



SFSL Commodity Trading Private Limited

Annual Report 2012 - 13

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Board of Directors

Mr. Vijay Maheshwari, *Chairman*

Mr. Prashant Sekhar Panda, *Director*

Mr. Bijay Murmuria, *Director*

Registered Office

8B Middleton Street,
7E Geetanjali Apartment,
Kolkata – 700 071.

Bankers

HDFC Bank
IndusInd Bank

Auditors

P. K. Mundra & Co.
Chartered Accountants
Kolkata

DIRECTORS' REPORT TO THE SHAREHOLDERS

To
The members
SFSL COMMODITY TRADING PRIVATE LIMITED

Your Directors present the Annual Report of the Company together with the audited statements of Accounts of the Company for the year ended 31.03.2013.

Operating Results

The year ended 31st March, 2013, has been a challenging year for the Company. Highlights of the performance of the Company is provided as under -

(Amount in Rs.)

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Income from Operations	45,112	14,16,753
Other Income	17,53,122	10,73,918
Profit (Loss) before Taxation	8,77,412	13,98,971
Tax Expenses	(109)	2,78,040
Profit (Loss) after Taxation	8,77,521	11,20,931
Balance brought forward from previous year	29,60,314	18,39,383
Balance carried forward to Balance Sheet	38,37,835	29,60,314

Other Income includes Income from Rent Rs. 9.00 Lacs (previous year Rs. 9.00 lacs). The Company avoided risky exposure in the volatile market condition resulting in low revenue of brokerage in Commodity Market and profit.

Reserves

Profit after taxation during the year is Rs. 8,77,521/-, which has been carried to the Reserves of the Company.

Dividend

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

Directors

Mr. Prashant Sekhar Panda, 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. Rajeev Tandon has resigned from the Board of Directors of the Company with effect from 1-Mar-13 due to personal pre-occupations. Your Directors acknowledge his valuable services to the Company.

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. Indian Sensex and the economy in doldrums, the forecasts are not so bright. However, recovery is expected to follow once growth takes over gloom.

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 judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end financial year ended 31st March, 2013 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. No public deposit has been invited during the period under review.

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.

4) Buyback

There has been no buy-back of shares of the Company.

5) Sweat Equity

No sweat equity shares were issued during the period under review.

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.

On behalf of the Board

Place : Kolkata
Date : May 15, 2013

VIJAY MAHESHWARI
Chairman

CIN No. U65999WB1996PTC077314
Nominal Capital : Rs. 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, 2013. 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 7 (Seven) times on 22-May-12, 8-Aug-12, 17-Sep-12, 31-Oct-12, 24-Jan-13, 19-Feb-13 and 1-Mar-13 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 31/03/2012 was held on 24/08/2012 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. No Extra Ordinary General Meetings were held during the financial year.

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. Mr. Rajeev Tandon has resigned from the Board with effect from 1-Mar-13.
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.
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.

For ANJALI LAKHOTIA & CO.
Company Secretaries

ANJALI LAKHOTIA
Proprietor

Place : Kolkata

Date : May 15, 2013

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, 2013 :

1. Form No. 23AC XBRL and 23ACA XBRL regarding Balance Sheet as on 31.03.2012 and Profit & Loss A/c for the year ended 31.03.2012 were filed on 07/12/2012 pursuant to Section 220 of the Act.
2. Form No. 66 for Compliance Certificate for the financial year ending 31/03/2012 was filed on 07/09/2012 pursuant to Section 383A of the Act.
3. Form No. 20B for Annual Return (Date of AGM – 24/08/2012) was filed on 15/10/2012 pursuant to Section 159 of the Act.
4. Form No. 1AA filed on 20/02/2013 for appointment of Officer in Default pursuant to Section 5(f) of the Act.
5. Form No. 32 filed on 04/03/2013 for resignation of Mr. Rajeev Tandon with effect from 01/03/2013.

For ANJALI LAKHOTIA & CO.
Company Secretaries

ANJALI LAKHOTIA
Proprietor

Place : Kolkata
Date : May 15, 2013

C. P. No.: 3633

INDEPENDENT AUDITOR'S REPORT

To the Members of SFSL COMMODITY TRADING PVT. LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of **SFSL Commodity Trading Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and notes to financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said 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 31st March, 2013;
- 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, 2003 (as amended) ["the Order"], issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by Section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of Section 211 of the Act;
 - e. on the basis of written representations received from the directors as on 31st March, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For P K Mundra & Co.

Chartered Accountants

[Firm's Registration Number : 322078E]

CA P K Mundra

Proprietor

Membership No.: 052302

Place: Kolkata

Date: 15th May, 2013

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in our report of even date to the members of **SFSL Commodity Trading Private Limited**)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the fixed assets of the Company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (c) During the year, the Company has not disposed off any fixed assets.
- (ii) (a) The company does not have any inventory . Accordingly provisions contained in Clause ii (b) and ii(c) of the Order are not applicable to the company.
- (iii) (a) The Company has taken any 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 whom loan have been taken during the year is one. The maximum amount involved during the year was Rs 10.00 Lacs and year end Balance is Rs 3.50 lacs. (Previous Year RS 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.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets. Sale of goods has not yet commenced as the commercial operations are yet to start. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control system of the Company.

- (v) According to the information and explanations given to us, there were no contracts or arrangements referred to in Section 301 of the Companies Act, 1956 during the year that need to have been entered in the register maintained under that section. Accordingly, clauses 4(v) (a) and (b) of the Order are not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed thereunder.
- (vii) On the basis of information and explanation to us, the Company does not required to have any internal audit system.
- (viii) The maintenance of Cost records are not applicable to the company.
- (ix) (a) According to the information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, service tax and other material statutory dues applicable to it. As explained to us, the Company did not have any dues on account of investor education and protection fund, employees' state insurance, wealth tax, customs duty, excise duty, cess, service tax and sales tax during the year.
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax and other undisputed statutory dues were in arrears, as at 31st March, 2013, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no amount of statutory dues which have not been deposited on account of any dispute.
- (x) The company does not have any accumulated losses as at 31st March, 2013, and it has not incurred cash loss during the financial year ended on that date and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not taken any loans from any financial institution or bank.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.

- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) 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.
- (xvi) In our opinion and according to the information and explanations given to us, the company has not taken any term loans during the year.
- (xvii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have prima facie not been used during the year for long-term investment.
- (xviii) 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.
- (xix) The Company has not issued any debentures.
- (xx) The Company has not raised money by way of public issue during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For P K Mundra & Co.

Chartered Accountants

[Firm's Registration Number : 322078E]

CA P K Mundra

Proprietor

Membership No.: 052302

Place: Kolkata

Date: 15th May, 2013

BALANCE SHEET as at 31st March, 2013

(Amount in Rs.)

Particulars	Note	As at 31st March,	
		2013	2012
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
a) Share Capital	1	65,12,000	65,12,000
b) Reserve & Surplus	2	53,37,835	44,60,314
2 Current Liabilities			
a) Short Term Borrowing	3	3,50,000	10,00,000
b) Trade Payable	4	6,11,770	3,73,208
c) Short Term Provisions	5	-	38,660
TOTAL		1,28,11,605	1,23,84,182
II ASSETS			
1 Non-Current Assets			
a) Fixed Assets	6		
Tangible Assets		11,10,315	11,47,070
b) Non-Current Investment	7	40,36,850	43,56,148
c) Deferred Tax Assets		95,998	95,154
d) Long-term Loans and advances	8	24,14,572	15,91,055
e) Other Non- Current Assets	9	26,00,000	26,00,000
2 Current Assets			
a) Trade Receivables	10	13,74,033	20,54,853
b) Cash and Cash Equivalents	11	6,80,323	3,78,684
c) Other Current Assets	12	4,99,514	1,61,218
TOTAL		1,28,11,605	1,23,84,182
Significant Accounting Policies			
Notes on Financial Statements	1 to 23		

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

CA. P. K. MUNDRA
Proprietor
Membership No. 052302

Place: Kolkata
Date: 15th May, 2013

For and on behalf of the Board of Directors

Vijay Maheshwari
Bijay Murmura
Directors

PROFIT & LOSS STATEMENT for the year ended 31st March, 2013

(Amount in Rs.)

Particulars	Note	For the Year ended 31st March	
		2013	2012
I. Revenue From Operations	13	45,112	14,16,753
II. Other Income	14	17,53,122	10,73,918
III. Total Revenue (I+II)		17,98,234	24,90,671
IV. Expenses			
Employee Benefit Expenses	15	89,617	82,783
Depreciation	6	41,331	53,276
Other expenses	16	7,89,874	9,55,641
Total Expenses		9,20,822	10,91,700
V. Profit before Tax		8,77,412	13,98,971
VI. Add: Excess Provision of earlier years adjusted		13,110	24,684
VII. Tax Expenses			
1) Current Tax		(15,000)	(3,63,000)
2) Deffered Tax Asset		844	6,190
3) Adjustment for earlier year		1,155	54,086
VIII. Profit /(Loss) for the period		8,77,521	11,20,931
Significant Accounting Policies			
Notes on Financial Statements	1 to 23		

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

CA. P. K. MUNDRA
Proprietor
Membership No. 052302

Place: Kolkata
Date: 15th May, 2013

For and on behalf of the Board of Directors

Vijay Maheshwari
Bijay Murmura
Directors

CASH FLOW STATEMENT for the year ended 31st March, 2013

(Amount in Rs.)

Particulars	For the Year ended 31st March	
	2013	2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax and Extraordinary items	8,77,412	13,98,971
Adjustment for :		
Depreciation	41,331	53,276
(Profit)/Loss on sale of Investments	(5,84,301)	-
	3,34,442	14,52,247
Adjustment for :		
Interest received	(2,68,821)	(1,73,918)
Dividend received	-	-
Operating Profit before Working Capital changes	65,621	12,78,329
Adjustment for :		
Current and Non-Current Assets	(4,80,992)	(3,89,622)
Current Liabilities	(4,50,098)	3,46,993
(Increase)/ Decrease in Net Current Assets	(9,31,090)	(42,628)
Cash generated from Operations	(8,65,469)	12,35,700
Interest paid	-	-
Taxation	(15,000)	(3,63,000)
Adjustment for earlier year	14,265	78,771
Net Cash from operating activities	(8,66,204)	9,51,471
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets/Adjustment	(4,576)	(34,320)
Sale of Fixed Assets/Adjustment	-	-
(Purchase)/Sale of Investments	9,03,598	(6,01,000)
Investment – Application Money	-	5,99,190
Interest received	2,68,821	1,73,918
Net Cash used in investing activities	11,67,844	1,37,788
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of share capital (Including Premium)	-	-
Dividend paid (Including Dividend tax Paid)	-	-
Net Cash from Financing activities	-	-
Net increase in Cash and Cash equivalents	3,01,639	10,89,259
Cash and Cash equivalents at the beginning of the year	3,78,684	18,89,425
Cash and Cash equivalents at the close of the year	6,80,323	3,78,684*

* Fixed Deposits amounting to Rs. 26,00,000/- shown under the head "Other Non-Current Assets", not included in closing balance due to re-grouping as per Schedule VI, as modified.

Notes: (i) Components of cash and cash equivalents include cash, bank balances in current accounts as disclosed under Revised Schedule VI 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 Registration No. 322078E

CA. P. K. MUNDRA

Proprietor

Membership No. 052302

Place: Kolkata

Date: 15th May, 2013

For and on behalf of the Board of Directors

Vijay Maheshwari

Bijay Murmura

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.

“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 Rs. 844/- (Prey. Year Rs. 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 31.03.2013 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, 2013

	As at 31st March 2013		As at 31st March 2012	
	No.	Amount (Rs.)	No.	Amount (Rs.)
1 Share Capital				
a) Authorised				
Equity Shares of Rs. 10/- each	7,00,000	70,00,000	7,00,000	70,00,000
Issued, Subscribed & Paid up				
Equity Shares of Rs 10/- each fully paid	6,51,200	65,12,000	6,51,200	65,12,000
Total	6,51,200	65,12,000	6,51,200	65,12,000
b) Reconciliation of Equity Shares				
Shares outstanding at the beginning of the year	6,51,200	65,12,000	6,51,200	65,12,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	6,51,200	65,12,000	6,51,200	65,12,000

c) The details of shareholders holding shares more than five percentage

Name of Shareholder	As at 31st March 2013		As at 31st March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sumedha Fiscal services Ltd.(Holding Company)	6,51,000	100.00	6,51,000	100.00
Total	6,51,000	100.00	6,51,000	100.00

(Amount in Rs.)

	As at 31st March	
	2013	2012
2 Reserves & Surplus		
a. Securities Premium Reserve		
Opening Balance	15,00,000	15,00,000
Add : Securities premium credited on Share issue	-	-
Closing Balance	15,00,000	15,00,000
b. Surplus		
Opening balance	29,60,314	18,39,383
(+) Net Profit For the current year	8,77,521	11,20,931
Closing Balance	38,37,835	29,60,314
Total	53,37,835	44,60,314
3 Short Term Borrowing		
a) Loan From Related Party	-	-
Unsecured Loan From Holding Company (Interest Free)	3,50,000	10,00,000
Total	3,50,000	10,00,000
4 Trade Payables		
Client Margin Money	4,39,080	3,59,553
Sundry Creditors	1,72,690	13,655
Total	6,11,770	3,73,208
5 Short Term Provisions		
(a) Provision for employee benefits		
Gratuity	-	12,954
Leave Encashment	-	1,374
(b) Provision For Tax	-	24,332
Total	-	38,660

6 Fixed Assets

(Amount in Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 31.03.2012	Addition	Deduction	As at 31.03.2013	As at 31.03.2012	Adjustment/ Deduction	For the year	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
TANGIBLE FIXED ASSETS										
Buildings (Flat) *	14,10,154	-	-	14,10,154	2,87,518	-	22,703	3,10,221	10,99,933	11,22,636
Computers	2,07,640	4,576	-	2,12,216	1,83,206	-	18,628	2,01,834	10,382	24,434
Total	16,17,794	4,576	-	16,22,370	4,70,724	-	41,331	5,12,055	11,10,315	11,47,070
Previous Year	15,83,474	34,320	-	16,17,794	4,17,448	-	53,276	4,70,724	11,47,070	

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

(Amount in Rs.)

Particulars	As at 31st March	
	2013	2012
7 Non-Current Investments		
A Non-Trade Investments		
(a) Investment in Equity instruments	33,41,000	23,41,000
(b) Investments in Mutual Funds	6,95,850	20,15,148
Total	40,36,850	43,56,148
Aggregate amount of quoted investments - Market Value Rs.9,65,870/- (Previous Year Rs. 26,34,402/-)	6,95,850	20,15,148
Aggregate amount of unquoted investments	33,41,000	23,41,000
Total	40,36,850	43,56,148

A) Details of Non-Trade Investment (at cost)

	As at 31st March 2013		As at 31st March 2012	
	No. of Shares held	Amount (Rs.)	No. of Shares held	Amount (Rs.)
I) Equity Instruments (Unquoted)				
i) Capita Finance Services Ltd	5,100	1,50,000	5,100	1,50,000
ii) Seasoft Solutions Pvt. Ltd.	34,120	16,90,000	34120	16,90,000
iii) Hitech Tradecomm (P) Ltd.	6,250	10,00,000	-	-
iv) Superb Estate Services Pvt. Ltd.	167	5,01,000	167	5,01,000
Total - A		33,41,000		23,41,000

	Units	Rs.	Units	Rs.
	II) Investment in Mutual Fund (in Units)			
i) GDBG IDFC Dynamic Bond Fund - Plan A - Growth	-	-	166.0580	2,000
ii) JP Morgan India Treasury Fund - Super Inst. Growth Plan	17267.4488	1,82,702	141767.5579	15,00,000
iii) JP Morgan India Liquid Fund - Retail Growth Plan	50414.8445	5,13,148	50414.8445	5,13,148
Total - B		6,95,850		20,15,148
Total - A+B		40,36,850		43,56,148

(Amount in Rs.)

Particulars	As at 31 March,	
	2013	2012
8 Long Term Loans and Advances		
a. Other advances (Unsecured, considered good)	11,51,074	13,100
b. Security Deposits (Secured, considered good)	12,63,498	15,77,955
Total	24,14,572	15,91,055
9 Other Non- Current Assets		
Fixed Deposits with Banks (With maturity period more than 12 months) (The above Fixed Deposits are with Multi Commodity Exchange of India Ltd towards Margin Money)	26,00,000	26,00,000
Total	26,00,000	26,00,000
10 Trade Receivables (Unsecured, considered good)		
Trade receivables outstanding for a period less than six months from the date they are due for payment	5,50,029	16,56,608
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	824004	3,98,245
Total	13,74,033	20,54,853
11 Cash and Cash Equivalent		
a) Cash on hand	2,108	3,201
b) Balances with scheduled Banks	6,78,215	3,75,483
Total	6,80,323	3,78,684
12 Other Current Assets		
Income Tax Refundable	1,03,521	-
Interest accrued on bank deposits	3,95,993	1,61,218
Total	4,99,514	1,61,218

(Amount in Rs.)

Particulars	For the year ended 31st March	
	2013	2012
13 Revenue from Operations		
Income From Commodity Market Operation	45,112	14,16,753
Total	45,112	14,16,753
14 Other Income		
Interest Income	2,60,865	1,73,918
Net gain on sale of investments	5,84,301	-
Rent	9,00,000	9,00,000
Miscellaneous Income	7,956	-
Total	17,53,122	10,73,918
15 Employee Benefits Expense		
Salaries and Bonus	89,617	82,783
Total	89,617	82,783
16 Other Expenses		
Demat and Depository Charges	14,750	17,109
Annual Fee	75,000	75,000
Insurance	5,600	2,699
Bank Guarantee Commission	62,800	67,709
Service Charges	3,91,020	3,75,270
Travelling & Conveyance	1,200	32,200
Rates & Taxes	6,900	1,900
Professional Charges	12,500	13,000
Auditors' Remuneration	11,000	10,000
Lease Line Charges	57,150	1,24,343
Filing Fee	3,036	4,080
User ID Charges	9,000	10,000
Car Hire Charges	-	64,000
Inspection Charges	25,000	-
Printing & Stationery	7,110	8,560
Transaction Charges	1,01,882	1,38,302
Miscellaneous Expenses	5,926	11,469
Total	7,89,874	9,55,641

17 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

(Amount in Rs.)

		Gratuity		Leave Encashment		Total	
		31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
(a)	Present Value of DBO at beginning of period	-	34,909		6,329		41,238
(b)	Current Service Cost		2,591		153		2,744
(c)	Interest Cost		2,967		538		3,505
(d)	Curtailment cost/(Credit)	-	-	-	-	-	-
(e)	Settlement Cost / (Credit)	-	-	-	-	-	-
(f)	Employee Contribution	-	-	-	-	-	-
(g)	Plan Amendments	-	-	-	-	-	-
(h)	Acquisitions	-	-	-	-	-	-
(i)	Actuarial (Gain)/Losses		(27,513)		(3,420)		(30,933)
(j)	Benefits Paid		-		(2,226)		(2,226)
(k)	Present Value of DBO at the end of period		12,954		1,374		14,328

(ii) Changes in the Fair value of Assets

		Gratuity		Leave Encashment		Total	
		31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
(a)	Plan assets at beginning of Period	-	-	-	-	-	-
(b)	Actual return on Plan Assets	-	-	-	-	-	-
(c)	Actual Company Contributions	-	-	-	2,226	-	2,226
(d)	Employee Contributions	-	-	-	-	-	-
(e)	Benefits Paid	-	-	-	(2,226)	-	(2,226)
(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

(Amount in Rs.)

		For the Year Ended March 31, 2013					
		Gratuity		Leave Encashment		Total	
		31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
Assets / Liabilities							
(a)	Present Value of Obligation	-	12,954	-	1,374	-	14,328
(b)	Fair Value of Plan Assets	-	-	-	-	-	-
(c)	Net Asset/(Liability) recognized in the Balance Sheet		(12,954)		(1,374)		(14,337)
Employer Expense							
(a)	Current Service Cost	-	2,591	-	153	-	2,744
(b)	Total Employer Expense	-	(21,955)	-	(2,729)	-	(24,684)

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

		For the Year Ended March 31, 2013					
		Gratuity		Leave Encashment		Total	
		31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
(A)	Components of Employer Expense						
(a)	Current Service Cost	-	2,591	-	153	-	2,744
(b)	Interest Cost	-	2,967	-	538	-	3,505
(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)	-	(3,420)	-	(30,933)
(h)	Total Expenses recognized in the statement of Profit and Loss	-	(21,955)	-	(2,729)	-	(24,684)
(B)	Actual Contribution and Benefits Payments for period ending 31 March 2012						
(a)	Actual Benefit Payments	-	-	-	2,226	-	2,226
(b)	Actual Contributions	-	-	-	2,226	-	2,226

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

		For the Year Ended March 31, 2013					
		Gratuity		Leave Encashment		Total	
		31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
(A)	Funded Status						
(a)	Present value of Defined Benefit Obligation	-	12,954	-	1,374	-	14,328
(b)	Fair Value of Plan Assets	-	-	-	-	-	-
(c)	Funded Status [Surplus /(Deficit)]		(12,954)		(1,374)		(14,328)
(d)	Effect of Balance Sheet asset Limit	-	-	-	-	-	-
(e)	Unrecognized Past Service Costs	-	-	-	-	-	-
(B)	Net Asset /(Liability) recognized in Balance Sheet	-	(12,954)	-	(1,374)	-	(14,328)
(a)	Net Asset/(Liability) recognized in balance Sheet at beginning of period	-	(34,909)	-	(6,329)	-	(41,238)
(b)	Employer Expense	-	(21,955)	-	(2,729)	-	(24,684)
(c)	Employer Contributions	-	-	-	2,226	-	2,226
(d)	Benefits Paid	-	-	-	(2,226)	-	(2,226)
(e)	Net asset / (liability) recognized in Balance Sheet at end of the period	-	(12,954)	-	(1,374)	-	(14,328)

18 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 Rs.)

- Rent Received
- Amount Receivable/(Payable) at year end

Holding Company	
31-03-2013	31-03-2012
9,00,000	9,00,000
(3,50,000)	(10,00,000)

19 No provision for gratuity and leave encashment has been made during the year as the only employee has been transferred to the Holding Company as on 31.3.2013 and the Company has no liability against the employee.

20 Open interest in Commodity Stock Futures as on 31.3.2013:

Long Position

Sl. No.	Name of Future	Series of Future	Number of Contracts	Number of Units Involved
1	SILVER-M	30-Apr-13	8	40 Kg.

21 Contingent liability not provided for in respect of guarantee given by HDFC BANK to Multi Commodity Exchange of India Ltd. Rs. 50.00 Lacs (Prev. Year Rs. 50.00 Lacs).

22 Figures have been rounded off to nearest rupee.

23 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 Registration No. 322078E

CA. P. K. MUNDRA
Proprietor
Membership No. 052302

Place: Kolkata
Date: 15th May, 2013

For and on behalf of the Board of Directors

Vijay Maheshwari
Bijay Murmuria
Directors