

## DIRECTORS' REPORT

To The members

### SFSL COMMODITY TRADING PRIVATE LIMITED

Your Directors have pleasure in presenting before you the Annual Report together with the audited statements of Accounts of the Company for the year ended 31.03.2012.

#### **Operating Results**

Your Company earned profit of ₹ 11.21 Lacs during the year against profit in the previous year of ₹ 18.31 Lacs. Income from Commodity Market Operation decreased to ₹ 14.16 Lacs as against ₹ 26.09 Lacs during the previous year. Mr. Bijay Murmuria, Director of the Company informed that the Company avoided risky exposure in the volatile market condition resulting in low revenue and profit.

Income from Rent was ₹ 9.00 Lacs during the year (Previous Year: ₹ 9.00 Lacs).

#### **Dividend**

In order to utilize the funds for future growth, your Directors refrain from recommending any dividend for the year under review.

#### **Directors**

Mr. Bijay Murmuria, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, has offered himself for re-appointment. The Company has obtained necessary intimation from him in terms of the Companies (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956), Rules, 2003 to the effect that he has not incurred any disqualification under Section 274(1)(g) of the Companies Act, 1956 and he is eligible to be appointed as Director of the Company.

Mr. Prashant Sekhar Panda, who was appointed as an Additional Director of the Company with effect from 30th March, 2011, was appointed as a Director of the Company at the Annual General Meeting held on 19th August, 2011.

#### **Membership of MCX**

Your Company avoided risky exposures in the highly volatile market condition resulting in low revenue and profit during the year. Fall in growth rate in India and economic slowdown in Europe and USA are expected to keep overall demand for commodities at low-level for quite some time.

#### **Auditors**

Messrs. P. K. Mundra & Co., Chartered Accountants, Kolkata, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The Company has received letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956, and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act.

#### **Directors' Responsibility statement pursuant to section 217(2AA) of the Companies Act, 1956 :**

Your Directors confirm :

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2012 and profit of the Company for that year;
- iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the annual accounts on a going concern basis.

**Statutory information**

1) **Conservation of Energy/Technology Absorption/Foreign Exchange Earning and Outgo:**

Information pertaining to Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is not applicable to the Company.

Earning and Outgo in foreign currency during the year was nil.

2) **Deposit**

The Company is not holding any Public Deposit.

3) **Personnel**

There was no employee in receipt of remuneration coming under purview of Section 217(2A) of the Act read with the Companies (Particulars of Employees) Rules, 1975, as amended.

None of the employees of the Company is holding two per cent or more of the Equity Shares of the Company in terms of Section 217(2A)(a)(iii) of the Act.

**Appreciation**

Your Directors wish to place on record with appreciation the services rendered by the Bankers, the MCX and employees of the Company for their co-operation and services rendered by them.

Place: Kolkata  
Date: May 22, 2012

On behalf of the Board  
**VIJAY MAHESHWARI**  
Chairman

CIN No. U65999WB1996PTC077314

Nominal Capital : ₹ 7,000,000/-

## COMPLIANCE CERTIFICATE

To The Members

**SFSL Commodity Trading Pvt. Ltd.**

8B, Middleton Street,

7E, Geetanjali Apartment,

Kolkata - 700 071

I have examined the registers, records, books and papers of SFSL Commodity Trading Pvt. Ltd. (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2012. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. the Company has kept and maintained all registers as stated in Annexure - 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. the Company has duly filed the forms and returns as stated in Annexure - 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. the Company being a subsidiary of Sumedha Fiscal Services Ltd. is a Public Limited company, hence comments are not required.
4. the Board of Directors duly met 9 times on 06-May-11, 20-May-11, 27-May-11, 09-Jun-11, 20-Sep-11, 10-Nov-11, 05-Dec-11, 27-Jan-12 and 15-Mar-12 in respect of which meetings proper notices were given and the proceedings were properly recorded in the Minutes Book and duly signed. No circular resolution was passed.
5. the Company was not required to close its Register of Members during the financial year.
6. the Annual General Meeting for the financial year ended on 31/03/2011 was held on 19/08/2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. One Extra Ordinary General Meetings was held on 04-Jun-11 during the financial year after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
8. the Company has not advanced loans to its directors and/or persons or firms or companies referred in the section 295 of the Act.
9. the Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. the Company has made necessary entries in the register maintained under section 301 of the Act.
11. as there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or the Central Government.
12. the Company has not issued any duplicate share certificate during the financial year.
13. the Company :
  - (i) has not made any transfer / transmission of shares, debentures or any other securities during the financial year.
  - (ii) was not required to deposit any amount in a separate bank account as no dividend was declared during the Financial Year.
  - (iii) was not required to post any warrant to any member of the Company during the Financial Year.
  - (iv) was not required to transfer any amount to Investor Education and Protection Fund during the Financial Year.
  - (v) has duly complied with the applicable requirements of Section 217 of the Act.

14. the Board of Directors of the Company is duly constituted and Mr. Prashant Sekhar Panda was appointed as Director by the Members of the Company at the last Annual General Meeting held on 19th August, 2011.
15. the Company has not appointed any Managing Director/ Whole-time Director/Manager during the financial year.
16. the Company has not appointed any sole-selling agents during the financial year.
17. the Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities prescribed under the various provisions of the Act during the financial year.
18. the Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. during the financial year the Company has not issued any shares.
20. the Company has not bought back any shares during the financial year.
21. there was no redemption of preference shares/debentures during the financial year.
22. there was no transactions necessitating the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. the Company has not invited/accepted any deposit including any unsecured loan falling within the purview of section 58A of the Act during the financial year.
24. the amount borrowed by the Company from its Holding Company during the financial year ending 31st March, 2012 is within the borrowing limits of the Company and that necessary resolutions as per section 293(1)(d) of the Act have been passed in duly convened extraordinary general meeting.
25. the Company has made loans and investments, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
26. the Company has not altered the provisions of the Memorandum of Association of the Company with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny.
27. the Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
28. the Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.
29. the Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny.
30. the Company has not altered its Articles of Association during the financial year.
31. there was no prosecution initiated against or show cause notices received by the Company and also no fines or penalties or any other punishment was imposed on the Company during the financial year.
32. the Company has not received any money as security from its employees during the financial year.
33. the Company has not deducted any contribution towards Provident Fund during the financial year as it is not applicable.

Place : Kolkata  
Date : May 22, 2012

For **ANJALI LAKHOTIA & CO.**  
Company Secretaries

**ANJALI LAKHOTIA**  
Proprietor  
C. P. No.: 3633

## Annexure – A

### Registers as maintained by the Company :

1. Register of Members u/s 150 of the Act.
2. Share Transfer Register
3. Register of Directors u/s 303
4. Register of Directors' Shareholding u/s 307
5. Register of Contracts u/s 301
6. Minutes of Board Meetings u/s 193
7. Minutes of General Meetings u/s 193
8. Register of Fixed Assets
9. Books of Accounts

## Annexure – B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2012 :

1. Form No. 23AC XBRL and 23ACA XBRL regarding Balance Sheet as on 31/03/2011 and Profit & Loss A/c for the year ended 31/03/2011 were filed on 30/11/2011 pursuant to Section 220 of the Act.
2. Form No. 66 for Compliance Certificate for the financial year ending 31/03/2011 was filed on 11/10/2011 pursuant to Section 383A of the Act.
3. Form No. 20B for Annual Return (Date of AGM – 19/08/2011) was filed on 11/10/2011 pursuant to Section 159 of the Act.
4. Form No. 23 for passing of a special resolution dated 04/06/2011 in respect of Shareholders' authority to the Board of Directors of the Company to borrow exceeding its Paid-up Capital and Free Reserve on behalf of the Company was filed on 23/06/2011 pursuant to section 192 & 293 (1) (d) of the Act.
5. Form No. 32 for Change in Designation from Additional Director to Director for appointment of Mr. Prashant Sekhar Panda as Director at AGM was filed on 29/08/2011 pursuant to sections 303(2) , 264 (2) or 266(1)(a) and 266(1)(b)(iii) of the Act.

For **ANJALI LAKHOTIA & CO.**  
Company Secretaries

**ANJALI LAKHOTIA**  
Proprietor  
C. P. No.: 3633

Place : Kolkata  
Date : May 22, 2012

## AUDITORS' REPORT

To The Members of

### **SFSL COMMODITY TRADING PVT. LTD.**

1. We have audited the annexed Balance Sheet of SFSL COMMODITY TRADING PVT. LTD. as at 31st March, 2012, Profit & Loss Account and Cash Flow statement for the year ended on that date annexed hereto both of which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these 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 of material misstatement. An audit includes examining, on a test basis evidence supporting the amounts and disclosure 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. As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanation give to us, we annex hereto a Statement on the matters specified in paragraphs 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph (1) above :
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books ;
  - (c) The said Balance Sheet and the Profit & Loss account are in agreement with the Books of Accounts;
  - (d) In our opinion, the Balance Sheet and the Profit & Loss account comply with the Accounting standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.
  - (e) On the basis of written representation received by the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - (f) In our opinion, and to the best our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
    - i) in the case of the Balance Sheet of the state of affairs as at 31st March, 2012.
    - ii) in the case of Profit & Loss Account, of Profit for the year ended 31st March, 2012.
    - iii) In the case of Cash Flow Statement, of the cash flow for the year ended 31st March, 2012.

For **P K MUNDRA & CO.**  
Chartered Accountants  
Firm Registration No. 322078E

**P K MUNDRA**  
Proprietor  
Membership No. 52302

Place : Kolkata  
Dated: May 22, 2012

## ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

- 1) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;  
(b) Fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification and the same have been properly dealt with in the books of account;  
(c) Substantial part of fixed assets have not been disposed off during the year.
- 2) The Company does not have any inventory
- 3) (a) The Company has taken unsecured loans from companies, firms or other parties covered in the register maintained under section 301 of the Act. The total number of parties from which loan have been taken during the year is one and the amount involved in the transactions as on Balance Sheet date is ₹ 10.00 Lacs.  
(b) In our opinion and on the basis of information and explanation given to us, the rate of interest and other terms and conditions of unsecured loans taken/ granted by the Company, are prima facie not prejudicial to the interest of the Company;  
(c) As per explanation given to us, the payment of principle and interest thereon are regular.  
(d) The Company has not granted any loan, secured or unsecured to a person, company or other parties covered in the register maintained under section 301 of the Act.
- 4) In our opinion, there are adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Further, during the course of our audit, we have neither come across nor have we been informed of any continuing failure to correct major weakness in the aforesaid internal control procedures.
- 5) (a) In our opinion and according to the information and explanation given to us, the transactions that need to be entered into a register in pursuance of section 301 of the Act, have been so entered.  
(b) According to the information and explanation given to us, transaction made in pursuance of the such contract / arrangement have been, made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 6) The Company has not accepted any deposits from the public under the provisions of sections 58A and 58AA or any other relevant provisions of the Act.
- 7) The maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
- 8) On the basis of information and explanation to us, there is an adequate internal audit system commensurate with the size and nature of its business.
- 9) (a) According to information and explanation given to us and as per the books and records produced before us, the Company is regular in depositing undisputed statutory dues including Employees State Insurance, Income-tax, Wealth Tax, Service Tax, Sales-tax, cess and any other statutory dues with the appropriate authorities and no amount of statutory dues is due as at 31st March, 2012 for a period of more than six months from the date they became payable.  
(b) According to the records available to us and the information and explanation given by the management, there are no disputed statutory dues that need to be deposited with the appropriate authorities.



- 10) The Company does not have any accumulated losses as at 31st March, 2012, and it has not incurred cash loss during the financial year ended on that date and in the immediately preceding financial year.
- 11) The Company has not defaulted in repayment of dues to any financial institution or bank.
- 12) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) The Company is not a chit fund or a nidhi / mutual benefit fund/ society. Accordingly, the provisions of clause (xiii) of Paragraph 4 of the aforesaid order are not applicable.
- 14) The Company is not dealing or trading in any shares, securities, debentures and other investments.
- 15) The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- 16) No Term loans have been taken from bank during the year.
- 17) On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short term basis which have been used for long term investments and vice versa.
- 18) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- 19) The Company has not issued any debentures during the year.
- 20) The Company has not raised money during the year by way of public issue.
- 21) No incidence of any fraud on or by the Company has been noticed or reported during the year.

For **P K MUNDRA & CO.**  
Chartered Accountants  
Firm Registration No. 322078E

**P K MUNDRA**  
Proprietor  
Membership No. 52302

Place : Kolkata  
Dated: May 22, 2012





**Balance Sheet** as at 31<sup>st</sup> March, 2012

(Amount in ₹)

Particulars	Note	As at 31st March	
		2012	2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
a) Share Capital	1	6,512,000	6,512,000
b) Reserve & Surplus	2	4,460,314	3,339,383
<b>2 Current Liabilities</b>			
a) Trade Payables	3	2,170,952	3,129,448
b) Short Term Borrowing	4	1,000,000	-
c) Short Term Provisions	5	38,660	71,839
<b>TOTAL</b>		<b>14,181,926</b>	<b>13,052,670</b>
<b>II ASSETS</b>			
<b>1 Non-Current Assets</b>			
a) Fixed Assets			
(i) Tangible Assets	6	1,147,070	1,166,026
b) Non- Current Investment	7	4,356,148	3,755,148
c) Deffered Tax Assets		95,154	88,964
d) Long-term Loans and advances	8	1,591,055	4,964,625
<b>2) Current Assets</b>			
a) Trade Receivables	9	3,852,597	1,183,791
b) Cash and Cash Equivalents	10	2,978,684	1,889,425
c) Other Current Assets	11	161,218	4,691
<b>TOTAL</b>		<b>14,181,926</b>	<b>13,052,670</b>
Significant Accounting Policies			
Notes on Financial Statements	1 to 19		

As per our report of even date attached

For **P. K. MUNDRA & CO.**

Chartered Accountants

Firm's Registration No. 322078E

**CA. P. K. MUNDRA**

Proprietor

Membership No. 52302

Place : Kolkata

Date : May 22, 2012

For and on behalf of the Board

**Vijay Maheshwari****Bijay Murmuria**

Directors

## Profit and Loss Statement for the year ended 31<sup>st</sup> March, 2012

(Amount in ₹)

Particulars	Note	For the year ended 31st March	
		2012	2011
I. Revenue from Operations	12	1,416,753	2,609,540
II. Other Income	13	1,073,918	1,039,360
<b>III Total Revenue (I+II)</b>		<b>2,490,671</b>	<b>3,648,900</b>
IV. Expenses			
Employee Benefit Expenses	14	458,053	528,406
Depreciation	6	53,276	50,799
Other expenses	15	580,371	688,661
<b>Total Expenses</b>		<b>1,091,700</b>	<b>1,267,866</b>
V. <b>Profit before Tax</b>		1,398,971	2,381,034
VI. Add: Excess Provision of earlier years adjusted		24,684	-
VII. Tax Expenses			
1) Current Tax		363,000	631,000
2) Deffered Tax Asset		6,190	88,964
3) Add/(Less) Adjustment for earlier year		54,086	(8,054)
		<b>1,120,931</b>	<b>1,830,944</b>
Significant Accounting Policies			
Notes on Financial Statements	1 to 19		

As per our report of even date attached  
For **P. K. MUNDRA & CO.**  
Chartered Accountants  
Firm's Registration No. 322078E

**CA. P. K. MUNDRA**  
Proprietor  
Membership No. 52302  
Place : Kolkata  
Date : May 22, 2012

For and on behalf of the Board

**Vijay Maheshwari**  
**Bijay Murmuria**  
Directors

**Cash Flow Statement** for the year ended 31st March, 2012

(Amount in ₹)

Particulars	For the year ended 31st March	
	2012	2011
<b>A. Cash flows from operating activities</b>		
Net Profit/(Loss) before Tax and Extraordinary items	1,398,971	2,381,034
Adjustment for :		
Depreciation	53,276	50,799
(Profit)/Loss on sale of Investments	-	(113,147)
	<b>1,452,247</b>	<b>2,318,686</b>
Adjustment for :		
Interest received	(173,918)	(25,055)
Dividend received	-	-
Operating Profit before Working Capital changes	<b>1,278,329</b>	<b>2,293,631</b>
Adjustment for :		
Current Assets	(389,621)	(3,579,959)
Current Liabilities	346,993	2,542,483
(Increase)/ Decrease in Net Current Assets	(42,628)	(1,037,476)
Cash generated from Operations	<b>1,235,701</b>	<b>1,256,154</b>
Interest paid	-	-
Taxation	(363,000)	(631,000)
Adjustment for earlier year	78,770	(8,054)
Net Cash from operating activities	951,472	617,100
<b>B. Cash Flow From Investment Activities</b>		
Purchase of Fixed Assets/Adjustment	(34,320)	600,000
Sale of Fixed Assets/Adjustment	-	-
(Purchase)/Sale of Investments	(601,000)	-
Investment-Application Money	599,190	(374,190)
Interest received	173,918	25,055
Dividend received	-	-
Net Cash used in investing activities	<b>137,788</b>	<b>250,865</b>
<b>C. Cash Flow From Financing Activities</b>		
Proceeds from Issue of share capital (Including Premium)	-	-
Dividend paid(Including Dividend tax Paid)	-	-
Net Cash from Financing activities	-	-
<b>Net increase in Cash and Cash equivalents</b>	1,089,259	867,965
Cash and Cash equivalents at the beginning of the year	1,889,425	1,021,460
<b>Cash and Cash equivalents at the close of the year</b>	2,978,684	1,889,425

- Notes :** (i) Components of cash and cash equivalents include cash, bank balances in current and deposit accounts as disclosed under Schedule 6 of the accounts  
(ii) 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 **P. K. MUNDRA & CO.**

Chartered Accountants

Firm's Registration No. 322078E

**CA. P. K. MUNDRA**

Proprietor

Membership No. 52302

Place : Kolkata

Date : May 22, 2012

For and on behalf of the Board

**Vijay Maheshwari**

**Bijay Murmuria**

Directors

## SIGNIFICANT ACCOUNTING POLICIES

- i) These accounts have been prepared on the historical cost basis and on the accounting principal of a going concern.
- ii) All expenses and income to the extent considered payable and receivable respectively are accounted for on accrual basis except income from Dividend which is accounted for as and when received and Brokerage Income which is being taken on settlement date basis.
- iii) Fixed Assets are accounted for at cost inclusive of all incidental expenses incurred in acquisition of Assets.
- iv) Depreciation has been provided on straight line method at the rate prescribed in Schedule XIV of the Companies Act, 1956.
- v) Accounting policies unless specifically stated to be otherwise, are consistent and are in consonance with generally accepted accounting principles.
- vi) Investments are stated at Cost.
- vii) Commodities Stock – Futures
  - a. Commodities futures are marked-to-market on a daily basis. Debit or credit balance disclosed under Deposits or Current Liabilities respectively, represents the net amount paid or received on the basis of movement in the prices of commodities futures till the Balance Sheet date.
  - b. As on the Balance Sheet date, Profit/Loss on open positions in commodities futures are accounted for as follows:
    - Credit balance in the “Mark-to-Market Margin – Commodities Stock Futures Account”, being anticipated profit, is ignored and no credit for the same is taken in the Profit and Loss Account.
    - Debit balance in the “Mark-to-Market Margin – Commodities Stock Futures Account”, being anticipated loss, is adjusted in the Profit and Loss Account.
  - c. On final settlement or squaring-up of contracts for commodities 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 in “Mark-to-Market Margin – Commodities Stock Futures Account” is recognized in the Profit and Loss Account. When more than one contract in respect of the relevant series of commodity futures contract to which the squared-up contract pertains is outstanding at the time of the squaring-up of the contract, the contract price of the contract so squared –up is determined using weighted average method for calculating Profit/Loss on squaring up.
  - d. “Initial Margin – Commodities Stock Futures Account”, representing initial margin paid, and “Margin Deposits- Commodities Stock Futures Account”, representing additional margin over and above initial margin, for entering into contracts for commodities futures, which are released on final settlement/squaring up of underlying contracts, are disclosed under Deposits.
- viii) Provision for tax is made by applying applicable tax rates and tax laws. Net Deferred Tax Assets amounting to ₹ 6,190/- on account of tax impact on difference between WDV of fixed assets as per books of accounts and as per Income tax as on 31.03.2012 has been accounted for during the year.
- ix) The Liability for gratuity & encashment for earned leave have been provided for on the basis of actuarial valuation at the year end.

## Notes forming part of the financial statement for the year ended 31st March, 2012

	As at 31st March, 2012		As at 31st March, 2011	
	Number	Amount (₹)	Number	Amount (₹)
<b>1 SHARE CAPITAL</b>				
a) <b>Authorised</b>				
Equity Shares of ₹ 10 each	700,000	7,000,000	700,000	7,000,000
<b>Issued, Subscribed &amp; Paid up</b>				
Equity Shares of ₹ 10 each fully paid	651,200	6,512,000	651,200	6,512,000
<b>Total</b>	<b>651,200</b>	<b>6,512,000</b>	<b>651,200</b>	<b>6,512,000</b>
b) <b>Equity Shares</b>				
Shares outstanding at the beginning of the year	651,200	6,512,000	651,200	6,512,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	<b>651,200</b>	<b>6,512,000</b>	<b>651,200</b>	<b>6,512,000</b>

Name of Shareholder	As at 31st March, 2012		As at 31st March, 2011	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
c) <b>The details of shareholders holding shares more than five percentage.</b>				
Sumedha Fiscal Services Ltd. (Holding Company)	651,000	100.00	651,000	100.00
	-	-	-	-
<b>Total</b>	<b>651,000</b>	<b>100.00</b>	<b>651,000</b>	<b>100.00</b>

(Amount in ₹)

	As at 31st March	
	2012	2011
<b>2 RESERVES &amp; SURPLUS</b>		
<b>a. Securities Premium Reserve</b>		
Opening Balance	1,500,000	1,500,000
Add : Securities premium credited on Share issue	-	-
Closing Balance	1,500,000	1,500,000
<b>b. Surplus</b>		
Opening balance	1,839,383	8,439
(+) Net Profit For the current year	1,120,931	1,830,944
Closing balance	2,960,314	1,839,383
<b>Total</b>	<b>4,460,314</b>	<b>3,339,383</b>

## Notes forming part of the financial statement for the year ended 31st March, 2012 (Contd.)

(Amount in ₹)

	As at 31st March	
	2012	2011
<b>3 TRADE PAYABLES</b>		
<b>Client Margin Money</b>	2,144,203	682,233
Sundry Creditors	26,749	2,447,215
	<b>2,170,952</b>	<b>3,129,448</b>
<b>4 SHORT TERM BORROWING</b>		
a) <b>Loan From Related Party</b>		
Unsecured Loan From Holding Company ( Interest Free)	1,000,000	-
<b>Total</b>	<b>1,000,000</b>	<b>-</b>
<b>5 SHORT TERM PROVISIONS</b>		
a) <b>Provision for employee benefits</b>		
Gratuity	12,954	34,909
Leave Encashment	1,374	6,329
b) <b>Provision For Tax</b>	24,332	30,601
<b>Total</b>	<b>38,660</b>	<b>71,839</b>

## Notes forming part of the financial statement for the year ended 31st March, 2012 (Contd.)

### 6 FIXED ASSETS

(Amount in ₹)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	Blance as at 31st March, 2011	Addition	Deduction	Blance as at 31st March, 2012	Blance as at 31st March, 2011	Adjustment/ Deduction	For the year	Blance as at 31st March, 2012	Blance as at 31st March, 2012	Blance as at 31st March, 2011
<b>Tangible Fixed Assets</b>										
Buildings (Flat) *	1,410,154	-	-	1,410,154	264,815	-	22,703	287,518	1,122,636	1,145,339
Computers	173,320	34,320	-	207,640	152,633	-	30,573	183,206	24,434	20,687
<b>Total</b>	<b>1,583,474</b>	<b>34,320</b>	<b>-</b>	<b>1,617,794</b>	<b>417,448</b>	<b>-</b>	<b>53,276</b>	<b>470,724</b>	<b>1,147,070</b>	<b>1,166,026</b>
<b>Previous Year</b>	<b>1,583,474</b>	<b>-</b>	<b>-</b>	<b>1,583,474</b>	<b>366,649</b>	<b>-</b>	<b>50,799</b>	<b>417,448</b>	<b>1,166,026</b>	

\* The conveyance of the Building (Flat) is pending.

## Notes forming part of the financial statement for the year ended 31st March, 2012 (Contd.)

(Amount in ₹)

Particular	As at 31st March	
	2012	2011
<b>7 NON-CURRENT INVESTMENTS</b>		
<b>Non-Trade Investments</b>		
(a) Investment in Equity instruments	2,341,000	1,740,000
(b) Investments in Mutual Funds	2,015,148	2,015,148
<b>Total</b>	<b>4,356,148</b>	<b>3,755,148</b>
Aggregate amount of quoted investments - market value ₹ 2,634,402/- (Previous Year ₹ 2,407,091/-)	2,015,148	2,015,148
Aggregate amount of unquoted investments	2,341,000	1,740,000
<b>Total</b>	<b>4,356,148</b>	<b>3,755,148</b>

	No of Shares	As st 31 March 2012 Amount (₹)	No of Shares	As st 31 March 2012 Amount (₹)
<b>Details of Non-Trade Investment (at cost)</b>				
<b>A) Equity Instruments (Unquoted)</b>				
i) Capita Finance Services Ltd	5100	150,000	5000	50,000
ii) Seasoft Solutions Pvt Ltd	34120	1,690,000	34120	1,690,000
iii) Superb Estate Services Pvt Ltd	167	501,000	-	-
		<b>2,341,000</b>		<b>1,740,000</b>
<b>B) Investment in Mutual Fund (In Units)</b>	<b>units</b>		<b>units</b>	
i) GDBG IDFC Dynamic Bond Fund-PlanA-Growth	166.058	2,000	166.0580	2,000
ii) JP Morgan India Treasury Fund- Super Inst. Growth Plan	141767.5579	1,500,000	141767.5579	1,500,000
iii) JP Morgan India Liquid Fund- Retail Growth Plan	50414.8445	513,148	50414.8445	513,148
		<b>2,015,148</b>		<b>2,015,148</b>
		<b>4,356,148</b>		<b>3,755,148</b>



## Notes forming part of the financial statement for the year ended 31st March, 2012 (Contd.)

(Amount in ₹)

Particular	As at 31st March	
	2012	2011
<b>8 LONG TERM LOANS AND ADVANCES</b>		
a. <b>Other advances</b> (Unsecured, considered good)	13,100	612,390
b. <b>Security Deposits</b> (Secured, considered good)	1,577,955	4,352,235
<b>Total</b>	<b>1,591,055</b>	<b>4,964,625</b>
<b>9 TRADE RECEIVABLES</b>		
(Unsecured, considered good)		
Trade receivables outstanding for a period less than six months from the date they are due for payment	2,117,975	1,096,425
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	1,734,622	87,366
<b>Total</b>	<b>3,852,597</b>	<b>1,183,791</b>
<b>10 CASH AND CASH EQUIVALENTS</b>		
a) Cash on hand	3,201	97,798
b) Balances with scheduled Banks	375,483	1,691,627
c) Fixed Deposits With Bank*	2,600,000	100,000
<b>Total</b>	<b>2,978,684</b>	<b>1,889,425</b>

\* Fixed deposits with Bank include deposit ₹ 2,600,000/- (Prev. year ₹ 100,000/-) with maturity period more than 12 months.

\* Fixed Deposit with Bank includes ₹ 2,600,000/- (Prev. year. ₹ 100,000/-) with Multi Commodity Exchange of India Ltd. Towards margin Money.

## Notes forming part of the financial statement for the year ended 31st March, 2012 (Contd.)

(Amount in ₹)

Particular	As at 31st March	
	2012	2011
<b>11 OTHER CURRENT ASSETS</b>		
Interest accrued on bank deposits	161,218	4,691
<b>Total</b>	<b>161,218</b>	<b>4,691</b>

Particular	For the year ended 31st March	
	2012	2011
<b>12 REVENUE FROM OPERATIONS</b>		
Sale of services	-	-
Income From Commodity Market Operation	1,416,753	2,609,540
<b>Total</b>	<b>1,416,753</b>	<b>2,609,540</b>
<b>13 OTHER INCOME</b>		
Interest Income	173,918	25,055
Net gain on sale of investments	-	113,147
Other non-operating income	900,000	901,158
<b>Total</b>	<b>1,073,918</b>	<b>1,039,360</b>
<b>14 EMPLOYEE BENEFITS EXPENSE</b>		
(a) Salaries, and bonus	458,053	528,406
<b>Total</b>	<b>458,053</b>	<b>528,406</b>
<b>15 DISCLOSURE FOR OTHER EXPENSES</b>		
Demat and depository charges	17,109	20,408
Annual Fee	75,000	75,000
Insurance	2,699	2,724
Bank Guarantee Commission	67,709	-
Travelling & Conveyance	32,200	94,000
Rates & taxes	1,900	1,900
Legal and professional charges	13,000	2,200
Auditors' remuneration	10,000	9,000
Lease Line Charges	124,343	137,395
Filing Fee	4,080	1,530

## Notes forming part of the financial statement for the year ended 31st March, 2012 (Contd.)

(Amount in ₹)

Particular	For the year ended 31st March	
	2012	2011
<b>15 DISCLOSURE FOR OTHER EXPENSES (Contd.)</b>		
Subscriptin	-	76,000
User ID Charges	10,000	6,000
Car hire Charges	64,000	96,000
Printing & stationery	8,560	11,550
Transaction charges	138,302	154,730
Miscellaneous expenses	11,469	224
<b>Total</b>	<b>580,371</b>	<b>688,661</b>

**16 DISCLOSURE IN ACCORDANCE WITH REVISED AS – 15 ON “EMPLOYEES BENEFITS”**

The Accounting Standard – 15 (Revised 2005) on “Employees Benefits” issued by the Institute of Chartered Accountants of India has been adopted by the Company effective from April 1, 2007.

**Defined Benefit Plans:****(i) Change in Defined Benefit Obligations**

Particulars	Gratuity		Leave Encashment		Total	
	31-03-12	31-03-11	31-03-12	31-03-11	31-03-12	31-03-11
(a) Present Value of DBO at beginning or period	34,909	70,097	6,329	7,013	41,238	77,110
(b) Current Service Cost	2,591	4,665	153	2,479	2,744	7,144
(c) Interest Cost	2,967	5,783	538	579	3,505	6,362
(d) Curtailment cost/(Credit)	-	-	-	-	-	-
(e) Settlement Cost / (Credit)	-	-	-	-	-	-
(f) Employee Contribution	-	-	-	-	-	-
(g) Plan Amendments	-	-	-	-	-	-
(h) Acquisitions	-	-	-	-	-	-
(i) Actuarial (Gain)/Losses	(27,513)	518	(3,420)	(718)	(30,933)	(200)
(j) Benefits Paid	-	(46,154)	(2,226)	(3,024)	(2,226)	(49,178)
(j) Present Value of DBO at the end of period	12,954	34,909	1,374	6,329	14,328	41,238

## Notes forming part of the financial statement for the year ended 31st March, 2012 (Contd.)

### 16 DISCLOSURE IN ACCORDANCE WITH REVISED AS – 15 ON “EMPLOYEES BENEFITS” (Contd.)

#### (ii) Changes in the Fair value of Assets

Particulars	Gratuity		Leave Encashment		Total	
	31-03-12	31-03-11	31-03-12	31-03-11	31-03-12	31-03-11
(a) Plan assets at beginning of Period	-	-	-	-	-	-
(b) Actual return on Plan Assets	-	-	-	-	-	-
(c) Actual Company Contributions	-	46,154	2,226	3,024	2,226	49,178
(d) Employee Contributions	-	-	-	-	-	-
(e) Benefits Paid	-	(46,154)	(2,226)	(3,024)	(2,226)	(49,178)
(f) Plan assets at the end of period	-	-	-	-	-	-

#### (iii) Amount recognized in the Balance Sheet including an reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets

Assets / Liabilities	For the Year Ended March 31, 2012					
	Gratuity		Leave Encashment		Total	
	31-03-12	31-03-11	31-03-12	31-03-11	31-03-12	31-03-11
(a) Present Value of Obligation	12,954	34,909	1,374	6,329	14,328	41,238
(b) Fair Value of Plan Assets	-	-	-	-	-	-
(c) Net Asset/(Liability) recognized in the Balance Sheet	(12,954)	(34,909)	(1,374)	(6,329)	(14,337)	(41,238)
<b>Employer Expense</b>						
(a) Current Service Cost	2,591	4,665	153	2,479	2,744	7,144
(b) Total Employer Expense	(21,955)	10,966	(2,729)	2,340	(24,684)	13,306

#### (iv) Total Expense recognized in the statement of Profit & Loss Accounts

Assets / Liabilities	For the Year Ended March 31, 2012					
	Gratuity		Leave Encashment		Total	
	31-03-12	31-03-11	31-03-12	31-03-11	31-03-12	31-03-11
<b>A) Components of Employer Expense</b>						
(a) Current Service Cost	2,591	4,665	153	2,479	2,744	7,144
(b) Interest Cost	2,967	5,783	538	579	3,505	6,362

## Notes forming part of the financial statement for the year ended 31st March, 2012 (Contd.)

### 16 DISCLOSURE IN ACCORDANCE WITH REVISED AS – 15 ON “EMPLOYEES BENEFITS” (Contd.)

#### (iv) Total Expense recognized in the statement of Profit & loss Account. (Contd.)

Assets / Liabilities	For the Year Ended March 31, 2012					
	Gratuity		Leave Encashment		Total	
	31-03-12	31-03-11	31-03-12	31-03-11	31-03-12	31-03-11
(c) Expected Return on Plan Assets	-	-	-	-	-	-
(d) Curtailment Cost/(Credit)	-	-	-	-	-	-
(e) Settlement Cost/(Credit)	-	-	-	-	-	-
(f) Amortization of Past Service Cost	-	-	-	-	-	-
(g) Actuarial Losses/(Gains)	(27,513)	518	(3,420)	(718)	(30,933)	(200)
(h) Total Expenses recognized in the statement of Profit and Loss	(21,955)	10,966	(2,729)	2,340	(24,684)	13,306
<b>B) Actual Contribution and Benefits</b>						
<b>Payments for period ending 31st March, 2012</b>						
(a) Actual Benefit Payments	-	46,154	2,226	3,024	2,226	49,178
(b) Actual Contributions	-	46,154	2,226	3,024	2,226	49,178

#### (v) Net Asset /(Liability) recognized in the Balance Sheet

Assets / Liabilities	For the Year Ended March 31, 2012					
	Gratuity		Leave Encashment		Total	
	31-03-12	31-03-11	31-03-12	31-03-11	31-03-12	31-03-11
<b>A) Funded Status</b>						
(a) Present value of Defined Benefit Obligation	12,954	34,909	1,374	6,329	14,328	41,238
(b) Fair Value of Plan Assets	-	-	-	-	-	-
(c) Funded Status [Surplus /(Deficit)]	(12,954)	(34,909)	(1,374)	(6,329)	(14,328)	(41,238)
(d) Effect of Balance Sheet asset Limit	-	-	-	-	-	-
(e) Unrecognized Past Service Costs	-	-	-	-	-	-
<b>Net Asset /(Liability) recognized in Balance Sheet</b>	(12,954)	(34,909)	(1,374)	(6,329)	(14,328)	(41,238)
(a) Net Asset/(Liability) recognized in balance Sheet at beginning of period	(34,909)	(70,097)	(6,329)	(7,013)	(41,238)	(77,110)
(b) Employer Expense	(21,955)	10,966	(2,729)	2,340	(24,684)	13,306
(c) Employer Contributions	-	(46,154)	2,226	-	2,226	(46,154)

## Notes forming part of the financial statement for the year ended 31st March, 2012 (Contd.)

### 16 DISCLOSURE IN ACCORDANCE WITH REVISED AS – 15 ON “EMPLOYEES BENEFITS” (Contd.)

#### (v) Net Asset /(Liability) recognized in the Balance Sheet (Contd,)

Assets / Liabilities	For the Year Ended March 31, 2012					
	Gratuity		Leave Encashment		Total	
	31-03-12	31-03-11	31-03-12	31-03-11	31-03-12	31-03-11
(d) Benefits Paid	-	-	(2,226)	(3,024)	(2,226)	(3,024)
(e) Net asset / (liability) recognized in Balance Sheet at end of the period	(12,954)	(34,909)	(1,374)	(6,329)	(14,328)	(41,238)

### 17 RELATED PARTY DISCLOSURES :-

As per AS – 18 issued by the Institute of Chartered Accountants of India, the Company’s related party disclosure is as under :

#### A) List of related parties :-

- i) Holding Company of SFSL Commodity Trading Pvt Ltd  
M/s. Sumedha Fiscal Services Ltd

#### Key Management Personnel

- Mr. Vijay Maheshwari - Director  
Mr. Bijay Murmuria - Director

#### B) Transactions with related parties

(Amount in ₹)

	Holding Company	
	31.03.12	31.03.11
● Rent Received	900,000	900,000
● Amount Receivable/(Payable) at year end	(1,000,000)	-
● Share Capital Received	-	-

18 Figures have been rounded off to nearest rupee.

19 Previous year figures have been regrouped/rearranged ,to conform to the classification of the current year, wherever considered necessary and to conform to the requirements of Revised Schedule VI under the Companies Act. 1956.

As per our report of even date attached

For **P. K. MUNDRA & CO.**

Chartered Accountants

Firm's Registration No. 322078E

**CA. P. K. MUNDRA**

Proprietor

Membership No. 52302

Place : Kolkata

Date : May 22, 2012

For and on behalf of the Board

**Vijay Maheshwari**

**Bijay Murmuria**

Directors