

# ANNUAL REPORT 2010-2011

**CINDRELLA FINANCIAL SERVICES LIMITED**

9, MANGOE LANE, 3RD FLOOR, KOLKATA : 700 001

Phone : (033) 22481186

E-mail : [cindrela@bsnl.in](mailto:cindrela@bsnl.in)

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## **BOARD OF DIRECTORS**

<b>Sri Rajendra Kumar Baid</b>	Chairman
<b>Smt. Sangita Devi Baid</b>	Director
<b>Sri Surajmal Kundalia</b>	Director
<b>Sri Kumaresh Lahiri</b>	Director

**Registered Office :**

9 Mangoe Lane  
3rd Floor, Kolkata - 700 001

**Auditors :**

M/s Agarwal Mahesh Kumar & Co.  
Sevoke Road, Siliguri - 734401  
M. No. 54394

**Bankers :**

UTI Bank

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## CINDRELLA FINANCIAL SERVICES LIMITED

9, Mangoe Lane, 3rd Floor, Kolkata - 700 001

### NOTICE

To,  
The Shareholders,

NOTICE is hereby given that the 17th Annual General Meeting of **CINDRELLA FINANCIAL SERVICES LTD.** will be held at the office of the Company on Wednesday, the 21st day of September, 2011 at 10.30 am transact the following business.

#### **AS ORDINARY BUSINESS :**

1. To receive and adopt the Audited Profit & Loss Account for the year ended 31st March, 2011 and the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sri Kumaresh Lahiri who retires by rotation and being eligible offers herself for re-appointment.
3. To consider and if thought fit, to pass the following resolution with or without modification as ordinary resolution.

“**RESOLVED** that M/s. Agarwal Mahesh Kumar & Co., Chartered Accountants, Siliguri, be and are hereby appointed as Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors of the Company.”

For & on behalf of the Board

Place: KOLKATA  
Dated: 14/05/2010

(R. K. Baid)  
Chairman

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## CINDRELLA FINANCIAL SERVICE LIMITED

9, Mangoe Lane, 3rd Floor, Kolkata - 700 001

### NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The proxy form should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.
2. The Register of Members & Shares transfer Books of the Company will remain closed from 14th September, 2011 to 20<sup>th</sup> September, 2011 (Both days inclusive).
3. Members are requested to bring their copies of Annual Report to the meeting.
4. Members/body Corporate/Proxies should bring the attendance slip duly filled in for attending the meeting. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID number for easy identification of attendance at meeting.
5. Members holding shares in physical form are requested to quote their folio number in the attendance slip.
6. Members are requested to notify any change in their address at the earliest quoting their registered folio number. Change of address in respect of shares held in demat form is required to be intimated to the Concerned Depository Participant.
7. Shareholders are requested to send all correspondence in respect of shares held by them to the Company Registrar's & Share transfer Agents, viz NICHE TECHNOLOGIES PVT. LTD, D-511, Bagree Market, 71, B.R.B. Basu Road, Kolkata 700001.
8. The equity shares of the Company have been activated for dematerialization on National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL).
9. Members who have multiple accounts in identical names or joint accounts in same order are requested to intimate the R&TA enclosing their share certificates to consolidate all such holdings into one account to facilitate better service.
10. The Members seeking any information or clarification with regards to accounts or operation at the AGM are requested to write to the Company, at least seven days prior to the date of the meeting, so as to enable the management to keep the information ready.

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**CINDRELLA FINANCIAL SERVICES LIMITED**

**DIRECTORS' REPORT**

The directors have immense pleasure in presenting the 17th Annual Report together with Audited Accounts of the Company for the year ended 31st March, 2011.

<b>Financial Results</b>	<b>Rs. in Lakhs</b>
Total Income	3.75
Total Expenditure	3.29
Profit before Tax	0.47
Provision for Taxation - Current	0.10
Deferred	0.00
Profit after Tax	0.37
Profit B/f from previous year	(75.27)
Balance transferred to Balance Sheet	(74.90)

**OPERATIONS:**

The company has been able to generate surplus on trading of shares. The directors expect growth in near future.

**FUTURE PROSPECTS:**

The outlook of the Company for the year 2010-11 is good and your directors looks forward to achieving good financial results in the Financial Year 2011-12.

**DIVIDEND:**

Yours directors do not recommend any dividend for the year 2010-11 keeping in view the quantum of profits earning by the Company.

**CORPORATE GOVERNANCE:**

As a listed company, necessary measures are being taken to comply with the listing agreement with the Stock Exchange. A report on Corporate Governance along with the Certificate of Compliance from the Auditors, forms part of this Annual Report.

**DIRECTORS:**

In terms of Articles of Association of the company read with section 255 of the Companies Act, 1956, Sri Kumaresh Lahiri retires by rotation and being eligible offers himself for re-appointment.

**LISTING:**

The Shares of the Company are presently listed on the Mumbai and Calcutta Stock Exchange. The listing fee for the year 2011-12 in respect of Calcutta Stock Exchange have been paid in the month of May, 2011 and in respect of Mumbai Stock Exchange in the month of April, 2011.

**DEPOSITS:**

Your Company has not accepted any deposit from the public.

**AUDITORS:**

M/s. Agarwal Mahesh Kumar & Co., Chartered Accountants, the auditors of company retires and being eligible offers them for reappointment.

The notes on account referred to in the Auditor's Report are self explanatory and therefore do not call for any further comments u/s 217(3) of the Companies Act, 1956.

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**COMPLIANCE:**

The compliance certificate received from the Mr. Somnath Ganguly, practicing Company Secretary forms part of and is annexed to this annual report.

**PERSONNEL:**

None of the employees of your company were receiving remuneration exceeding Rs. 24,00,000/- per annum or Rs. 2,00,000/- per month or part thereof. Hence no particulars of the employees as per section 217(2A) of the Companies Act, 1956 need to be furnished.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

It is further stated, that

- i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. your directors had 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 and of the profit & loss of the company for that period;
- iii. your directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. Your directors had prepared the annual accounts on a going concern basis.

**THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF DIRECTORS RULES, 1988).**

In accordance with the requirements of the above rules, the particulars in respect of conservation of energy, research and development, technology, absorption are not applicable to the company.

**ACKNOWLEDGEMENT:**

Your Directors acknowledge the co-operation extended by the various Government Authorities, Bankers, Business Associates, Members and Guests. Your Directors also place on record their sincere appreciation of the services rendered by the employees at all levels.

By order and on behalf of the Board.

**(RAJENDRA KUMAR BAID)**  
Chairman

Dated: 14/05/2010  
Registered Office:  
9, Mangoe Lane, Kolkata-700001

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## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

### **To the Members of Cindrella Financial Services Ltd.**

We have examined the compliance of conditions of Corporate Governance by **CINDRELLA FINANCIAL SERVICES LIMITED** for the year ended 31st March, 2011 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

As more fully discussed in the Corporate Governance report prepared by the Company, the Company has not complied with the following conditions of the Corporate Governance as stipulated in the Listing Agreement.

- a. As informed by the management, the Company is in the process of appointing a Company Secretary for the implementation of the conditions of the Listing Agreement.
- b. The Company has not constituted a Remuneration committee since no other remuneration or payment is paid to the Directors except and in excess the amount provided in the Articles of Association.
- c. The person serving the Company as a "Compliance Officer" is not a qualified Company Secretary in accordance with the conditions of the Listing Agreement.

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

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that no investor grievances were reported during the year under review, as stated.

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

**For AGARWAL MAHESH KUMAR & CO.**  
CHARTERED ACCOUNTANTS

Place : KOLKATA (CAMP)  
Dated: 14/05/2011

**(CA.M.K. AGARWAL)**  
Proprietor  
M.No.54394



## CINDRELLA FINANCIAL SERVICES LIMITED

The Directors present the Company's Report on Corporate Governance. (As required under clause 49 of the Listing Agreement entered into with Stock Exchanges)

### 1. Company's Philosophy & Corporate Governance.

The Company has endeavored to benchmark itself against global standards in all areas, including corporate governance. Good corporate governance implies optimum utilization of the resources and ethical behaviors of the enterprise to enhance the shareholder's value with strong emphasis on transparency, accountability, and integrity which are the primary objective of our enterprise.

### 2. Board of Directors

#### (a) Composition and size of the Board

The Company has an optimum combination of Executive and Non-Executive Directors. The Board comprises of 4 Directors, of whom, 2 Non-Executive Independent Directors, 1 Non Executive and 1 Executive Director who is the Chairman of the Company.

The Directors possess experience and specialization in diverse fields, such as project management, legal, banking, finance, administration, etc.

The composition of the Board and category of Directors are as follows:

Category	Name of Directors	Designation	No. of Shares held as on 31 <sup>st</sup> March, 2011
Promoter Directors & Executive Directors	Rajendra Kumar Baid	Chairman & Executive Director	4145
Non-Executive	Sangita Devi Baid	Director	36100
Non-Executive & Independent	Surajmal Kundalia	Director	10
"	Kumaresh Lahiri	Director	100

#### (b) Meetings of the Board of Directors

The Board of Directors had met 4 times during the year, i.e. on

Date	No. of Directors present
12/04/2010	3
29/05/2010	3
31/07/2010	3
31/10/2010	3
31/01/2011	3

And as required, the gap between two Board meetings did not exceed three calendar months. The Board meetings are held at the registered office of the Company. The Agenda for the Board meetings containing relevant information/supporting data, as required, are distributed well in advance to all the Board members from time to time in a structured manner to enable the Board to take informed decisions.

#### (c) Board Meetings and Attendance

Attendance of each Director at the Board Meetings and the last Annual General Meeting (AGM) and the number of Companies and Committees where they are Directors/Members are given below:

Name	Category	Attendance Board Meeting	AGM (held on 29.09.2010)	No. of other Directorships held as at 31.03.11	Directorship/ Membership In other Limited Companies (Excluding the Company) Chairman Member
Sri Rajendra Kumar Baid	Executive Chairman	4	Yes	5	1
Smt. Sangita Devi Baid	Non-Executive	4	Yes	5	1
Sri Surajmal Kundalia	Non-Executive & Independent	3	No	2	1
Sri Kumaresh Lahiri	Non-Executive	4	Yes	2	1

None of the Directors of the Board serves as member of more than ten committees, nor are Chairman of more than five Committees across all Companies, in which he/she is a Director. "Committees" considered for this purpose are those specified in Clause 49 of the Listing Agreement i.e. Audit Committee and Shareholders/ Investors Grievance Committee.

Sri Kumaresh Lahiri retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

During the year, no sitting fees have been paid to the Non-Executive Directors.

### 3. Audit Committee

(a) Details of the Composition of the Audit Committee and attendance of the members are as follows :

The Audit Committee of the Company comprises of three Directors, of whom 2 are Non-Executive Independent Directors. Members have varied expertise in banking, finance, project management, accounting and legal matters. The Committee oversees the work carried out by the management, internal auditors on the financial reporting process, the safeguards employed by them and such relevant matters as it finds necessary to entrust.

During the year under review, the Audit Committee met 4 times, i.e. on 21<sup>st</sup> May 2010, 22<sup>nd</sup> September 2010, 31<sup>st</sup> January 2010 and 23<sup>rd</sup> March 2011. The particulars of members and their attendance at the meetings are given below:

<u>Name of the Director</u>	<u>Designation</u>	<u>Category of Directorship</u>	<u>No. of Meetings during the year</u>	
			<u>Held</u>	<u>Attended</u>
Smt. Sangita Devi Baid	Member	Non Executive Director	4	3
Sri Surajmal Kundalia	Member	Non Executive Independent Director	4	3
Sri Kumaresh Lahiri	Member	Non Executive Independent Director	4	3

The terms of reference of this Committee covers the matters specified under clause 49 of the Listing Agreement.

### 4. Remuneration Committee

The Company has not formed Remuneration Committee as no remuneration is being paid to any of the Directors.

### 5. Shareholders/ Investors' Grievance Committee

(a) Composition, Meeting and Attendance

The Committee comprises of two Non-Executive Independent Directors and one Non-Executive Director. The Committee met on 07.07.2010, 20.10.2010, 15.01.2010 and 22.03.2011 during the year.

The particulars of members and their attendance at the meeting are given below:

<u>Name of the Member</u>	<u>Designation</u>	<u>Category of Directorship</u>	<u>No. of Meetings during the year</u>	
			<u>Held</u>	<u>Attended</u>
Smt. Sangita Devi Baid	Member	Non Executive Director	4	3
Sri Surajmal Kundalia	Member	Non Executive Independent Director	4	3
Sri Kumaresh Lahiri	Member	Non Executive Independent Director	4	3

Mr. Abhijit Dutta, the Compliance Officer of the Company has been regularly interacting with Registrar and Share Transfer Agents (RTA) to ensure that the complaints/grievances of the Shareholders/Investors are attended to without any delay and where deemed expedient, the complaints/grievances are referred to the Chairman of the Committee or discussed at its meetings.

During the year, there were no physical transfers and the Registrar had registered 1 Physical transmission of shares comprising of 100 shares, 12 requests for dematerialization of 10,000 shares and no requests for rematerialization of Shares. There were no requests pending for Share transfers at the end of the year.

The terms of reference of this Committee covers the matters specified under clause 49 of the Listing Agreement.

No Shareholders complaints was reported and no complaints are pending at the end of the financial year 2010-11.

(b) Compliance Officer  
Name of the Compliance Officer  
Telephone

Mr. Abhijit Dutta  
033-2248-1186

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## 6. General Body Meetings

The details of Location, date and time of the Annual General Meeting (AGM) /Extra-ordinary General Meeting (EGM) for the last three years are as follows:

Financial Year	Meeting	Date	Time	Location
2007-08	AGM	29.09.08	11.00 a.m	9, Mangoe Lane, Kolkata
2008-09	AGM	22.09.09	10.00 a.m	9, Mangoe Lane, Kolkata
2009-10	AGM	29.09.10	10.00 a.m	9, Mangoe Lane, Kolkata

All the resolutions as set out in the respective notices were passed unanimously by a show of hands by the members of the company present at the said Annual General Meetings.

## 7. Disclosures

### (a) Statutory Compliance, Penalties and Strictures

There were no instances of non-compliance or levy of any penalties, strictures imposed by Stock Exchange or SEBI or any other statutory authority during the last three financial years on any matter related to the Capital markets.

### (b) Materially Significant related party transactions

The transactions between the Company and the Directors and Companies in which the Directors are interested has disclosed in "Annexure A" to the Corporate Governance Report in compliance with the Accounting Standard relating to "Related Party Disclosures". There is no materially significant Related Party Transaction that may have potential conflict with the interest of the Company at large.

### (c) Risk Management

The Management Team of the Company regularly reviews and interacts with the members of the Audit Committee and the Board of Directors on the risk management strategy to ensure the effective implementation and monitoring of the risk management policy and procedures. The Company is in the process of setting up a system to appraise the Board of Directors on the key risk assessment areas and suggestive risk mitigation mechanism.

## 8. Means of Communication

The Company announced unaudited Quarterly Financial Results of the Company within a month of end of each quarter for the first three quarters. The Audited Annual Financial Results were announced within three months of the end of the Financial Year. Such results are normally published in newspaper.

## 9. Share Dealing Code

In accordance with the SEBI (Prohibition of Insider Trading) Regulation 1992 as amended, the Board of Directors of the Company formulated the Company's code of conduct for Prevention of Insider Trading in Shares & Securities of the Company by its employees, the Company's code inter alia prohibits purchase/sale of Shares of the Company by employees while in possession of unpublished price sensitive information in relation to Company.

## 10. General Shareholder Information

### (a) 17<sup>th</sup> Annual General Meeting

Day/Date	Time	Venue
Wednesday/21.09.11	10:30 a.m.	9, Mango Lane, Kolkata

### (b) Listing on Stock Exchanges

Equity Shares  
i) Bombay Stock Exchange Limited  
Phiroze jeejeebhoy Towers  
ii) Calcutta Stock Exchange Assn.Limited  
7, Lyons Range, Kolkata – 700 001

### (c) Financial Reporting for the quarter ending

30 <sup>th</sup> June, 2011	On or before 31 <sup>st</sup> July, 2011
30 <sup>th</sup> September, 2011	On or before 31 <sup>st</sup> October, 2011
31 <sup>st</sup> December, 2011	On or before 31 <sup>st</sup> January, 2012
31 <sup>st</sup> March, 2012	On or before 31 <sup>st</sup> May, 2012
AGM for the year ending	On or before 30 <sup>th</sup> September, 2012
31 <sup>st</sup> march, 2012	

The Company has already paid the Annual Listing fees for the year 2011-12 to the Stock Exchanges as well as Custodial fees to the Depositories.

- (d) Registered Office  
The Registered office of the company is situated at 9, Mangoe Lane, Kolkata.
- (e) Script Information  
Particulars Script Code/ Information  
Bombay Stock Exchange Limited 531283  
Face Value Rs.10/- each
- (f) Stock Market Data  
The Monthly High/Low prices of the Shares of the Company from 1<sup>st</sup> April, 2010 to 31<sup>st</sup> March, 2011 are given below:

Months	High	Low
Mar 11	4.22	4.02
Feb 11	4.89	4.22
Jan 11	4.89	4.44
Dec 10	6.90	4.23
Nov 10	11.15	6.39
Oct 10	9.27	8.00
Sep 10	10.39	8.00
Aug 10	10.45	9.60
Jul 10	11.20	8.14
Jun 10	7.95	7.65
Apr 10	8.40	7.31

There was no transaction during the month of May, 2010.

- (g) Distribution of Shareholding as on 31<sup>st</sup> March, 2011

Slab of Shareholding (No. of Shares)	No. of Shareholders	% of Total	Holding No. of Shares or Rs.10/- each	% of Total
Up to 500	960	44.5682	2,83,903	6.8246
Up to 500	972	44.8133	2,82,729	6.7964
501 to 1000	1040	47.9484	7,94,484	19.0982
1001 to 5000	123	5.6708	2,82,478	6.7903
5001 to 10000	16	0.7377	1,09,197	2.6249
10001 to 50000	11	0.5071	2,49,628	6.0007
50001 to 100000	2	0.0922	1,38,280	3.3240
100001 & above	5	0.2305	23,03,204	55.3655
<b>TOTAL</b>	<b>2169</b>	<b>100.0000</b>	<b>41,60,000</b>	<b>100.0000</b>

- (h) Shareholding Pattern as on 31<sup>st</sup> March, 2011

Sl. No.	Category	No. of Shares held	% of holding
1.	Promoters	1177149	28.297
1.	Promoters	1177799	28.312
2.	Public Financial Institutions	0	0.00
3.	Banks	0	0.00
4.	Mutual Funds	0	0.00
5.	Body Corporates	1341327	32.243
6.	FIs	0	0.00
7.	NRI/OCBs	523	0.013
8.	Directors(Other than Promoters)	0	0.00
9.	Resident Individuals	1640343	39.431
10.	Others	8	0.000
<b>Total</b>		<b>41,60,000</b>	<b>100.00</b>

- (i) Dematerialization of Shares and liquidity

As on 31<sup>st</sup> March, 2011, the total number of Equity Shares of the Company in dematerialization form stood at 16,62,899 shares (representing 39.97% of the company's paid-up Equity Share Capital).

The trading in Equity Shares of the Company is permitted only in dematerialized form. Considering the advantages of trading in demat form, members are encouraged to consider dematerialization of their shares so as to avoid inconvenience in future.



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# CINDRELLA FINANCIAL SERVICES LIMITED:: KOLKATA

## **MANAGEMENT DISCUSSIONS AND ANALYSIS**

### **INDUSTRY STRUCTURE AND DEVELOPMENT:**

Your company is engaged in the business of consultancy service and shares. Due to the change in the economic policies of the government, your company had to look for new sources of income.

### **INDUSTRY OUTLOOK:**

The financial services sector has borne the brunt of changes in economic policies and this has led to a change in business plans. Your company is looking for new opportunities in this sector so that it can improve its performance. With the improvement in stock price, the outlook of the Industry will change and performance of your company will improve.

### **RISKS AND CONCERNS:**

The change in economic policies of the government and new trend of consolidation in the financial services sector may adversely affect the performance of your company. The Company is exposed to risks from stock market fluctuations.

### **INTERNAL CONTROL SYSTEMS AND ADEQUACY :**

The Company has good internal controls systems and its adequacy has been reported by its auditors in their report. Adequate system of internal control is in place which assures us of:

- Proper recording and safeguarding of assets.
- Maintaining proper accounting records and reliability of financial information.

### **DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS :**

The industrial relations climate of the company continues to remain harmonious and cordial with focus on improving productivity, quality and safety.

### **SEGMENT-WISE PERFORMANCE:**

This is not applicable in the area of operations of your company.

### **CAUTIONARY STATEMENT:**

Statement in this "Management Discussion and Analysis" describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include change in Government regulations, tax regimes, economic developments in India and other incidental factors.

For & behalf of Board

Place: KOLKATA  
Dated: 14/05/2011.

(R.K. Baid)  
Chairman

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# AUDITORS' REPORT

## TO THE MEMBERS OF CINDRELLA FINANCIAL SERVICES LIMITED

We have audited the attached Balance Sheet of **CINDRELLA FINANCIAL SERVICES LIMITED** :: KOLKATA as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date annexed thereto. 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.

We 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 disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 (amended 2005) 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 explanations given to us we enclose in the Annexure, a Statement on the matters specified in paragraph 4 and 5 of the said order. We further report that in Annexure "A".

Further to our comments in the Annexure referred to above, we report that:

1. We have obtained all the informations and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examinations of those books.
3. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with books of account.
4. In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
5. On the basis of written representations received from the directors, as on 31st March, 2011 and taken on record by Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as director in terms of clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to explanations given to us, the said accounts give the information 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 case of Balance Sheet of the state of affairs of the Company as at 31st March, 2011; and
  - ii) In case of Profit & Loss Account of the Profit of the Company for the year ended on that date.

**FOR AGARWAL MAHESH KUMAR & CO.**  
CHARTERED ACCOUNTANTS

PLACE :: KOLKATA (CAMP)  
DATED :: 14.05.2011

[CA. M.K. AGARWAL]

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## **ANNEXURE - "A"**

**(To the Auditors' Report)**

**Annexure referred to in paragraph (3) of our Report of even date**

As required by the Companies (Auditor's Report) order, 2003 (as amended in 2005) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checking of the books and records of the company as we consider appropriate and the information and explanation given to us during the course of audit, we report that:

- (i) In respect of Fixed Assets
- (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) These fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
  - (c) In our opinion and according to the information and explanations given to us the company has not made any substantial disposals during the year that would affect the going concern.
- (ii) The company is basically a finance company hence the question of physical verification of inventory and maintenance of records for inventory does not arise. Hence the paragraph 4(II) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- (iii) (a) The company granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act to Cindrella Hotels Ltd. amounting to Rs.400, 000 and the same squared off during the year, and
- (b) according to the information provided to us, the rate of interest and other terms and conditions of loans given by the company, secured or unsecured, are not prima facie prejudicial to the interest of the company; and
  - (c) the receipt of the principal amount and interest were also regular; and
  - (d) In our opinion there were no such cases of loans where the overdue amount is more than rupees one lakh, reasonable steps have been taken by the Company for recovery of principal and interest.
  - (e) the company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act.
  - (f) As the Company has not taken any loan the condition that "the rate of interest and other term and conditions of such loans taken by the Company, secured or unsecured, are not prima facie prejudicial to the interest of the Company" is not applicable.
  - (g) In our opinion, as no loan has been taken there is no question of re-payment of the principal amount and interest on a regular basis.
- (iv) In our opinion and according to the information and explanation given to us, there is adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and shares and securities held as stock in trade and for the sale of services. We have not observed any continuing failure to correct major weaknesses in internal control.
- (v) (a). According to the information and explanation given to us, we are of opinion that transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered in the register maintained under the section.
- (b). In our opinion and according to the information and explanation given to us the transactions made in pursuance of the contracts or an agreements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5.00 Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market price at the relevant time.
- (vi) The Company has not accepted deposits from public and hence directives issued by the Reserve Bank of India and the provisions of Sec. 58A & 58AA of the Companies Act, 1956 and rules framed there under are not applicable for the year under Audit.



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- (vii) In our opinion the company has an internal audit system commensurate with its size and nature of business.
- (viii) As per our information, the Company is not required to maintain cost records as prescribed by the Central Govt. under clause (d) of sub-section (1) of section 209(1) (d) of the Companies Act, 1956.
- (ix) (a). According to the records of the Company the Company has been regular in depositing with appropriate authorities, undisputed statutory dues including Income Tax and other statutory dues.  
(b). According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2011 for a period of more than six month from the date they become payable.  
(c). According to the information and explanation given to us, there are no such statutory dues which have not been deposited on account of any dispute as at 31st March, 2011.
- (x) In our opinion, the accumulated losses of the Company are more not than fifty percent of its net worth. The Company has not incurred cash losses during the financial year covered by our audit and immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us the company has no outstanding dues of any financial institution or banks or debenture holder, therefore the clause (xi) of the para 4 of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xii) According to the information and explanation given to us the Company has not given any loans and advances on the basis of Security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not chit fund or a Nidhi or a mutual benefit fund/society, therefore the provisions of clause 4(XII) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) Based on our examination of the records and evaluation of the related internal controls, the company has maintained proper records of transactions and contract in respect of its dealing in shares, securities, debentures and other investments and timely entries have been made therein. The aforesaid securities have been held by the company in its own name, except to the extent of the exemption granted under section 49 of the Companies Act,1956.
- (xv) As per the information and explanation given to us the Company has not given any guarantee for loans taken by others from any bank or financial institution.
- (xvi) In our opinion and according to the explanations given to us the Company has not taken any fresh term loans during the year under review. The term loans obtained in earlier years have been applied for the purpose for which it was raised.
- (xvii) According to the information and explanation given to us the Company has not used any short terms funds for long term investment and vice-versa.
- (xviii) During the year the Company has not made any preferential allotment of shares to parties and companies covered in register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures and hence clause 4(XIX) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xx) During the year covered by our report the Company has not raised any money by the way of Public issue.
- (xxi) According to the information and explanation given to us no fraud on or by the Company has been noticed or reported during the course of our audit.

**FOR AGARWAL MAHESH KUMAR & CO.**  
CHARTERED ACCOUNTANTS

PLACE: KOLKATA (CAMP)  
DATED: 14.05.11

**[CA M.K. AGARWAL]**  
PROPRIETOR  
M.No : 054394

# **CINDRELLA FINANCIAL SERVICES LIMITED**

**9, MANGOE LANE, KOLKATA**

**BALANCE SHEET AS AT 31ST MARCH, 2011**

PARTICULARS	SCHEDULE	CURRENT YEAR		PREVIOUS YEAR	
		AMOUNT	AMOUNT	AMOUNT	AMOUNT
=====	=====	Rs.	P.	Rs.	P.
=====	=====	=====	=====	=====	=====
<b><u>SOURCES OF FUNDS :</u></b>					
<b><u>1. SHARE HOLDER'S FUND :</u></b>					
- Capital - Equity	"A"	32,974,750.00		32,974,750.00	
2. DEFERRED TAX LIABILITY		94,552.71		94,438.85	
	Total	<b>33,069,302.71</b>		<b>33,069,188.85</b>	
<b><u>APPLICATION OF FUNDS :</u></b>					
<b><u>1. FIXED ASSETS :</u></b>					
a. Gross Block	"B"	1,547,688.50		1,547,688.50	
b: Less : Depreciation & W/off		817,645.43		778,738.90	
c. Net Block		<b>730,043.07</b>		<b>768,949.60</b>	
<b><u>2. INVESTMENTS : (AT COST) "C"</u></b>					
		22,180,060.71		22,158,006.73	
<b><u>3. CURRENT ASSETS, LOANS &amp; ADVANCES :</u></b>					
b. Loans & Advances	"E"	610,895.26		495,278.58	
		2,103,104.00		2,181,272.20	
	TOTAL - (A)	<b>2,713,999.26</b>		<b>2,676,550.78</b>	
Less : <b><u>CURRENT LIABILITIES/PROVISION: "F"</u></b>					
- Current Liabilities		390.00		100,000.00	
- Provision		45,136.00		43,442.00	
	TOTAL - (B)	<b>45,526.00</b>		<b>143,442.00</b>	
NET CURRENT ASSETS :	(A-B)	2,668,473.26		2,533,108.78	
<b>4. MISCELLANEOUS EXPENDITURES: "G"</b>					
		-		81,826.59	
<b>5. PROFIT &amp; LOSS ACCOUNT :</b>					
		7,490,725.67		7,527,297.15	
		<b>33,069,302.71</b>		<b>33,069,188.85</b>	

NOTES ON ACCOUNT : "K"

For and on behalf of the Board

## **AUDITORS' REPORT**

In terms of our separate Report  
of even date annexed hereto.

**RAJENDRA KUMAR BAID } DIRECTOR**  
**SANGITA DEVI BAID }**

**FOR AGARWAL MAHESH KUMAR & CO.**  
**CHARTERED ACCOUNTANTS**

**[ CA M.K. AGARWAL ]**  
**PROPRIETOR**

PLACE :: KOLKATA (CAMP)  
DATED :: 14TH DAY OF MAY,2011

**CINDRELLA FINANCIAL SERVICES LIMITED**  
**9, MANGOE LANE, KOLKATA**  
**PROFIT & LOSS A/C FOR THE YEAR ENDED 31ST MARCH, 2011**

PARTICULARS =====	SCHEDULE =====	CURRENT YEAR AMOUNT		PREVIOUS YEAR AMOUNT	
		Rs.	P.	Rs.	P.
		=====		=====	
<b>INCOME :</b>					
Operating Income	"H"	108,907.85		156,291.83	
Other Income	"I"	266,474.00		244,277.50	
	TOTAL - A	<b>375,381.85</b>		<b>400,569.33</b>	
<b>EXPENDITURE :</b>					
Establishment Expenses	"J"	207,959.39		210,616.87	
Public Issue Expenses W/off		81,826.59		81,827.04	
Depreciation	"B"	38,906.53		37,718.52	
	TOTAL - B	<b>328,692.51</b>		<b>330,162.43</b>	
<b>PROFIT/(LOSS) BEFORE TAXATION : ( C ) (A-B)</b>					
		46,689.34		70,406.90	
Less : Provision for Taxation		9,840.00		7,436.00	
Less : Deferred Tax Liability		113.86		1,841.17	
Less : Income tax for the last year		164.00		-	
Less: Assets W/off during the year		-		-	
	( D )	<b>10,117.86</b>		<b>9,277.17</b>	
<b>PROFIT/(LOSS) AFTER TAXATION : (C-D)</b>					
		36,571.48		61,129.73	
Add/(Less) : Brought forward from previous year last year w/off		(7,527,297.15)		(7,595,579.88)	
Add/(Less) : Interest on Income Tax		-		-	
<b>PROFIT / (LOSS) CARRIED TO BALANCE SHEET</b>					
		(7,490,725.67)		(7,527,297.15)	
Earnings per share		0.01		0.02	
Basic and diluted					
Notes on Account	"K"				

For and on behalf of the Board

FOR AGARWAL MAHESH KUMAR & CO.  
 CHARTERED ACCOUNTANTS

RAJENDRA KUMAR BAID } DIRECTOR  
 SANGITA DEVI BAID }

[ CA M.K. AGARWAL ]

PROPRIETOR  
 PLACE :: KOLKATA (CAMP)  
 DATED :: 14TH DAY OF MAY,2011

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## **CINDRELLA FINANCIAL SERVICES LIMITED**

**9, MANGO LANE, KOLKATA**

**SCHEDULES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2011**

<b><u>PARTICULARS :</u></b>	<b>CURRENT YEAR</b>		<b>PREVIOUS YEAR</b>	
	<b>AMOUNT</b>		<b>AMOUNT</b>	
	<b>Rs.</b>	<b>P.</b>	<b>Rs.</b>	<b>P.</b>
	=====	=====	=====	=====
<b><u>SCHEDULE - "A"</u></b>				
<b><u>AUTHORISED CAPITAL :</u></b>				
4400000 Equity Shares of Rs. 10/- each (Previous year 4400000 Equity shares of Rs.10/-each)	44,000,000.00		44,000,000.00	
	<b>44,000,000.00</b>		<b>44,000,000.00</b>	
	=====	=====	=====	=====
<b><u>ISSUED, SUBSCRIBED CAPITAL :</u></b>				
4160000 Equity Shares of Rs.10/- each. (Previous Year 4160000 Equity shares of Rs.10/-each)	41,600,000.00		41,600,000.00	
Less: Calls- In - Arrears	8,625,250.00		8,625,250.00	
Paid-up Capital	<b>32,974,750.00</b>		<b>32,974,750.00</b>	
	=====	=====	=====	=====
<b><u>SCHEDULE - "D"</u></b>				
<b><u>CASH &amp; BANK BALANCES :</u></b>				
Cash in Hand : (As certified)	88,929.14		45,499.14	
<b>Cash at Bank :</b>				
- In Current Accounts	21,979.81		302,779.44	
Cheque in Hand	499,986.31		147,000.00	
	<b>610,895.26</b>		<b>495,278.58</b>	
	=====	=====	=====	=====
<b><u>SCHEDULE - "E"</u></b>				
<b><u>CURRENT ASSETS LOANS &amp; ADVANCES :</u></b>				
<b><u>CURRENT ASSETS :</u></b>				
Sundry Debtor	-		81,272.20	
TDS Receivable	3,104.00		-	
<b>ADVANCES :</b>	<b>2,100,000.00</b>		<b>2,100,000.00</b>	
(Unsecured, considered good, receivable in Cash or in kind or value to be received)	<b>2,103,104.00</b>		<b>2,181,272.20</b>	
	=====	=====	=====	=====
<b><u>SCHEDULE - "F"</u></b>				
<b><u>CURRENT LIABILITIES</u></b>				
Electricity Charges Payable	390.00		-	
Chowdhury Associates	-		100,000.00	
	<b>390.00</b>		<b>100,000.00</b>	
	=====	=====	=====	=====
<b><u>PROVISIONS :</u></b>				
For Taxation	9,840.00		7,436.00	
For Auditors' Remuneration	35,296.00		35,296.00	
For Electricity Charges	-		710.00	
	<b>45,136.00</b>		<b>43,442.00</b>	
	=====	=====	=====	=====

# **CINDRELLA FINANCIAL SERVICES LIMITED**

**9, MANGOE LANE, KOLKATA**

## **SCHEDULE - "B"**

( Details to and forming part of Balance Sheet & Profit & Loss Account )

### **FIXED ASSETS AS ON 31ST MARCH, 2011**

PARTICULARS:	GROSS BLOCK		DEPRECIATION		NET BLOCK			
	COST AS AT 01.04.10	ADDITIONS/ (SOLD)	COST AS AT 31.03.2011	AGGREGATE UPTO 01.04.10	DURING THE YEAR UPTO 31.03.11	AGGREGATE UPTO 31.03.11	W.D.V. AS AT 31.03.11	W.D.V. AS AT 31.03.10
Land:	98,000.00	-	98,000.00	-	-	-	98,000.00	98,000.00
Building:	1,216,142.00	-	1,216,142.00	566,611.41	32,476.53	599,087.94	617,054.06	649,530.59
Furniture & Fixture:	30,830.00	-	30,830.00	29,620.51	1,209.49	30,830.00	0.00	1,209.49
Air Conditioner:	117,500.00	-	117,500.00	105,945.37	1,607.25	107,552.62	9,947.38	11,554.63
Equipments:	58,466.50	-	58,466.50	52,610.27	814.60	53,424.87	5,041.63	5,856.23
Fax Machine	26,750.00	-	26,750.00	23,951.34	2,798.66	26,750.00	-	2,798.66
<b>TOTAL</b>	<b>1,547,686.50</b>	<b>-</b>	<b>1,547,686.50</b>	<b>778,738.90</b>	<b>38,906.53</b>	<b>817,645.43</b>	<b>730,043.07</b>	<b>768,949.60</b>
<b>PREVIOUS YEAR</b>	<b>1,547,686.50</b>	<b>-</b>	<b>1,547,686.50</b>	<b>741,020.38</b>	<b>37,718.52</b>	<b>778,738.90</b>	<b>768,949.60</b>	<b>806,668.12</b>

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## **CINDRELLA FINANCIAL SERVICES LIMITED**

**9, MANGO LANE, KOLKATA**

### **SCHEDULE - "C"**

(Details to and forming part of Balance Sheet) .

#### **INVESTMENTS**

(Long Term in Nature)

<b>DESCRIPTION :: EQUITY SHARES</b>	<b>FACE VALUE</b>	<b>CURRENT YEAR</b>		<b>PREVIOUS YEAR</b>	
		<b>QUANTITY</b>	<b>AMOUNT (Rs.)</b>	<b>QUANTITY</b>	<b>AMOUNT (Rs.)</b>
<b>QUOTED : (At Cost )</b>					
Acknit Knitting Ltd.	10/-	39000	357,000.00	39000	357,000.00
Ashi Fibres Ltd.	10/-	22000	98,000.00	22000	98,000.00
Arihant Threads Ltd.	10/-	4400	44,000.00	4400	44,000.00
Bubna Stock Broking Services Ltd.	10/-	76100	551,000.00	76100	551,000.00
Cindrella Hotels Ltd.	10/-	1118339	14,246,203.35	1118239	14,244,032.83
Dynamic Port Folio Management Ltd.	10/-	6700	67,000.00	6700	67,000.00
Dalmia Laminators Ltd.	10/-	12800	179,200.00	12800	179,200.00
G.R. Magnets Ltd.	10/-	300000	5,112,500.00	300000	5,112,500.00
J.G. Foundry Ltd.	10/-	10000	40,000.00	10000	40,000.00
Indian Hotels Limited		1825	252,152.99	1825	252,152.99
Passari Cellulose Ltd.	10/-	20000	90,000.00	20000	90,000.00
Reliance Power Limited	10/-	1880	433,464.37	1880	433,464.37
Singhalloys & Steel Ltd.	10/-	12800	46,100.00	12800	46,100.00
Sumedha Fiscal Services Ltd.	10/-	-	-	3460	33,556.54
Hotel Leela Venture		3000	153,440.00	-	-
		-----	-----	-----	-----
	<b>TOTAL (A)</b>		<b>21,670,060.71</b>		<b>21,548,006.73</b>
	=====		=====		=====
<b>UNQUOTED : (At Cost)</b>					
Avonski Financial Services Ltd.	100/-	5100	510,000.00	6100	610,000.00
		-----	-----	-----	-----
	<b>TOTAL (B)</b>		<b>510,000.00</b>		<b>610,000.00</b>
		-----	-----		-----
	<b>GRAND TOTAL (A+B)</b>		<b>22,180,060.71</b>	-	<b>22,158,006.73</b>
		=====	=====		=====

	<u>CURRENT YEAR</u>		<u>PREVIOUS YEAR</u>	
	<u>AMOUNT</u>		<u>AMOUNT</u>	
	<u>Rs.</u>	<u>P.</u>	<u>Rs.</u>	<u>P.</u>
	=====	=====	=====	=====
<b><u>SCHEDULE - "G"</u></b>				
<b><u>MISCELLANEOUS EXPENDITURE :</u></b>				
(To the extent not written off or adjusted )				
Public Issue Expenses	-		81,826.59	
	-----		-----	
	-		81,826.59	
	=====		=====	
<b><u>SCHEDULE - "H"</u></b>				
<b><u>OPERATING INCOME :</u></b>				
Consultancy Fee	61,000.00		52,000.00	
Income from Trading of Shares	47,907.85		104,291.83	
	-----		-----	
	108,907.85		156,291.83	
	=====		=====	
<b><u>SCHEDULE - "K"</u></b>				
<b><u>OTHER INCOME :</u></b>				
Dividend	4,438.00		22,277.50	
Interest	31,036.00		-	
Rent	114,000.00		108,000.00	
Office Equipment Hire Charges	117,000.00		114,000.00	
	-----		-----	
	266,474.00		244,277.50	
	=====		=====	
<b><u>SCHEDULE - "L"</u></b>				
<b><u>ESTABLISHMENT EXPENSES :</u></b>				
Salary	30,000.00		27,600.00	
Postage & Telegram	16,785.00		14,540.00	
Printing & Stationery	16,595.00		12,684.00	
Filing Fee	2,500.00		6,500.00	
Legal Expenses	32,937.00		26,045.00	
Bank Charges	976.39		1,030.12	
Electrical Expenses	7,790.00		21,620.00	
General Expenses	6,568.00		4,622.00	
Demat Charges	-		591.20	
Listing Fee	22,611.00		22,611.00	
Share Transfer Expenses	22,731.00		24,175.55	
Share Depository Expenses	13,170.00		13,302.00	
<b><u>Auditors' Remuneration :</u></b>				
For Statutory Audit Fee	27,575.00		27,575.00	
For Company Law Matters	7,721.00		7,721.00	
	-----		-----	
	207,959.39		210,616.87	
	=====		=====	

## SCHEDULE - "K"

### NOTES ON ACCOUNTS

(Schedule to and forming part of the Balance Sheet as at 31st March, 2011)

**1. ACCOUNTING POLICIES:**

**i. METHOD OF ACCOUNTING:**

The Company generally follows the accrual system of accounting. The Accounts are prepared on historical cost basis as a going concern and are consistent with generally accepted accounting practices.

**ii. DEPRECIATION:**

Depreciation on Fixed Assets is provided on Written down Value Method on a consistent basis as per Schedule XIV of the Companies Act, 1956 on pro-rata basis. Details of depreciation have been stated in "Schedule B" forming part of Balance Sheet and Profit & Loss Account.

**iii. INCOME RECOGNITION :**

All known incomes are accounted for on accrual basis except income from dividends which are accounted for as and when received.

**iv. FIXED ASSETS:**

Fixed Assets are stated at their historical cost inclusive of legal and/or installation charges less Depreciation. Details of Fixed Assets have been given in "Schedule-B" forming part of Balance Sheet and Profit & Loss Account. None of the Fixed Assets have been revalued during the year.

**v. ACCOUNTING FOR INVESTMENTS:**

The company's trade investments in pursuance of its objective is meant to be held for long term and as such are valued at cost. However, provision if any for diminution is made to recognize any decline other than temporary, in the value of investment. But there is no diminution in value of investment which would have long term effect The Market Value of quoted investments amounts to Rs. 3,07,05,553/-.

**vi. TREATMENT OF EXPENSES:**

All known expenses are being accounted for on accrual basis.

**vii. RELATED PARTY TRANSACTIONS:**

The details regarding related parties and transactions taken place between them during the financial year 2010-11 has been given below:

Name of the Related Party	Nature of relationship	Amount of transaction during the year/brought forward	Amount outstanding at the end of the financial year 2010-11
Arrow Hotels & Resorts Ltd.	Common Key Managerial Personnel.	Advance of Rs.21,00,000/- given b/f from previous year.	Rs.21,00,000 Dr.
Raj Publishers	Enterprises in which key management personnel has significant influence	Rent amounting to Rs.114,000/- received during the year. Office Equipment hire charges Rs. 1,17,000/- received during the year.	NIL
Cindrella Hotels Ltd	Common Key Managerial Personnel	Loan given and received back 400,000/- Interest earned on such advance 31,036/-	NIL

**viii. EARNING PER SHARE:**

Basic and diluted earning per share (pursuant to AS-20) 31.03.2011



Particulars	31.03.2011	31.03.2010
Net Profit for the year (in Rs.)	36,571.48	61,129.73
Weighted Average Number of equity Shares.	3,297,475	3,297,475
Nominal value of Shares	10/-	10/-
Basic & Diluted earning per share (in Rs.)	0.01	0.02

**ix. TAXES ON INCOME:**

a. Current Year: To provide and determine current year tax liability as the amount of the tax payable in respect of taxable income for the year, after considering the permissible tax exemption, deduction and disallowances as per the provisions of the Income Tax Act, 1961.

b. Deferred Tax: To provide and recognize deferred tax on timing difference between taxable income and accounting income subject to consideration of prudence. Not to recognize Deferred Tax Asset on Unabsorbed Depreciation and carried forward of losses unless there is virtual certainty that there will be sufficient future taxable income available to realize such assets.

1. During the year, the Deferred Tax Liability of Rs. 368.47 has been originated and therefore the closing balance of Deferred Tax Liability as on 31.03.2011 is Rs. 94,552.71. The Deferred Tax Liability Comprise of tax effect of the following timing difference:-

Particulars	Amount
Depreciation as per Companies Act, 1956	39,275.00
Less : Depreciation as per I.T.Act, 1961	38,906.53
Timing Difference	368.47
Deferred Tax Liability on above @ 30.90%	113.86

2. In the view of Companies past financial performance and the future profit projection, the Company expects to fully recover the Deferred Tax Liability.

**x. INTANGIBLE ASSETS:**

In pursuance to Accounting Standard-26, any expenses relating to pre-operational activities have to be written off in the same year. This policy is being followed. The Public Issue Expenses are not covered by this standard and hence it is being written off in equal instalments over a period of 10 years.

**xi. IMPAIRMENT OF ASSETS:**

Pursuant to Accounting Standard (AS-28), Impairment of Assets coming into effect, the company has assessed all the assets and found that there is no external/internal indication of impairment of assets. So the company has not made the provision for impairment of assets.

**xii. CONTINGENT LIABILITIES:**

Contingent liabilities existed as on 31.03.2011 amounting to Rs. Nil (P.Y. Nil).

**2. INFORMATION REQUIRED UNDER PART II OF SCHEDULE VI OF THE COMPANIES ACT, 1956**

- A. Break up of Expenditure on Employees who are in receipt of remuneration aggregating Rs. 24,00,000/- or more per year or Rs. 2,00,000/- per month where employed for a part of the year (Previous year : NIL ) NIL
- B. Expenditure in Foreign Currency (Previous year : NIL ) NIL
- C. Earning in Foreign Currency (Previous year : NIL ) NIL
- D. Remittance of Foreign Currency on account of Dividend NIL (Previous year: NIL )
3. Figures of the previous year have been regrouped and/or recasted wherever necessary.

PLACE: KOLKATA (CAMP)  
DATED: 14.05.11

FOR AGARWAL MAHESH KUMAR & CO.  
CHARTERED ACCOUNTANTS

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## CINDRELLA FINANCIAL SERVICES LIMITED :: KOLKATA

### BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE (As per Part IV of Schedule VI to the Companies Act, 1956.)

#### I. Registration Details :

Registration No.: 21-63029  
Balance Sheet Date: 31st March 2011  
State Code: 21

#### II. Capital raised during the year : (Rs. in Thousand )

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

#### III. Position of Mobilisation &

##### Deployment of Fund : (Rs. in Thousand )

Total Liabilities	33,069.30	Total Assets	33,069.30
<u>Source of Funds</u>		<u>Application of Funds</u>	
Share Capital	32,974.75	Net Fixed Assets	730.04
Reserve & Surplus	-	Investments	22,180.06
Secured loans	-	Net Current Assets	2,668.47
Unsecured Loans	-	Deffered Tax Asset	-
Deffered Tax Liability	94.55	Profit & Loss Account	7,490.73

#### IV. Performance of the Company (Rs. in Thousands)

Turnover ( Including other Income )	375.38
Total Expenditure	328.69
Profit/Loss before Tax	46.69
Profit/Loss after Tax	365.71
Earning Per Share (in Rs.)	0.01
Dividend Rate (%)	-

#### V. Generic Names of Principal Products/Services of the Company ( As per Monetary terms)

Item Code No. (ITC Code)	N.A.
Product description	Financial, Capital Market Operations, Consultancy

**FOR AGARWAL MAHESH KUMAR & CO.**

CHARTERED ACCOUNTANTS

For and on behalf of the Board

[CA. M.K. AGARWAL]  
PROPRIETOR

RAJENDRA KUMAR BAID } DIRECTOR  
SANGITA DEVI BAID }

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# **CINDRELLA FINANCIAL SERVICES LIMITED**

9, MANGO LANE, KOLKATA

## **CASH FLOW STATEMENT AS ON 31st MARCH, 2011**

(Pursuant to the Listing Agreement)

	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>	
	<b>A M O U N T</b>	<b>A M O U N T</b>	
<b>CASHFLOW FROM OPERATING ACTIVITIES :</b>			
Net Profit before Tax and Extraordinary items	46,689.34		70,406.90
<b>Adjustment for :</b>			
Depreciation	38,906.53	37,718.52	
Dividend	(4,438.00)	(22,277.50)	
Rent	(114,000.00)	(108,000.00)	
Office Equipment	(117,000.00)	(114,000.00)	
Provisions	35,296.00	36,006.00	
Miscellaneous Expenses W/off	81,826.59	(79,408.88)	81,827.04
	-----	-----	(88,725.94)
Operating Profit before Working Capital Changes	(32,719.54)		(18,319.04)
<b>Adjustment for :</b>			
Trade & Other Receivable			
TDS Receivable	(3,104.00)		
Outstanding Expenses Paid	(36,006.00)	(25,848.00)	
Trade Payable	(99,610.00)	(138,720.00)	(250,000.00)
	-----	-----	(275,848.00)
Cash generated from operations	(171,439.54)		(294,167.04)
Direct Taxes Paid	(7,600.00)		(4,720.00)
	-----		-----
CASH FLOW BEFORE EXTRAORDINARY ITEMS	(179,039.54)		(298,887.04)
EXTRA ORDINARY ITEMS	0.00		0.00
	-----		-----
NET CASH FROM OPERATING ACTIVITIES	(179,039.54)		(298,887.04)
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>			
Dividend	4,438.00	22,277.50	
Rent	114,000.00	108,000.00	
Office Equipment Hire Charges	117,000.00	114,000.00	
Advances	81,272.20	(81,272.20)	
Investment in Securities	(22,053.98)	294,656.22	444,249.08
	-----	-----	607,254.38
NET CASH FROM INVESTING ACTIVITIES :	294,656.22		607,254.38
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>			
Proceeds from Long Term Borrowings	0.00	0.00	
Loan	0.00	0.00	0.00
	-----	-----	-----
Net Cash from Financing Activities	0.00	0.00	0.00
	=====	=====	=====
NET INCREASE IN CASH AND CASH EQUIVALENTS :	115,616.68		308,367.34
( Total - A+B+C )			
<b>CASH AND CASH EQUIVALENTS</b>			
(Opening Balance)	495,278.58		186,911.24
CASH AND CASH EQUIVALENTS (Closing Balance)	610,895.26		495,278.58

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## **AUDITORS' CERTIFICATE**

We have verified that above statement with the books and records maintained by **CINDRELLA FINANCIAL SERVICES LIMITED** and certify that in our opinion and according to the information and explanations given to us, the above statement is in accordance therewith.

**FOR AGARWAL MAHESH KUMAR & CO.**  
CHARTERED ACCOUNTANTS

For and on behalf of the Board

**RAJENDRA KUMAR BAID } DIRECTOR**  
**SANGITA DEVI BAID }**

[ **M.K. AGARWAL** ]  
Directors  
PROPRIETOR

PLACE : KOLKATA (CAMP)

DATED \*\* The 14 th Day of May, 2011.

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**CINDRELLA FINANCIAL SERVICES LIMITED**

**Regd. Office : 9, Mangoe Lane, 3rd Floor,  
Kolkata - 700 001**

**FORM OF PROXY**

I/We.....of  
.....being a member/Member (s) of Cindrella

Financial Services Ltd. hereby appoint.....  
of.....of filling him behalf of the 17th Annual General Meeting of  
the Company to be held at 10.30 a.m. Wednesday the 21st day of September  
2011 and at any adjournment there of.

Signed this.....day of.....2011

Signature.....

- Note :
1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself.
  2. A proxy need not be a member.
  3. The form thus completed should be deposited at the Registered Office of the Company at 9, Mangoe Lane, 3rd Floor, Kolkata -1 not later than fortyeight hours before holding the meeting.

Registered Folio No.....

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**CINDRELLA FINANCIAL SERVICES LIMITED**

**Regd. Office : 9, Mangoe Lane, 3rd Floor,  
Kolkata - 700 001**

Registered Folio No.....

Name of the Shareholder.....

No. of Shares  
held.....

I hereby record my presence at the 17th Annual General Meeting of the Company to be held at 10.30 a.m.  
Wednesday the 21st day of September 2011 at the Registered Office of the Company at, 9 Mangoe Lane,  
3rd Floor, Kolkata-700 001.

Signature of the Shareholder of Proxy

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# BOOK POST

*If undelivered, please return to :*

**CINDRELLA FINANCIAL SERVICES LIMITED**  
9, MANGOE LANE, 3RD FLOOR, KOLKATA : 700 001