



**SFSL Commodity Trading Private Limited**

**Annual Report 2013 - 14**

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### **Board of Directors**

Mr. Vijay Maheshwari, *Chairman*

Mr. Prashant Sekhar Panda, *Director*

Mr. Bijay Murmuria, *Director*

### **Corporate Identification No. (CIN)**

U65999WB1996PTC077314

### **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 31.03.2014.

### **Operating Results**

The year ended 31st March, 2014, has been a challenging year for the Company. Highlights of the performance of the Company is provided as under -

Particulars	(Amount in Rs.)	
	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Income from Operations	(6,17,155)	45,112
Other Income	17,06,407	17,53,122
Profit (Loss) before Taxation	4,12,080	8,77,412
Tax Expenses	17,503	(109)
Profit (Loss) after Taxation	3,94,577	8,77,521
Balance brought forward from previous year	38,37,835	29,60,314
Balance carried forward to Balance Sheet	42,32,412	38,37,835

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. 3,94,577/-, 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**

In accordance with provisions of Section 149 and 152 of the Companies Act, 2013, Mr. Vijay Maheshwari Director of the Company would retire by rotation at the ensuing Annual General Meeting, and is eligible for reappointment. Your directors recommend his re-appointment as Directors of your Company, subject to retirement by rotation.

### **Membership of MCX**

Your Company avoided risky exposures in the highly volatile market condition resulting in low revenue and profit during the year. The economy is improving and with stable government, one can estimate that there shall be a overall recovery leading to larger business going ahead.

### **Auditors**

The term of office of M/s. P. K. Mundra & Co., as Statutory Auditors of the Company is to expire with the conclusion of forthcoming Annual General Meeting of the Company.

The Board of Directors of the Company has, subject to approval of the Members, decided to make a change in the Statutory Auditors. This change is in order to remain at the forefront of good governance and in recognition of regulatory changes in India.

Accordingly, a Special Notice has been received from Mr. Bijay Murmuria, in its capacity as a Member of the Company, proposing a resolution at the forthcoming Annual General Meeting for appointment of M/s. ARSK & Associates, as the Statutory Auditors of the Company in place of M/s. P. K. Mundra & Co., being the retiring Auditor.

The Company has sent a copy of the said Special Notice to the retiring Statutory Auditor. A resolution proposing appointment of M/s. ARSK & Associates, Chartered Accountants as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 forms part of the Notice of the Annual General Meeting.

The Board places on record its appreciation for the services rendered by M/s. P. K. Mundra & Co. as the Statutory Auditors of the Company.

### **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 31<sup>st</sup> March, 2014 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, 2014

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, 2014. 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 4 (Four) times on 15-May-13, 06-Aug-13, 06-Nov-13, and 16-Jan-14 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 31/03/2013 was held on 08/08/2013 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(now section 185 of the Act,2013)
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 there was no appointment of additional directors, alternate directors and director due to casual vacancy during the financial year.
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 31<sup>st</sup> March, 2014 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*  
C. P. No.: 3633

Place : Kolkata  
Date : May 15, 2014



### **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, 2014 :

1. Form No. 23AC XBRL and 23ACA XBRL regarding Balance Sheet as on 31.03.2013 and Profit & Loss A/c for the year ended 31.03.2013 were filed on 05/09/2013 pursuant to Section 220 of the Act.
2. Form No. 66 for Compliance Certificate for the financial year ending 31/03/2013 was filed on 19/08/2013 pursuant to Section 383A of the Act.
3. Form No. 20B for Annual Return (Date of AGM – 08/08/2013) was filed on 23/09/2013 pursuant to Section 159 of the Act.

For ANJALI LAKHOTIA & CO.  
Company Secretaries

Place : Kolkata

ANJALI LAKHOTIA  
*Proprietor*

Date : May 15, 2014

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 31 March, 2014, 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, 2014;
- 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. iii 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, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.
  - f. Since the Central government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For P K Mundra & Co.**

*Chartered Accountants*

[Firm's Registration Number : 322078E]

**CA P K Mundra**

*Proprietor*

Membership No.: 052302

Place: Kolkata

Date: 15<sup>th</sup> May, 2014

## 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 an 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 48.50 Lacs (Previous Year Rs. 10 Lacs) and year end Balance is Rs 14.00 lacs. (Previous Year Rs. 3.5 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 an explanation to us, the Company does not require to have any internal audit system.
- (viii) The maintenance of Cost records is 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 31 March, 2014, 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 31<sup>st</sup> March, 2014 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: 15<sup>th</sup> May, 2014

**BALANCE SHEET as at 31st March, 2014**

(Amount in Rs.)

Particulars	Note	As at 31st March,	
		2014	2013
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a) Share Capital	1	65,12,000	65,12,000
b) Reserve & Surplus	2	57,32,412	53,37,835
<b>2 Current Liabilities</b>			
a) Short Term Borrowing	3	14,00,000	3,50,000
b) Trade Payable	4	1,39,733	6,11,770
<b>TOTAL</b>		<b>1,37,84,145</b>	<b>1,28,11,605</b>
<b>II ASSETS</b>			
<b>1 Non-Current Assets</b>			
a) Fixed Assets	5		
Tangible Assets		11,00,035	11,10,315
b) Non-Current Investment	6	45,06,548	40,36,850
c) Deferred Tax Assets		1,00,744	95,998
d) Long-term Loans and advances	7	46,12,418	24,14,572
<b>2 Current Assets</b>			
a) Trade Receivables	8	2,53,341	13,74,033
b) Cash and Cash Equivalents	9	28,89,903	32,80,323
c) Other Current Assets	10	3,21,156	4,99,514
<b>TOTAL</b>		<b>1,37,84,145</b>	<b>1,28,11,605</b>
<b>Significant Accounting Policies</b>			
Notes on Financial Statements	1 to 19		

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, 2014

For and on behalf of the Board of Directors

Vijay Maheshwari  
Bijay Murmuria  
Directors

**PROFIT & LOSS STATEMENT for the year ended 31st March, 2014**

**(Amount in Rs.)**

Particulars	Note	For the Year ended 31st March	
		2014	2013
I. Revenue From Operations	11	(6,17,155)	45,112
II. Other Income	12	17,06,407	17,53,122
III. <b>Total Revenue (I+II)</b>		<b>10,89,252</b>	<b>17,98,234</b>
IV. Expenses			
Employee Benefit Expenses	13	-	89,617
Depreciation	5	23,230	41,331
Other expenses	14	6,53,942	7,89,874
<b>Total Expenses</b>		<b>6,77,172</b>	<b>9,20,822</b>
V. <b>Profit before Tax</b>		<b>4,12,080</b>	<b>8,77,412</b>
VI. Add: Excess Provision of earlier years adjusted		-	13,110
VII. Tax Expenses			
1) Current Tax		(20,500)	(15,000)
2) Deferred Tax Asset		4,746	844
3) Adjustment for earlier year		(1,749)	1,155
VIII. <b>Profit / (Loss) for the period</b>		<b>3,94,577</b>	<b>8,77,521</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 Registration No. 322078E

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

Place: Kolkata  
Date: 15th May, 2014

For and on behalf of the Board of Directors

Vijay Maheshwari  
Bijay Murmuria  
Directors



**CASH FLOW STATEMENT for the year ended 31<sup>st</sup> March, 2014**

(Amount in Rs.)

Particulars	For the Year ended 31st March	
	2014	2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax and Extraordinary items	<b>4,12,080</b>	8,77,412
Adjustment for :		
Depreciation	<b>23,230</b>	41,331
(Profit)/Loss on sale of Investments	<b>(4,16,060)</b>	(5,84,301)
	<b>19,250</b>	3,34,442
Adjustment for :		
Interest received	<b>(3,90,347)</b>	(2,68,821)
Dividend received	-	-
Operating Profit before Working Capital changes	<b>(3,71,097)</b>	65,621
Adjustment for :		
Current and Non-Current Assets	<b>(8,98,797)</b>	21,19,008
Current Liabilities	<b>5,77,963</b>	(4,50,098)
(Increase)/ Decrease in Net Current Assets	<b>(3,20,834)</b>	16,68,910
Cash generated from Operations	<b>(6,91,931)</b>	17,34,530
Interest paid	-	-
Taxation	<b>(20,500)</b>	(15,000)
Adjustment for earlier year	<b>(1,749)</b>	14,265
<b>Net Cash from operating activities</b>	<b>(7,14,180)</b>	17,33,795
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Fixed Assets/Adjustment	<b>(12,950)</b>	(4,576)
Sale of Fixed Assets/Adjustment	-	-
(Purchase)/Sale of Investments	<b>(53,638)</b>	9,03,599
Investment – Application Money	-	-
Interest received	<b>3,90,347</b>	2,68,821
Dividend received	-	-
<b>Net Cash used in investing activities</b>	<b>3,23,759</b>	11,67,844
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of share capital (Including Premium)	-	-
Dividend paid (Including Dividend tax Paid)	-	-
<b>Net Cash from Financing activities</b>	-	-
Net increase in Cash and Cash equivalents	<b>(3,90,420)</b>	29,01,639
Cash and Cash equivalents at the beginning of the year	<b>32,80,323</b>	3,78,684
Cash and Cash equivalents at the close of the year	<b>28,89,903</b>	32,80,323

**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, 2014

For and on behalf of the Board of Directors

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 Rs. 4,746/- (Previous Year Rs. 844/-) on account of tax impact on difference between WDV of fixed assets as per books of accounts and as per Income tax as on 31.03.2014 has been accounted for during the year.

#### Notes forming part of the financial statement for the year ended 31st March, 2014

	As at 31 <sup>st</sup> March, 2014		As at 31 <sup>st</sup> March, 2013	
	No.	Amount (Rs.)	No.	Amount (Rs.)
<b>1 Share Capital</b>				
<b>a) Authorised</b>				
Equity Shares of Rs. 10/- each	7,00,000	70,00,000	7,00,000	70,00,000
<b>Issued, Subscribed &amp; Paid up</b>				
Equity Shares of Rs 10/- each fully paid	6,51,200	65,12,000	6,51,200	65,12,000
<b>Total</b>	6,51,200	65,12,000	6,51,200	65,12,000
<b>b) Reconciliation of Equity Shares</b>				
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 31 <sup>st</sup> March, 2014		As at 31 <sup>st</sup> March, 2013	
	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
<b>Total</b>	6,51,000	100.00	6,51,000	100.00

(Amount in Rs.)

	As at 31st March	
	2013	2012
<b>2 Reserves &amp; Surplus</b>		
<b>a. Securities Premium Reserve</b>		
Opening Balance	15,00,000	15,00,000
Add : Securities premium credited on Share issue	-	-
Closing Balance	15,00,000	15,00,000
<b>b. Surplus</b>		
Opening balance	38,37,835	29,60,314
(+) Net Profit For the current year	3,94,577	8,77,521
Closing Balance	42,32,412	38,37,835
<b>Total</b>	<b>57,32,412</b>	<b>53,37,835</b>
<b>3 Short Term Borrowing</b>		
a) Loan From Related Party	-	-
Unsecured Loan From Holding Company ( Interest Free)	14,00,000	3,50,000
<b>Total</b>	<b>14,00,000</b>	<b>3,50,000</b>
<b>4 Trade Payables</b>		
Client Margin Money	1,26,733	4,39,080
Sundry Creditors	13,000	1,72,690
<b>Total</b>	<b>1,39,733</b>	<b>6,11,770</b>

## 5 Fixed Assets

(Amount in Rs.)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31.03.2013	Addition	Deduction	As at 31.03.2014	As at 31.03.2013	Adjustment/ Deduction	For the year	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
<b>TANGIBLE FIXED ASSETS</b>										
Buildings (Flat) *	14,10,154	-	-	<b>14,10,154</b>	3,10,221	-	22,703	<b>3,32,924</b>	<b>10,77,230</b>	10,99,933
Computers	2,12,216	-	-	<b>2,12,216</b>	2,01,834	-	-	<b>2,01,834</b>	<b>10,382</b>	10,382
Office Equipments	-	12,950	-	<b>12,950</b>	-		527	<b>527</b>	<b>12,423</b>	-
<b>Total</b>	<b>16,22,370</b>	<b>12,950</b>	-	<b>16,35,320</b>	<b>5,12,055</b>	-	<b>23,230</b>	<b>5,35,285</b>	<b>11,00,035</b>	<b>11,10,315</b>
Previous Year	16,17,794	4,576	-	16,22,370	4,70,724	-	41,331	5,12,055	11,10,315	

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

(Amount in Rs.)

Particulars	As at 31st March	
	2014	2013
<b>6 Non-Current Investments</b>		
<b>A Non-Trade Investments</b>		
(a) Investment in Equity instruments	35,91,100	33,41,000
(b) Investments in Mutual Funds	9,15,448	6,95,850
<b>Total</b>	<b>45,06,548</b>	<b>40,36,850</b>
Aggregate amount of quoted investments - Market Value Rs.9,48,621/- (Previous Year Rs. 9,65,870/-)	9,15,448	6,95,850
Aggregate amount of unquoted investments	35,91,100	33,41,000
<b>Total</b>	<b>45,06,548</b>	<b>40,36,850</b>

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

	As at 31st March, 2014		As at 31st March, 2013	
	No. of Shares held	Amount (Rs.)	No. of Shares held	Amount (Rs.)
<b>I) Equity Instruments (Unquoted)</b>				
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	6,250	10,00,000
iv) Superb Estate Services Pvt. Ltd.	167	5,01,000	167	5,01,000
v) APC Plants Pvt. Ltd.	610	2,50,100	-	-
<b>Total - A</b>		<b>35,91,100</b>		<b>33,41,000</b>

	Units	Rs.	Units	Rs.
	<b>II) Investment in Mutual Fund (in Units)</b>			
i) JP Morgan India Treasury Fund – Super Inst. Growth Plan	-	-	17267.4488	1,82,702
ii) JP Morgan India Liquid Fund – Retail Growth Plan	-	-	50414.8445	5,13,148
iii) IDFC Cash Fund-Growth-Regular Plan	608.555	9,15,448	-	-
<b>Total - B</b>		<b>9,15,448</b>		<b>6,95,850</b>
<b>Total - A+B</b>		<b>45,06,548</b>		<b>40,36,850</b>

(Amount in Rs.)

Particulars	As at 31 March,	
	2014	2013
<b>7 Long Term Loans and Advances</b>		
<b>a. Other advances</b> (Unsecured, considered good)	27,98,919	11,51,074
<b>b. Security Deposits</b> (Secured, considered good)	18,13,499	12,63,498
<b>Total</b>	<b>46,12,418</b>	<b>24,14,572</b>
<b>8 Trade Receivables</b> (Unsecured, considered good)		
Trade receivables outstanding for a period less than six months from the date they are due for payment	1,734	5,50,029
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	2,51,607	8,24,004
<b>Total</b>	<b>2,53,341</b>	<b>13,74,033</b>
<b>9 Cash and Cash Equivalent</b>		
a) Cash on hand	32,412	2,108
b) Balances with scheduled Banks	9,07,491	6,78,215
c) Fixed Deposits with Banks*	19,50,000	26,00,000
<b>Total</b>	<b>28,89,903</b>	<b>32,80,323</b>
*1) Fixed Deposits with Bank included Rs. 11,00,000/- (Previous Year Rs. 26,00,000/-) with maturity more than 12 months.		
*2) The above Fixed Deposits are pledged with Multi Commodity Exchange of India Ltd. towards margin money.		
<b>10 Other Current Assets</b>		
Income Tax Refundable	2,10,306	1,03,521
Interest accrued on bank deposits	1,10,850	3,95,993
<b>Total</b>	<b>3,21,156</b>	<b>4,99,514</b>

(Amount in Rs.)

Particulars	For the year ended 31st March	
	2014	2013
<b>11 Revenue from Operations</b>		
Brokerage	91,620	1,21,472
Loss from Commodity Derivatives	(7,08,775)	(76,360)
<b>Total</b>	<b>(6,17,155)</b>	<b>45,112</b>
<b>12 Other Income</b>		
Interest Income	3,90,347	2,60,865
Net gain on sale of investments	4,16,060	5,84,301
Rent	9,00,000	9,00,000
Miscellaneous Income	-	7,956
<b>Total</b>	<b>17,06,407</b>	<b>17,53,122</b>
<b>13 Employee Benefits Expense</b>		
Salaries and Bonus	-	89,617
<b>Total</b>	<b>-</b>	<b>89,617</b>
<b>14 Other Expenses</b>		
Demat and Depository Charges	11,750	14,750
Annual Fee	75,000	75,000
Insurance	2,670	5,600
Bank Guarantee Commission	-	62,800
Service Charges	4,15,635	3,91,020
Bad Debts	36,783	-
Travelling & Conveyance	7,500	1,200
Rates & Taxes	4,400	6,900
Professional Charges	3,300	12,500
Accounting Charges	28,000	-
Auditors' Remuneration	14,500	11,000
Lease Line Charges	-	57,150
Filing Fee	2,009	3,036
User ID Charges	26,000	9,000
Inspection Charges	-	25,000
Printing & Stationery	4,000	7,110
Transaction Charges	15,672	1,01,882
Miscellaneous Expenses	6,723	5,926
<b>Total</b>	<b>6,53,942</b>	<b>7,89,874</b>



15 Disclosure in accordance with Revised AS - 15 on "Employees Benefits" not required as there is no employee in the Company.

**16 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	
31-03-2014	31-03-2013
9,00,000	9,00,000
(14,00,000)	(3,50,000)

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

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 Registration No. 322078E

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

Place: Kolkata  
Date: 15th May, 2014

For and on behalf of the Board of Directors

Vijay Maheshwari  
Bijay Murmuria  
Directors