generally been irregular. The aforesaid policy has been taken into consideration while computing the provision for income-tax as applicable.

(Amount in ₹)

Particular	As at 31st March	
	2015	2014
<b>32 CONTINGENT LIABILITY</b>		
a) Contingent liabilities not provided for in respect of Guarantee given by Canara Bank to National Securities Clearing Corporation limited ( ₹ 80 lacs) and Stock Holding Corporation of India Limited ( ₹ 50 lacs) #	1,30,00,000	1,30,00,000
b) Contingent liabilities not provided for in respect of Guarantee given by HDFC Bank to Multi Commodity of Exchange Ltd.	-	5,00,000
c) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	20,01,085	20,01,085
d) The Income Tax has raised a demand in respect of A.Y. 2008-09 for which the company has preferred appeal with Commissioner of Income Tax (Appeals). The Company being confident of getting the case settled in its favour, no provision for the aforesaid has been made in the accounts.	1,15,615	1,15,615

# : The above bank guarantees extended by Canara Bank is secured by pledge of fixed deposits and also secured by way of equitable mortgage of a company's Immovable Property. The said facilities are further secured by personal guarantees of three directors of the Company.

### 33 The subsidiary Company of Sumedha Fiscal Services Limited considered in the Consolidated Financial Statement is:

Name of the Company	Country of Incorporation	% voting power held as at 31st March, 2015
SFSL Commodity Trading (P) Ltd.	India	99.97%

### Associates of Sumedha Fiscal Services Limited

Name of the Company	% of shares held	Original Cost of Investment	Goodwill/ (Capital Reserve)	Accumulated Profit/ (Loss) as on 31.03.15	Carrying Amount of Investments as on 31.03.15
SFSL Insurance Advisory Services (P) Ltd.	23.80	8,50,000	4,95,355	(2,50,512)	5,99,488
SFSL Risk Management Services (P) Ltd.	38.43	9,25,000	66,936	2,45,158	11,70,158
Capita Finance Services Ltd.	26.61	4,00,000	1,49,755	4,77,618	8,77,618
US Infotech Pvt. Ltd.	43.35	56,22,688	3,59,192	31,23,074	87,45,762
<b>Total</b>		<b>77,97,688</b>	<b>10,71,238</b>	<b>35,95,338</b>	<b>1,13,93,026</b>

## Notes forming part of the Consolidated Financial Statement for the year ended 31st March, 2015 (Contd.)

- 34** Pursuant to the Companies Act, 2013 the company had revised depreciation rates on Fixed Assets w.e.f. 1st April, 2014 as per the useful life specified in schedule II of the Companies Act, 2013. Accordingly depreciation for the year ending on 31st March, 2015 is higher by ₹ 33,50,056/-.
- 35** Revaluation of Office Premises was carried out as on 31.03.96 by an approved Valuer. The revaluation resulted in an increase of ₹ 13,11,255/- in the value of the assets over its net book value as on 31.03.96 which has been credited to Revaluation Reserve. The difference between depreciation based on the revalued carrying amount of the office premises and on its original cost, that is, ₹ 20,505/- is transferred to General reserve as per Schedule II of Companies Act, 2013.
- 36** Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.
- 37** Figures have been rounded off to nearest rupee.

As per our report of even date attached

For **ARSK & Associates**

Chartered Accountants

Firm's Registration No. 315082E

**CA. Ravindra Khandelwal**

Partner

Membership No. 054615

Place : Kolkata

Date : 16th May, 2015

For and on behalf of the Board of Directors

**Vijay Maheshwari**

Director

**Bijay Murmuria**

Director

**Bhawani Sankar Rathi**

Wholetime Director &  
Chief Financial Officer

**Deb Kumar Sett**

Company Secretary

## FINANCIAL HIGHLIGHTS

(₹ in lacs unless specified otherwise)

Details	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
Income From Operations	1704.60	1,314.96	1,201.31	1,276.68	1,267.22	1,372.52	874.77	758.75
Other Income	109.62	66.15	70.82	174.68	54.49	30.04	44.89	16.95
Total Income	1814.22	1,381.11	1,272.13	1,451.36	1,321.71	1,402.56	919.66	775.70
Profit before Interest, Depreciation, Amortisation and Tax	442.27	528.06	277.87	527.30	652.03	768.86	401.70	304.97
Profit before Interest & Tax	367.22	488.91	237.48	486.31	614.76	741.89	375.27	282.15
Profit before Tax	363.12	484.35	231.45	472.00	596.86	738.18	355.89	275.74
Profit after Tax	248.22	344.47	162.13	343.70	411.09	491.13	221.15	180.24
Net Fixed Assets	835.63	898.52	922.91	939.50	993.06	481.86	443.50	459.17
Share Capital	798.44	798.44	798.44	798.44	700.40	682.45	676.79	664.29
Reserves & Surplus *	2270.36	2,098.79	1,829.02	1,724.36	1,216.78	869.37	441.90	269.58
Networth	3068.80	2,897.23	2,627.46	2,522.80	1,917.18	1,551.82	1,118.69	933.87
Total Borrowings	7.92	47.43	43.26	54.32	448.26	15.24	12.74	36.86
Earnings Per Share(In Rupee)	3.11	4.31	1.90	5.04	6.02	7.26	3.32	2.71
Dividend Per Share (In Rupee)	0.80	0.80	0.50	0.80	0.80	0.80	0.75	0.70
Book Value Per Share (in Rupee)	38.55	36.40	33.03	31.72	28.14	22.88	16.68	14.21
EBITDS/Turnover (%)	24.38	38.23	21.84	36.33	49.33	54.82	43.68	39.32
Profit before Tax/ Turnover (%)	20.02	35.07	18.19	32.52	45.16	52.63	38.70	35.55
Return on Capital Employed (%)	11.80	16.14	8.48	18.05	25.16	45.56	30.43	27.87
Return on Networth (%)	8.09	11.89	6.17	13.62	21.44	31.65	19.77	19.30

\* Excluding Revaluation Reserve



partnerships



principles

Values  
we stand  
by at  
Sumedha



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## SUMEDHA FISCAL SERVICES LIMITED

### NECS MANDATE FORM

To

**Sumedha Fiscal Services Ltd.**

(CIN : L70101WB1989PLC047465)

6A Geetanjali, 8B Middleton Street,  
Kolkata – 700 071.

I/we hereby authorize you to make all payments in respect of my holding in your Company to my bankers for crediting to my account as detailed below:

1. Shareholder's Name : .....  
(In Block letters) (First Holder)  
: .....  
(Joint holder, if any)
2. Folio Number/DP ID and Client Id No. : .....
3. No. of Shares : .....
4. Name of the Bank : .....
5. Branch name and address : .....
6. Account Type SB A/c  Current A/c  Others  .....  
[Mark 'X' in the appropriate box] (Please specify)
7. Bank Account Number : .....
8. MICR Code Number of the Bank and Branch : .....
9. Nine digit code number of the bank and  
branch appearing on the cheque : .....
10. IFSC Code : .....
11. PAN/GIR no. : ..... Word No. ....

I/we hereby declare that the particulars given above are correct and complete. If credit is not effected for the reason(s) of incomplete or incorrect information. I /we would not hold the Company responsible.

Dated : .....

Signature of the first holder  
(as appearing in the Company's records)

#### Certificate of the investor's bank

Certified that the particulars of the bank account furnished above are correct as per our records.

Bank stamp:

Dated : .....

Signature of the authorized  
official of the bank

Note: Please attach a photocopy of cheques issued by your bank relating to your above account for verifying the accuracy of the code number.



## Form No. MGT-11 PROXY FORM

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

Name of the Company : **Sumedha Fiscal Services Ltd.**  
CIN : **L70101WB1989PLC047465**

Registered Office : **6A Geetanjali, 8B Middleton Street, Kolkata – 700 071.**

Telephone : 033-2229 8936/6758/3237 Fax : 033-2226 4140/22655830 Email : investors@sumedhafiscal.com



Name of the Member (s) : .....

Registered Address : .....

.....

Email ID : .....

Folio No. / Client ID : .....

DP ID : .....

I / We, being the member(s) of ..... Shares of the above named Company, hereby appoint -

1. Name : .....
- Address : .....
- Email ID : .....
- Signature : ....., or failing him/her
  
2. Name : .....
- Address : .....
- Email ID : .....
- Signature : ....., or failing him/her
  
3. Name : .....
- Address : .....
- Email ID : .....
- Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company, to be held on Saturday, the 12th day of September, 2015 at 10.30a.m. at "Somany Conference Hall", MCC Chamber of Commerce & Industry, 15B, Hemanta Basu Sarani, Kolkata – 700 001 and at any adjournment thereof in respect of such resolutions as are indicated below :

Sl.No.	Resolution	Vote (Note4)	
		For	Against
	<b>Ordinary Business :</b>		
1	Adopt the audited Financial Statement and Reports thereon for the financial year ended March 31, 2015		
2	Declare dividend for the financial year ended 31st March, 2015;		
3	Re-appoint Mr. Anil Kumar Birla as Director who retires by rotation		
4	Re-appoint Mr. Bijay Murmura as Director who retires by rotation		
5	Appoint ARSK & Associates, Chartered Accountants as Auditors of the Company		
	<b>Special Business :</b>		
6	Appoint Mr. Prabhat Agarwala as an Independent Director for five years		
7	Appoint Mrs. Garima Maheshwari as a Non-Executive Director		

Signed this .....day of ....., 2015

Signature of Shareholder : .....

Signature of Proxy holder(s) : .....

**Affix  
Revenue  
Stamp**

**Note. :**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. Members holding more than 10% of the total Share Capital of the Company may appoint a single person as Proxy, who shall not act as Proxy for any other Member.
4. It is optional to indicate your preference. If you leave the 'for,' 'against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.



**SUMEDHA**  
adding values to value

## **SUMEDHA FISCAL SERVICES LIMITED**

CIN : L70101WB1989PLC047465

Regd. Office: 6A Geetanjali, 8B Middleton Street, Kolkata – 700 071

Telephone : 033-2229 8936/6758/3237/4473 Fax : 033-2226 4140/22655830

Email : investors@sumedhafiscal.com; Website : www.sumedhafiscal.com

### **ATTENDANCE SLIP**

To be handed over at the entrance of the Meeting Hall.

DP Id.. :  Folio No. / Client Id.  No. of Shares

Name : .....

Address : .....

.....

Name of Proxy : .....

(in Block letters)

(To be filled in if the Proxy attends instead of the Member)

I hereby record my presence at the TWENTY SIXTH ANNUAL GENERAL MEETING at "Somany Conference Hall", MCC Chamber of Commerce & Industry, 15B, Hemanta Basu Sarani, Kolkata – 700 001 on Saturday, the 12th September, 2015 at 10.30 a.m.

.....

Member's Signature

.....

Proxy's Signature

Shareholders/Proxy representatives are requested to produce this Attendance Slip for admission to meeting hall. The admission may, however, be subject to verification/checks, as may be deemed necessary.