

HIND COMMERCE LIMITED

Annual Report 2011-12

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BOARD OF DIRECTORS

Mr. Ujwal R. Lahoti
Mr. Umesh Lahoti
Mr. Prakash R. Bang
Mr. Sanjay R. Soni

COMPLIANCE OFFICER

Mr. Aweline Mendes

STATUTORY AUDITORS

M/s. K. K. Khadaria & Co.

BANKERS

Punjab National Bank

REGISTERED OFFICE

307, Arun Chambers, Tardeo Road,
Mumbai - 400 034.
Tel. No. +91-22-4050 0100
Fax. No. +91-22-4050 0140
Email.: investor@lahotioverseas.com

REGISTRARS & SHARE TRANSFER AGENTS

Sharepro Services (India) Private Limited
13 AB, Samhita Warehousing Complex,
2nd Floor, Sakinaka Telephone Exchange Lane,
Off. Andheri-Kurla Road, Sakinaka,
Andheri (East), Mumbai - 400 072
Tel: +91-22-6772 0300/400
Fax: +91-22-2859 1568 / 2850 8927
Email: sharepro@shareproservices.com
Website: www.shareproservices.com

HIND COMMERCE LIMITED

307, Arun Chambers, Tardeo Road, Mumbai - 400 034.
Tel.: 022-40 500 100 Fax : 022-40 500 150 E-mail : lol@vsnl.com

Notice

NOTICE is hereby given that the **27th Annual General Meeting** of the Members of **HIND COMMERCE LIMITED** will be held on Thursday, 27th September, 2012 at the Registered Office of the Company at 307, Arun Chambers, Tardeo Road, Mumbai- 400 034 at 11.30 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit & Loss Account for the year ended on that date together with the Board of Directors' Report & Auditors' Report thereon.
2. To appoint a Director in place of Mr. Prakash R. Bang, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s. K. K. Khadaria & Co., Chartered Accountants as an 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 and to authorize the Board to fix their remuneration.

PLACE: Mumbai
DATE: 3rd August, 2012

BY ORDER OF THE BOARD OF DIRECTORS


CHAIRMAN

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.
2. Corporate members intended to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Members/Proxy holders are requested to bring their copy of Annual Report and Attendance slip sent herewith, duly filled-in for attending the Meeting.

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4. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 22/09/2012 to Thursday, 27/09/2012 (both days inclusive).
5. The Shareholders are requested to notify their change of address immediately to the Registrars & Transfer Agent - **Sharepro Services (India) Private Limited** The Company or its registrar will not act on any request received directly from the shareholder holding shares in electronic form for any change of bank particulars or bank mandate. Such changes are to be advised only to the Depository Participant by the Shareholders.
6. Members/Proxy Holders are requested to bring their copy of Annual Report and Attendance slip sent herewith duly filled in to the Annual General Meeting.
7. Members intending to seek explanation / clarification about the Accounts at the meeting are requested to inform the Company at least a week in advance of their intention to do so, so that relevant information may be made available, if the Chairperson permits such information to be furnished.
8. Equity shares of the Company are under compulsory Demat trading by all Investors. Those shareholders who have not dematerialized their equity shares are advised to dematerialize their shareholding, to avoid inconvenience in future.
9. Re-appointment of Directors: At the ensuing Annual General Meeting Mr. Prakash R. Bang, liable for retire by rotation, and being eligible, offer themselves for re-appointment. The details pertaining to these Directors required to be provided pursuant to Clause 49 of the listing agreement are furnished in the statement on Corporate Governance published elsewhere in this Annual report.
10. Members are requested to intimate their Email IDs for correspondence and quicker response to their queries.

Place: Mumbai

Date: 3rd August, 2012

By Order of the Board of Directors



Umesh Lahoti
Director

Registered Office:

307, Arun Chambers,
Tardeo Road, Mumbai - 400 034.

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Directors' Report

To,
The Members,

Your Directors have pleasure in placing before you the 27th Annual Report of the Company, alongwith the Audited Statement of Accounts for the year ended 31st March, 2012.

FINANCIAL HIGHLIGHTS:

(₹ in Thousands)

Particulars		For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Total Income		1593.90	2760.46
Profit/(Loss) before Tax		941.47	2072.57
Provision for Tax	Current Tax	2.44	265.30
	MAT Credit Entitlement	NIL	(196.57)
	Deferred Tax	1.36	NIL
	Tax for Earlier Years	(0.41)	16.43
Profit/(Loss) After Tax		943.98	1987.41
Balance B/F from earlier year		34432.35	32444.94
Balance carried to Balance Sheet		35376.33	34432.35

1. PERFORMANCE REVIEW

During the year, your Company has recorded a total income of ₹ 1593.90 against ₹ 2760.46 in the previous year, with the decrease of 42.26% due to loss in sale of Investments. Accordingly Net Profit before Taxation for the financial year ended March 31, 2012 had also been decreased to ₹ 943.98 from ₹ 1987.41 which is decreased of 54.57% in the previous year.

2. DIVIDEND

Your Directors recommend NIL Dividends for the year under review.

3. INCORPORATION OF WHOLLY OWNED SUBSIDIARY

Yours Directors are pleased to inform you, that the year under review, we have incorporated Crystal Tradecom Limited, a Wholly Owned Subsidiary of Hind Commerce Limited on 19th November, 2011. The Company has also got Certificate for Commencement of Business from Registrar of Companies, Maharashtra, Mumbai on 24th November, 2011 for commencing its business operations.

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4. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Clause 49 of the Listing Agreement with the Stock Exchange, the Management Discussion and Analysis of the financial condition and results of consolidated operations of the Company under review, is annexed and forms an integral part of the Directors' Report.

5. PUBLIC DEPOSIT

The Company has not accepted deposit from public during the year under review. As such, no amount of principal or interest is outstanding as of the Balance Sheet date.

6. SUBSIDIARY COMPANIES

The Company as of March 31, 2012 had one subsidiary, viz. Crystal Tradecom Limited as wholly owned subsidiaries of Hind Commerce Limited.

No Independent Director on the Board of the Company is required to be inducted on the Board of its subsidiaries as none of the subsidiary is a material non-listed subsidiary Company as defined under revised Clause 49 of the listing agreement. The Audit Committee of the Company reviews the financial statements of the unlisted subsidiary companies. The minutes of the Board meetings of unlisted subsidiary companies are regularly placed at the Board meetings of the Company.

7. ANNUAL ACCOUNTS OF THE SUBSIDIARY COMPANIES

Ministry of Corporate Affairs (MCA), Govt. of India has, vide circular No.5/12/2007-CL-III dated February 08, 2011, issued general exemption under Section 212(8) of the Companies Act, 1956 to the Companies fulfilling the conditions contained in the above circular from complying with the provisions of sub-section (1) of Section 212 of the Companies Act, 1956 which requires holding companies to attach annual accounts and other documents of subsidiary companies to its Balance Sheet. Accordingly, the Company has not attached the annual accounts and other documents of its subsidiaries to this Annual Report. Summarized financial information of each subsidiary has been included in the disclosures to Consolidated Financial Statements of the Company.

Annual Accounts of Company's subsidiary company and the related detailed information will be made available to the shareholders of the holding and subsidiary companies seeking such information at any point of time. Interested shareholders may write to Department of the Company in this regard.

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The Annual Accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies.

8. DIRECTORS

In accordance with Section 255 and 256 of the Companies Act, 1956 read with the Articles of Association of the Company, Mr. Prakash R. Bang, Non-Executive Independent Director, retire by rotation and are being eligible offer themselves for re-appointment at the ensuing Annual General Meeting.

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 274(1)(g) of the Companies Act, 1956.

9. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a. in the preparation of the annual accounts for the year ended March 31 2012, the applicable Accounting Standards read with the requirements set out under Schedule VI of the Companies Act, 1956 have been followed and there are no material departures from the same, if any;
- b. the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of affairs of the Company as at March 31, 2012 and of the Profit of the Company for the year ended on that date;
- c. the Directors have 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; and
- d. the Directors had prepared the annual accounts of the Company on a 'going concern' basis.

10. AUDITORS AND AUDITORS' REPORT

M/s. K. K. Khadaria & Co., Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

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The Company has received letter from M/s. K. K. Khadaria & Co., Chartered Accountants, to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of Section 226 of the Companies Act 1956.

The observations made in the Auditors report read together with the relevant notes thereon, are self explanatory and hence do not call for any comments under Section 217 of the Companies Act,1956.

11. LISTING

At present the Company's Equity Shares are listed at Pune Stock Exchange, Pune and the Company has paid the Listing fees to the above exchange for the financial year ended 2011-2012.

12. PARTICULARS OF EMPLOYEES

No Employee of the Company draws remuneration in excess of limit prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

13. ENERGY CONSERVATION MEASURES, TECHNOLOGY ABSORPTION AND R & D EFFORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company is not a manufacturing Company and hence the particulars required to be furnished U/s. 217 (1) (e) of the Companies Act, 1956 regarding energy conservation measures, technology absorption and R & D efforts does not apply to the Company.

During the period under review the Company has not earned any Foreign Exchange and also incurred the Foreign Exchange outgo of Nil.

14. REPORT ON CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has implemented several best corporate governance practices as prevalent globally.

The Report on Corporate Governance, as stipulated under Clause 49 of the Listing Agreement, forms the part of Annual Report.

The requisite Certificate from the Auditors of the Company confirming compliance with conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is annexed to this Report.

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15. ACKNOWLEDGEMENT

The Directors wish to put on record their appreciation of the wholehearted and sincere co-operation received by the Company from the bankers, buyers and Suppliers.

The Directors also wish to put on record their appreciation of the excellent contribution made by all the sections of employees for the growth of the Company.

FOR & ON BEHALF OF BOARD OF DIRECTORS



**UMESH LAHOTI
DIRECTOR**

Place: Mumbai

Date : 3rd August, 2012

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Corporate Governance

Introduction

Clause 49 of the Listing Agreement executed with the Stock Exchange, *inter alia*, lays out several corporate governance practices and requirements, which listed companies are required to follow. This report sets out to define the governance practices followed by the Company in compliance with the said requirement of the Listing Agreement.

1. PHILOSOPHY OF CORPORATE GOVERNANCE

The Corporate Governance philosophy of the Company is driven by the following fundamentals principles:

- Conduct the affairs of the Company in an ethical manner
- Ensure transparency in all dealings
- Ensure highest level of responsibility and accountability
- Ensure compliances of all laws and regulations

The Company, through effective dissemination of information to the Directors and active interaction of the Board Members with the senior management ensures effective oversight of the Company's businesses and activities.

2. BOARD OF DIRECTORS ("Board")

The Board has been constituted in a manner, which results in an appropriate mix of Non-Executive and Independent Directors to ensure proper governance and management.

2.1. COMPOSITIONS OF THE BOARD

During the financial year the Board of Hind Commerce Limited consists of Four Directors with a fair representation of executive, non-executive and independent Directors. As on March 31, 2012, the Board of Directors of the Company consisted of two Promoter Director, two Independent Directors. There is no institutional nominee Director on the Board of the Company. Details of Directors retiring by rotation and their brief are provided in the notice to Annual General Meeting. The Directors are elected based on their qualifications and experience in the fields of the Company's business needs.

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The Board of Directors of Hind Commerce Limited comprises the Chairman & Executive Director - who is Promoter Director, Non-Executive Director, two Non-executive and independent Directors. Details are given below Table.

Category	Name of Director
Promoter / Chairman	Mr. Umesh R. Lahoti
Promoter / Executive Director	Mr. Ujwal R. Lahoti
Non Executive and Independent Director	Mr. Prakash R. Bang Mr. Sanjay R. Soni

2.2. NUMBER OF BOARD MEETINGS HELD DURING THE YEAR

During the financial year 2011-12, Seven Board meetings were held on, 12th May, 2011, 11th August, 2011, 25th August, 2011, 20th September, 2011, 10th October, 2011, 2nd November, 2011 and 31st January, 2012 with the time gap between any two consecutive meetings being not more than four months at any point of time.

2.3. DIRECTOR'S ATTENDANCE RECORD AND OTHER DIRECTORSHIPS

Refer Annexure - I for details.

2.4. INFORMATION SUPPLIED TO THE BOARD

Among others, information supplied to the board includes:

- * Quarterly results for the Company and its operating divisions;
- * Minutes of meetings of Audit Committee and other Committees;
- * Materially important show cause, demand, prosecution and penalty notices;
- * Fatal or serious accidents or dangerous occurrences;
- * Any materially relevant default in financial obligations to and by the Company or substantial;
- * Non-payment for goods sold by the Company;
- * Any issue which involves possible public or product liability claims of a substantial nature;
- * Details of any joint venture or collaboration agreement;
- * Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business;
- * Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement; and
- * Non-compliance of any regulatory, statutory nature or listing requirements and shareholder service such as non-payment of dividend and delay in share transfer.

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Name of Directors	Category	No. of meetings held	No. of meetings attended	Whether attended last AGM	No. of directorship of public limited companies	No. of Committee positions held in other Public Limited Companies
Mr. Umesh R. Lahoti	Executive & Non Independent	7	7	Yes	7	2
Mr. Ujwal R. Lahoti	Executive, Non Independent	7	7	Yes	5	Nil
Mr. Prakash Bang	Non Executive, Independent	7	7	Yes	4	1
Mr. Sanjay Soni*	Non Executive, Independent	7	6	Yes	0	0

The Board of Hind Commerce Limited is presented with detailed notes along with the agenda papers well in advance of the meeting.

Details about Meetings of Board of Directors of Hind Commerce Limited – Annexure I

1. None of the Directors held Directorships in more than 15 Public Limited Companies.
2. No Director had membership of more than 10 Committees of Boards, nor is any Director is Chairman of more than 5 Committees of Boards.
3. Directorships exclude Directorship in Foreign Company, Alternate Directorships, Companies registered under Section 25 of the Companies Act, 1956 and Private Companies.

* Mr. Sanjay R. Soni was appointed as an Additional Director (Independent) of the Company w.e.f. 12th May, 2011.

2.5. DIRECTORS WITH MATERIALLY PECUNIARY OR BUSINESS RELATIONSHIP WITH THE COMPANY

There have not been materially relevant pecuniary transactions or relationship between Hind Commerce Limited and its non-executive and/or independent Directors during the year 2011-2012.

2.6 REMUNERATION OF DIRECTORS

The Company has not paid any remuneration to its Directors during the financial year.

2.7 CODE OF CONDUCT

Pursuant to the requirements of the Clause 49 of the Listing Agreement, the Board has adopted code of Business Conduct and Ethics for the Executive Directors, Officers and Employees of the Company as well as the separate Code of Business Conduct and Ethics for Non-Executive Directors of the Company.

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All the Board Members and Senior Management personnel have affirmed compliance with the Code for the financial year 2011-12 and a declaration to this effect signed by the Chairman of the Company is provided at the end of this report.

3. AUDIT COMMITTEE

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting progress with a view to ensuring accurate timely and proper disclosures and transparency, integrity and quality of financial reporting.

3.1 Brief Description of the terms of reference

The Audit Committee of Hind Commerce Limited performs the following functions:

- * Overseeing of the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- * Reviewing with management the annual financial statement before submission to the Board;
- * Reviewing with the management, Statutory Auditors, the adequacy of internal control systems;
- * Reviewing the adequacy of internal audit function;
- * Discussing with internal auditors any significant finding and follow up on such issues;
- * Reviewing the findings of any internal investigations by the internal auditors in matters where there is suspected fraud or irregularity, or a failure of internal control systems of a material nature, and then reporting such matters to the Board;
- * Discussing with external auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern;
- * Reviewing any changes in accounting policies or practices as compared to last completed financial year and commenting on any deviation from Accounting Standards;
- * Reviewing the company's financial and risk management policies;

3.2. Composition, Name and Designation of the Committee

As on 31st March, 2012, the composition of Audit Committee has been as under:

Audit Committee

S. No.	Name of Directors	Designation	Category of Directors
1	Mr. Prakash R. Bang	Chairman	Non-Executive / Independent Director
2	Mr. Sanjay R. Soni	Member	Non-Executive / Independent Director
3	Mr. Ujwal R. Lahoti	Member	Executive Director

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All the members of the Audit Committee possess Financial/Accounting expertise. The Composition of the Audit Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49.

3.3 Meetings and Attendance during the year 2011-12

Audit Committee met 4 (Four) times during the year 2011-12 and the attendance record is as per the table given below:

Name of Director	Number of meetings held	Meeting attended
Mr. Prakash Bang	4	4
Mr. Ujwal Lahoti	4	4
Mr. Sanjay Soni	4	4

4.S
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ERS'/INVESTOR'S GRIEVANCES COMMITTEE

The Committee specifically looks into the transfer of shares and related matters and redressing complaints of share holders and investors such as transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends and Dematerialization of shares.

4.1. Composition of Committee

The committee comprises of the following members:

- Mr. Prakash R. Bang (Independent Director),
- Mr. Umesh R. Lahoti (Executive Director) &
- Mr. Ujwal R. Lahoti (Executive Director).

4.2. Meetings of the Committee for 2011-2012

Name of Director	Number of meetings	Meeting attended
Mr. Prakash R. Bang	4	4
Mr. Umesh R. Lahoti	4	4
Mr. Ujwal R. Lahoti	4	4

4.3. Complaints during the F.Y. 2011-2012

Table below gives the details about the nature of complaints during the year 2011-2012:

Nature of Complaints	No. of Complaints	No. redressed
Non-receipt of Dividend	Nil	Nil
Non-receipt of credit for share sent for Demat	Nil	Nil
Non-receipt of Annual Report	Nil	Nil

There are no unsolved complaints pending.

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5. DISCLOSURES

5.1 Related Party Transaction

The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large. Declarations have been received from the senior management personnel to this effect.

5.2 Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges / SEBI / and Statutory Authority on all matters related to capital markets during the last three years. No penalties or strictures have been imposed on the companies by these authorities.

5.3 Disclosure of accounting treatment

The financial statements are prepared on accrual basis of accounting and in accordance with the Indian GAAP, provisions of the Companies Act, 1956 ('the Act') and comply in material aspects with the Accounting Standards notified under Section 211 (3C) of the Act read with the Companies (Accounting Standard) Rules, 2006.

5.4 Disclosure on risk management

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimization procedures. A risk management committee consisting of senior executives of the Company periodically reviews these procedures to ensure that executives' management controls risk through means of a properly defined framework. A senior independent director is associated with the committee. The Company has framed the risk assessment and minimization procedure which is periodically reviewed by the Board.

5.5 CEO / CFO Certification

The Managing Director of the Company has been certified to the Board in accordance with Clause 49(V) of the Listing Agreement pertaining to CEO/CFO Certification for the Financial Year ended March 31, 2012.

5.6 APPOINTMENT / RE-APPOINTMENT OF DIRECTORS

The Details in respect of the Directors proposed to be re-appointed are provided in the Directors' Report.

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5.7 MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under Clause 49 (IV)(F) of the Listing Agreement.

5.8 RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

In line with the requirements stipulated by SEBI, Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary to confirm that the aggregate number of equity shares of the Company held in National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and in physical form tally with the total number of issued, paid-up, listed and admitted capital of the Company.

MEANS OF COMMUNICATION

Quarterly / annual financial results are regularly submitted to the Stock Exchanges in accordance with the listing Agreement entered into with the Stock Exchanges and published in prominent English daily news paper and in a regional language newspaper.

HIND COMMERCE LIMITED INSIDER TRADING POLICY

The Company has implemented an Insider Trading Policy to comply with the relevant Insider Trading Regulation. In accordance with the policy, the Company announces quiet period for designated employees from time to time.

The Company has a policy of observing a 'quiet period' from the last day of the end of the quarter till two trading days after the financial results are published. The Company may also announce 'quiet period' during and after the occurrence of certain events mentioned in the Insider Trading Policy.

The Company is strictly monitoring its Insider Trading Policy.

6. GENERAL BODY MEETINGS

6.1 Date, Time and Venue for the last three Annual General Meetings held

Financial year	Date	Time	Venue
2008-2009	29/09/2009	11.30 A.M.	Registered office of the Company
2009-2010	30/09/2010	11.30 A.M.	Registered office of the Company
2010-2011	30/09/2011	11.30 A.M.	Registered office of the Company

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6.2 Details of the Special Resolutions passed in the previous three AGMs

AGM	AGM Dates	Special Resolutions Passed
24 th	29 th September, 2009	Nil
25 th	30 th September, 2010	Nil
26 th	30 th September, 2011	Resolution passed under Section 372(A) of the Companies Act, 1956 for making Inter corporate Loan / Investment / Guarantee / Security up to ` 75 Crore.

7. ADDITIONAL SHAREHOLDER INFORMATION

7.1. ANNUAL GENERAL MEETING

Date : 27th September, 2012 at 11.30 A.M.

Venue : 307, Arun Chambers, Tardeo Road, Mumbai - 400 034.

7.2. POSTAL BALLOT: There is no Resolution requiring Compliance of postal ballot procedure.

7.3. FINANCIAL YEAR AND CALENDAR

a. **Financial Year** from 1st April to 31st March.

b. **Financial Calendar 2011-12 (Tentative):**

Financial Reporting for the quarter ending June 30, 2011	End of July 2011
Financial Reporting for the quarter ending September 30, 2011	End of October 2011
Financial Reporting for the quarter ending December 31, 2011	End of January 2012
Financial Reporting for the quarter ending March 31, 2012	End of April 2012

7.4. DATE OF BOOK CLOSURE

The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 22nd September, 2012 to Thursday, 27th September, 2012 (both days inclusive) for the purpose of Annual General Meeting.

7.5 DIVIDEND PAYMENT DATE: Not Applicable

7.6. LISTING ON STOCK EXCHANGES

At present the Company's Equity Shares are listed at Pune Stock Exchange, Pune and the Company has paid the Listing fees to the above exchange for the year 2011-12.

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7.7. STOCK CODES: NIL

7.8. STOCK DATA

During the Financial year there were no trading took place in the equity shares of the Company at Pune Stock Exchange Ltd., Pune

7.9. SHARE TRANSFER AGENTS AND SHARE TRANSFER SYSTEM

Hind Commerce Limited has appointed **Sharepro Services (India) Private Limited** as Registrars and Transfer Agents to handle the physical Share Transfer related work and for Electronic connectivity as per the directives of SEBI. The Company's equity shares are traded in the Stock exchanges compulsorily in Demat mode. The Share Holders & Investors Grievances Committee meets periodically for dealing with matters concerning securities of the Company.

For transfer of shares in physical form, the Company has introduced Transfer and Demat facility to avoid unnecessary mailing of certificates. Certificates duly transferred are returned to those, who opt to receive certificates in physical form. There are no legal proceedings against the Company on any share transfer matter.

7.10. SHAREHOLDING PATTERN

Table below gives the pattern of shareholding by ownership and share class respectively:

a. Categories of shareholding as on 31st March, 2012.

Category	No. of shares held	Shareholding %
Promoters	924100	30.80
Bodies Corporate (Group Cos.)	---	---
Other Bodies Corporate	1456000	48.53
NRI's	---	---
Banks/Financial Institutions	---	---
Indian Public	619900	20.66
TOTAL	3000000	100.00

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b. Distribution of shareholding as at 31st March, 2012.

Sr.	Category (1)	Share Holders		Share Amount	
		Number (2)	% to Total (3)	(In Rs.) (4)	% to Total (5)
1	Upto - 5000	472	87.57	546000.00	1.82
2	5001 - 10000	---	---	---	---
3	10001 - 20000	---	---	---	---
4	20001 - 30000	3	0.56	90000.00	0.30
5	30001 - 40000	3	0.56	99000.00	0.33
6	40001 - 50000	---	---	---	---
7	50001 - 100000	4	0.74	280000.00	0.93
8	Above 100000	57	10.57	28985000.00	96.62
Total		539	100.00	30000000.00	100.00

7.11. DEMATERIALISATION OF SHARES AND LIQUIDITY

The Company's equity shares are under compulsory Demat trading. The ISIN of the Scrip is INE691J01019. As on 31st March, 2012, Dematerialized shares accounted for 51.42% of the total equity. The Company has appointed **SHAREPRO SERVICES (INDIA) PRIVATE LIMITED** as Registrars & Transfer Agents to handle the physical Share Transfer related work and for Electronic connectivity as detailed below:

SHAREPRO SERVICES (INDIA) PRIVATE LIMITED

Samhita Complex, Gala No-52 to 56, Bldg No.13 A-B

Near Sakinaka Telephone Exchange,

Andheri -Kurla Road, Sakinaka, Mumbai-400 072.

Tel No. -022-67720300/67720400, Fax No. 022-28591568

E-mail: indira@shareproservices.com

Contact Person: Ms. Indira Karkera

7.12. OUTSTANDING GDRs / ADRs / Warrants or any Convertible Instruments : NIL

7.13. PLANT LOCATIONS : Not Applicable

7.14. DETAILS OF PUBLIC FUNDING OBTAINED IN THE LAST THREE YEARS

No capital has been raised from public in the last three years.

HIND COMMERCE LIMITED

307, Arun Chambers, Tardeo Road, Mumbai - 400 034.
Tel.: 022-40 500 100 Fax : 022-40 500 150 E-mail : lol@vsnl.com

7.15. CORRESPONDENCE ADDRESS FOR INVESTORS

COMPANY

Mr. Aweline Mendes
Compliance Officer
Hind Commerce Limited
307, Arun Chambers, Tardeo Road,
Mumbai - 400 034.
Tel No. 022-40500100
/ Fax No. 022-40500150,
E-mail: aweline@lahotioverseas.com

REGISTRAR AND SHARE TRANSFER AGENT **SHAREPRO SERVICES (I) PVT. LTD.**

Samhita Complex, Gala No-52 to 56, Bldg No.13 A-B
Near Sakinaka Telephone Exchange,
Andheri -Kurla Road, Sakinaka, Mumbai-400 072.
Telephone-022-67720300/0400,
Fax No. 022-28591568
E-mail: indira@shareproservices.com
Contact Person: Ms. Indira Karkera

HIND COMMERCE LIMITED

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Management Discussion and Analysis

Economy Review:

India was among the world's fastest growing economies, with a growth of GDP at the rate of 9 per cent in fiscal year 2011-2012, as compared to 8.50 per cent in the fiscal year 2010-2011. The farm sector growth was relatively stronger at 6.6%, while the industrial sector performance was below expectation. The service sector did well. The projections in July 2010 and January 2011, placed the overall growth rate at around 9 per cent in 2011/12. However the inflationary situation and investment slowdown have necessitated a downward revision. The economy expected to grow at 8.2 % in 2011/12 with agriculture growing at 3.0 per cent, industry at 7.1 per cent and services at 10 per cent. The projected growth rate of 8.2 per cent, though lower than the previous year, must be treated as high and respectable, given the current world situation.

Industry Overview:

Over the past decade, the consumer credit market in India, has rapid expansion and is still an under-penetrated market. Consumer credit has become cheaper, and acceptable to consumers.

The Factors that have brought change in the market are:

- * Increasing desire by customers to acquire assets such as cars, goods and houses on credit;
- * Growing number of households in the Company's target segment;
- * Improved terms of credit as the interest rates in India have begun to fall into line with global interest rates and sophisticated products have reduced interest rates further;
- * Legislation changes that offer greater protection to lenders against fraud and potential default increasing the incentive to lend;
- * Growth in the assignment and securitization arrangements for consumer loans has enabled non-deposit based entities to access wholesale funding and compete in the market based on ability to originate, underwrite and service consumer loans.

Our Capital Market and Securities business is the crown jewels of the Company. Our whole team is focused on building our market leadership and expanding our horizons.

Outlook:

There has been considerable broadening and deepening of the Indian financial markets due to various financial market reforms undertaken by the regulators, the introduction of innovative financial instruments in recent years and the entry of sophisticated domestic and international players. Strong economic growth, favourable demographics, increased geographic penetration, growth of small and medium enterprises and the increasing needs for capital among Indian corporations are expected to continue to drive India's financial services industry.

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Marketing Strategy:

The Company relies on the internal as well as its relationship managers and marketing associates to ensure the growth of its business and development of new business lines by various sales tactics.

Strong Financial Position:

For healthy equity capital base as well as access to large credit lines, bank facilities and commercial paper market, Hind Commerce Limited's strong financial position allows it to acquire customers and provide financing on attractive terms.

Dynamic Management Team:

The Company's management team has a continued and strong focus on identifying quality growth areas that are capable of providing high returns.

Risk Management:

The Company has in place, suitable mechanism to effectively reduce such risks. All these risks are continuously analyzed and reviewed at various levels of management thought and effective information system. The Company recognizes the importance of risk management on account of increasing competition and market volatility in the financial services business.

Internal Control System:

The Company has sufficient Internal Control System to ensure that all the assets are safe guarded and protected against the loss from unauthorized used or disposition and that transactions are authorized, recorded and reported correctly.

Human Resources:

The Company considers its Human Resources as one of its key valuable assets. The Company continues to lay emphasis on developing and facilitating optimum human performance. Performance management was the key word for the Company this year. Recruitment process has been strengthened to ensure higher competence levels.

Opportunities:

- * Low retail penetration of financial services/products in India
- * Cross selling of services
- * Rising per-capita GDP
- * Young population and attractive demographic profile

HIND COMMERCE LIMITED

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Threats:

- * Competition from local and multinational players
- * Execution risk
- * Regulatory changes
- * Attraction and retention of Human Capital

Cautionary Statement:

Statements in this Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations maybe a 'forward looking statement' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied. Hind Commerce Limited is not under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

HIND COMMERCE LIMITED

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ANNUAL DECLARATION BY CFO/CEO PURSUANT TO CLAUSE 49(I) (D) (ii) OF THE LISTING AGREEMENT

As per the requirements of Clause 49(I)(D)(ii) of the Listing Agreement, I, Umesh R. Lahoti, Director, hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Business Conduct and Ethics for the Financial Year 2011-12.



Umesh R. Lahoti
Director

Date: 3rd August, 2012
Place: Mumbai

HIND COMMERCE LIMITED

307, Arun Chambers, Tardeo Road, Mumbai - 400 034.
Tel.: 022-40 500 100 Fax : 022-40 500 150 E-mail : lol@vsnl.com

CERTIFICATION BY THE EXECUTIVE DIRECTOR ON FINANCIAL STATEMENTS OF THE COMPANY.

I, Umesh R. Lahoti, Director of Hind Commerce Limited, certify that:

- (a) I have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best our knowledge the belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
 - (i) significant changes in internal control during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.



Umesh R. Lahoti
Director

Place : Mumbai
Date : 3rd August, 2012

K K KHADARIA & Co

CHARTERED ACCOUNTANTS

Office : 401 - A, Pearl Arcade, Opp. P. K. Jewellers, Off J. P. Road, Andheri (W), Mumbai - 400 058.
Tel. : 022 - 26778155, 26797750, 26783178 • Telefax : 022 - 26781187

AUDITORS' REPORT

TO THE MEMBERS OF HIND COMMERCE LIMITED

We have audited the attached consolidated Balance Sheet of HIND COMMERCE LIMITED (the "Company") and its subsidiary (the Company and its subsidiary constitute the "Group") as at 31st March, 2012, the related consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These Consolidated 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.

We did not audit the financial statements of subsidiary company Crystal Tradecom Limited, for the year ended on that date as considered in the consolidated financial statements. These financial statements and other financial information have been audited by other auditors whose report have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

We report that the consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS)-21 as notified under sub-section 3C of Section 211 of the Companies Act, 1956.

Contd.....2

K K KHADARIA & Co

CHARTERED ACCOUNTANTS

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....2....

Based on our audit and on consideration of report of other auditors on separate financial statements and on the other financial information of the components of the group as referred to above, and to the best of our information and according to the explanations given to us, in our opinion, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India;

- i) in the case of consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2012,
- ii) in the case of consolidated Statement of Profit & Loss, of the profit of the Group for the year ended on that date, and
- iii) in the case of consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

PLACE: MUMBAI
DATED: 3rd August, 2012



For K K KHADARIA & CO
CHARTERED ACCOUNTANTS
(FIRM REGN. NO. 105013W)

AJAY DAGA
PARTNER

Mem No. 44162

HIND COMMERCE LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2012

	Note	As At 31.03.2012 Amt (Rs.)	As At 31.03.2011 Amt (Rs.)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	30,000,000	30,000,000
Reserves and Surplus	3	35,327,143	34,433,350
		<u>65,327,143</u>	<u>64,433,350</u>
Non-Current Liabilities			
Deferred Tax Liabilities	4	1,358	NIL
		<u>1,358</u>	<u>NIL</u>
Current Liabilities			
Short-term borrowings	5	1,000,000	NIL
Trade payables	6	NIL	2,000
Other current liabilities	7	1,598,805	80,804
Short-term provisions	8	NIL	265,295
		<u>2,598,805</u>	<u>348,099</u>
TOTAL		<u><u>67,927,306</u></u>	<u><u>64,781,449</u></u>
ASSETS			
Non-current assets			
Fixed assets			
-Tangible assets	9	5,640	7,113
Non-current investments	10	64,129,569	49,549,042
Long term loans and advances	11	850,256	8,508,478
		<u>64,985,465</u>	<u>58,064,634</u>
Current assets			
Current investments	12	408,377	NIL
Cash and cash equivalents	13	515,464	6,712,815
Short-term loans and advances	14	2,018,000	4,000
		<u>2,941,841</u>	<u>6,716,815</u>
TOTAL		<u><u>67,927,306</u></u>	<u><u>64,781,449</u></u>

Summary of Significant Accounting Policies 1

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date

For **K K KHADARIA & CO**
CHARTERED ACCOUNTANTS

AJAY DAGA
Partner

Place : Mumbai

Dated : 3rd August, 2012

For and on behalf of the board

Director

Director

HIND COMMERCE LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2012

	<u>Note</u>	<u>Year ended 31.03.2012 Amt (Rs.)</u>	<u>Year ended 31.03.2011 Amt (Rs.)</u>
Revenue			
Revenue from operations	15	1,593,903	2,731,451
Other Income	16	8,527	29,008
Total Revenue		<u>1,602,430</u>	<u>2,760,459</u>
Expenses			
Employee benefits expenses	17	441,571	393,597
Depreciation	9	1,473	1,473
Other expenses	18	268,099	292,821
Total Expenses		<u>711,143</u>	<u>687,891</u>
Profit before tax		<u>891,287</u>	<u>2,072,568</u>
Tax expense:			
- Current tax		2,442	265,295
- MAT Credit Entitlement		NIL	(196,566)
- Deferred Tax	4	1,358	NIL
- MAT Credit Entitlement of earlier year		(5,895)	NIL
- Tax adjustment of previous year		(411)	16,428
Profit/(Loss) for the year		<u>893,793</u>	<u>1,987,411</u>
Earnings per equity share of face value of Rs.10/-each			
Basic and Diluted (Rs.)		0.30	0.66

Summary of Significant Accounting Policies 1

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date
For K K KHADARIA & CO
 CHARTERED ACCOUNTANTS

AJAY DAGA
 Partner
 Place : Mumbai
 Dated : 3rd August, 2012



For and on behalf of the board


 Director


 Director

HIND COMMERCE LIMITED

COSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	As At 31.03.2012 Amt (Rs.)	As At 31.03.2011 Amt (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
a) Net Profit/ (Loss) before tax	891,287	2,072,569
<u>Adjustment For</u>		
Deprecation	1,473	1,473
(Profit)/Loss on sale of Investment	428891	(1043772)
Interest Received	(330265)	(778850)
Dividend Received	(1701056)	(937837)
b) OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(709,670)	(686,416)
<u>ADJUSTMENTS FOR:</u>		
Trade Receivable	NIL	454,755
Long Term Loans and Advances	7,661,675	(7,642,937)
Short Term Loans and Advances	(2,014,000)	24,624,318
Trade Payables	(2,000)	(4,234)
Other current liabilities	1,518,001	(12,333)
CASH GENERATED FROM OPERATIONS	6,454,006	16,733,153
Direct Tax (Paid)/refund	(264,884)	83,572
NET CASH FROM OPERATING ACTIVITIES	6,189,122	16,816,725
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Investment	(15,417,794)	(12,396,625)
Interest Received	330,265	778,850
Dividend Received	1,701,056	937,837
NET CASH USED IN INVESTING ACTIVITIES	(13,386,473)	(10,679,938)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Short-term borrowings	1,000,000	NIL
NET CASH FROM FINANCING ACTIVITIES	1,000,000	NIL
NET DECREASE IN CASH AND CASH EQUIVALENTS	(6,197,352)	6,136,786
CASH AND CASH EQUIVALENTS (At the Beginning of the year)	6,712,815	576,029
CASH AND CASH EQUIVALENTS (At the end of the year)	515,464	6,712,815

- The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard -3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- Previous Year's figure have been regrouped, rearranged, wherever necessary, to correspond with the current year's classification/disclosure.

As per our Report of even date

For K K KHADARIA & CO
CHARTERED ACCOUNTANTS

AJAY DAGA
Partner
Place : Mumbai
Dated : 3rd August, 2012

For and on behalf of the board

Director

Director

HIND COMMERCE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31,2012

(1) Summary of Significant Accounting Policies :-

a. The Consolidated accounts have been prepared to comply in all material aspects with applicable accounting principles in India and the applicable Accounting Standards notified under Section 211(3C) of the Companies Act, 1956, in particular Accounting Standard-21 (AS 21)-'Consoildated Financial Statements .

b. The details of Subsidiary is as under:

Name of the Subsidiary	Coutry of Origin	% Shareholding of the group (31st March, 2012)	% Shareholding of the group (31st March, 2011)
Crystal Tradecom Limited	India	100%	N.A.

c. Fixed Assets are stated at cost less depreciation. The Company capitalises all cost relating to acquisition and installation of Fixed Assets.

d. Depreciation has been provided on pro-rata basis on straight-line method at the rates & on the basis specified in Schedule XIV to the Companies Act,1956.

e. Long term investments are stated at cost after deducting provision made for permanent diminution in the value, if any. Current investment are stated at lower of cost & fair market value.

f. Loans & Advances are stated after making adequate provision for doubtful advances.

g. Leave encashment benefit accrued as per Company's Rules are charged to the Profit & Loss Account.

h. Income-tax expense comprises current tax and deferred tax charge or credit. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax asset arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax asset on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax asset is reviewed to reassure realisation.



HIND COMMERCE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

	As At 31.03.2012 Amt (Rs.)	As At 31.03.2011 Amt (Rs.)
(2) Share Capital		
Authorised :		
11000000 (P.Y. 11000000) Equity Shares of Rs. 10/- each	110,000,000	110,000,000
Issued, Subscribed and fully Paid-up:		
3000000 (P.Y. 3000000) Equity Shares of Rs. 10/- each	30,000,000	30,000,000
	<u>30,000,000</u>	<u>30,000,000</u>

a. The number of shares and amount outstanding at the beginning and at the end of the reporting year is same.

b. The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to same right in all the assets.

c. Shares in the Company held by each shareholders holding more than 5% shares

No. of Shareholders each holding more than 5% of the Share Capital	No. of Shares Held Percentage of holding	No. of Shares Held Percentage of holding
Three shareholders (P.Y. Three shareholders)	1075000 35.83%	1075000 35.83%

(3) Reserves & Surplus

a. Securities Premium Reserve (Opening & Closing Balance)	1,000	1,000
b. Surplus in Statement of Profit and Loss		
Opening Balance	34,432,350	32,444,938
Add: Net Profit for the current year	893,793	1,987,412
Closing Balance	<u>35,326,143</u>	<u>34,432,350</u>
Total	<u>35,327,143</u>	<u>34,433,350</u>

(4) Deferred Tax Liabilities

Major components of Deferred Tax arising on account of temporary timing differences are given below:

Deferred Tax Liabilities

Depreciation 1,358 NIL

Deferred Tax Assets

NIL NIL

Deferred Tax Liabilities (Net) 1,358 NIL

As there is no virtual certainty of future taxable income against which deferred tax asset on account of carried forward losses and allowances can be realized, the same is not recognized.

(5) Short-term Borrowings

Loans From related parties		
-Unsecured	1,000,000	NIL
	<u>1,000,000</u>	<u>NIL</u>



HIND COMMERCE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

	As At 31.03.2012 Amt (Rs.)	As At 31.03.2011 Amt (Rs.)
(6) Trade Payables		
Sundry Creditors *	NIL	2,000
	<u>NIL</u>	<u>2,000</u>
* Based on information so far available with the Company, there are no dues payable to MSME as defined in the Micro, Small and Medium Enterprises Development Act,2006.		
(7) Other Current Liabilities		
Statutory Dues	4,052	300
Salary & bonus Payable	61,520	39,424
Other Payables	1,533,233	41,080
	<u>1,598,805</u>	<u>80,804</u>
(8) Short-Term Provisions		
Provision for Income Tax	NIL	265,295
	<u>NIL</u>	<u>265,295</u>
(11) Long-Term Loans & Advances (Unsecured, considered good)		
a. Security Deposits #	351,210	351,210
b. Other Loans & Advances		
-- Advance Income Tax (Net of Provisions)	15,930	NIL
-- MAT credit entitlement	342,144	338,691
-- Loans to Others	140,973	7,818,578
	<u>850,256</u>	<u>8,508,478</u>
# Deposit include Rs. 3.5 Lacs (Previous Year Rs. 3.5 Lacs) being interest free security deposit, for Office Premises, to a company in which some of the Directors are interested.		
(12) Current Investments Unquoted Investment in units of Mutual Funds		
408.346 (NIL) units of Pramercia Ultra Short-term Bond	408,377	NIL
	<u>408,377</u>	<u>NIL</u>
(13) Cash & Cash Equivalents		
Cash & Bank balances		
--Cash on Hand	188	188
--Balance with Banks in Current Accounts	514,276	6,712,627
--Cheques on hand	1,000	NIL
	<u>515,464</u>	<u>6,712,815</u>
(14) Short-term Loans & Advances (Unsecured, considered good)		
a. Loans and advances to employees	18,000	4,000
b. Other loans & advances	2,000,000	NIL
	<u>2,018,000</u>	<u>4,000</u>



HIND COMMERCE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

(9) Tangible Fixed Assets

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS AT 01/04/11	ADDITIONS	DEDUCTIONS	AS AT 31/03/12	AS AT 01/04/11	FOR THE YEAR	AS AT 31/03/12	AS AT 31/03/12	AS AT 31/03/11
Electronic Type Writer	31,000	NIL	NIL	31,000	23,887	1,473	25,360	5,640	7,113
Total	31,000	NIL	NIL	31,000	23,887	1,473	25,360	5,640	7,113
Previous Year	31,000	NIL	NIL	31,000	22,414	1,473	23,887	7,113	8,586



HIND COMMERCE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

		As At 31.03.2012 Amt (Rs.)	As At 31.03.2011 Amt (Rs.)
(10) Non-Current Investments			
Non Trade Investments			
A. Quoted			
Investment in Equity Instruments			
707500 (707500)	Eq. Sh. of Rs. 2/- each of Lahoti Overseas Ltd.	3,113,000	3,113,000
2655 (2155)	Eq. Sh. of Rs. 10/- each of ABG Shipyard Ltd.	2,191,827	2,001,672
1500 (1500)	Eq. Sh. of Rs. 10/- each of Ankur Drugs Pharma Ltd.	516,300	516,300
2300 (2300)	Eq. Sh. of Rs. 5/- each of Bharti Airtel Ltd.	971,728	971,728
100 (NIL)	Eq. Sh. of Rs. 10/- each of Damodar Threads Ltd.	3,935	NIL
1500 (1500)	Eq. Sh. of Re. 1/- each of Godrej Industries Ltd.	666,824	666,824
1675 (1675)	Eq. Sh. of Rs. 5/- each of HDFC Ltd.	981,436	981,436
800 (800)	Eq. Sh. of Rs. 10/- each of ICICI Bank Ltd.	726,468	726,468
1000 (1000)	Eq. Sh. of Rs. 10/- each of Indus Fila Ltd.	239,500	239,500
5875 (4875)	Eq. Sh. of Rs. 2/- each of Jai Prakash Associates Ltd.	1,053,409	989,886
120 (120)	Eq. Sh. of Rs. 10/- each of Century Enka Ltd.	20,724	20,724
2400 (2400)	Eq. Sh. of Re. 1/- each of Emami Ltd.	84,000	84,000
400 (400)	Eq. Sh. of Rs. 10/- each of Emami Infrastructure Ltd.	0.01	0.01
2000 (200)	Eq. Sh. of Re. 1/- each of FCS Software Solutions Ltd.	5,000	5,000
106 (106)	Eq. Sh. of Rs. 10/- each of Jet Airways(India) Ltd.	104,161	104,161
5 (5)	Eq. Sh. of Re. 1/- each of Provogue India Ltd.	150	150
4560 (4560)	Eq. Sh. Rs. 10/- each of Praj Industries Ltd.	643,921	643,921
132 (132)	Eq. Sh. of Rs. 10/- each of Punjab National Bank Ltd.	51,480	51,480
121 (121)	Eq. Sh. of Rs. 10/- each of Sasken Communication Tech.Ltd.	60,656	60,656
990 (690)	Eq. Sh. of Rs. 10/- each of SBI Ltd.	1,946,067	1,296,990
1600 (1600)	Eq. Sh. of Rs. 10/- each of Union Bank of India Ltd.	25,600	25,600
750 (750)	Eq. Sh. of Rs. 10/- each of K.P.R.Mill Ltd.	168,750	168,750
1290 (1290)	Eq. Sh. of Rs. 10/- each of Larsen & Toubro Ltd.	2,437,320	2,437,320
370 (370)	Eq. Sh. of Rs. 2/- each of Adani Ports and Special Eco. Zone Ltd	32,560	32,560
100 (NIL)	Eq. Sh. of Rs. 5/- each of Nagreeka Exports Ltd	2,205	NIL
1500 (1500)	Eq. Sh. of Rs. 10/- each of Pioneer Distilleries Ltd.	177,295	177,295
2500 (2500)	Eq. Sh. of Rs. 10/- each of Power Grid Corp Ltd.	390,683	390,683
5000 (5000)	Eq. Sh. of Rs. 10/- each of Radha Madhav Corporation Ltd.	597,915	597,915
1240 (1240)	Eq. Sh. of Rs. 10/- each of Reliance Industries Ltd.	1,481,152	1,481,152
30000 (30000)	Eq. Sh. of Rs. 5/- each of Saamaya Biotech (India) Ltd.	312,011	312,011
1500 (1500)	Eq. Sh. of Rs. 5/- each of Sarda Energy & Minerals Ltd.	208,275	208,275
300 (300)	Eq. Sh. of Rs. 10/- each of SBT International Ltd	0.01	0.01
		19,214,352	18,305,457
B. Unquoted			
a) Investment in Equity Instruments			
24000 (24000)	Eq. Sh. of Rs. 100/- each of Kirti Stock Brokers Pvt Ltd.	2,400,000	2,400,000
32500 (32500)	Eq. Sh. of Rs. 10/- each of Asthvinayak Textile Trading (P) Ltd.	325,000	325,000
92500 (92500)	Eq. Sh. of Rs. 10/- each of Balchandaram Clothing (P) Ltd.	925,000	925,000
35000 (35000)	Eq. Sh. of Rs. 10/- each of Jamvant Textiles (P) Ltd.	350,000	350,000
32500 (32500)	Eq. Sh. of Rs. 10/- each of Janaksuta Textile & Yarn (P) Ltd.	325,000	325,000
22500 (22500)	Eq. Sh. of Rs. 10/- each of Mansadevi Text & Yarn Supp (P) Ltd.	225,000	225,000
32500 (32500)	Eq. Sh. of Rs. 10/- each of Mast Mast Textile Trading (P) Ltd.	325,000	325,000
22500 (22500)	Eq. Sh. of Rs. 10/- each of Pawansoot Textiles (P) Ltd.	225,000	225,000
32500 (32500)	Eq. Sh. of Rs. 10/- each of Shakambri Fabrics (P) Ltd.	325,000	325,000
92500 (92500)	Eq. Sh. of Rs. 10/- each of Step by Step Exports (P) Ltd.	925,000	925,000
25000 (25000)	Eq. Sh. of Rs. 10/- each of Sanghi Spinners India Ltd.	750,000	750,000
5 (NIL)	Eq. Sh. of Rs. 2/- each of Prozone Capital Shopping Centres Ltd.	0.01	NIL
49 (49)	Eq. Sh. of Rs. 5/- each of Vishal Retail Ltd.	13,230	13,230
75000 (NIL)	Eq. Sh. of Rs. 10/- each of Dreamland Textile Suppliers Pvt. Ltd.	750,000	NIL
25000 (NIL)	Eq. Sh. of Rs. 10/- each of Sparkle Fabrics Pvt. Ltd.	250,000	NIL
		8,113,230	7,113,230



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

		As At 31.03.2012 Amt (Rs.)	As At 31.03.2011 Amt (Rs.)
b) Investment in Debentures			
70 (70)	Debentures of Rs. 30/- each of Rajashree Poly	2,100	2,100
NIL (1)	24/27 Month Non Principal Protected Nifty Shark Fin. - Barclays	NIL	1,005,000
10 (10)	Debentures of Rs. 100000/- each of RBS Fin. Ser. (India) Pvt. Ltd.	1,011,030	1,011,030
20 (20)	Secured Redeemable Non Convertible Debentures of Rs. 100000/- each of CFIL	2,000,000	2,000,000
		<u>3,013,130</u>	<u>4,018,130</u>
c) Investment in units of Mutual Funds			
4907 (4907)	HDFC Top 200 Fund - Growth (CITI)	1,000,000	1,000,000
851203 (NIL)	HDFC Cash Management Fund T.A.P.-Retail- W.D. reinvest (Citi)	8,534,218	NIL
33891 (NIL)	HDFC Cash Management Fund T.A.P.-Retail- W.D.reinvest (Prudent)	3,347,350	NIL
126006 (NIL)	ICICI Prudential Short term plan - Dividend reinvest	1,504,083	NIL
98987 (NIL)	IDFC SSIF -Short Term Plan A - Fortnightly Dividend Reinvest	1,013,543	NIL
100000 (100000)	Pramerica Dynamic Fund - Growth	1,000,000	1,000,000
7036.5 (8199)	Pramerica Ultra short Term Bond fund Weekly Dividend Reinvest	7,039,653	8,200,000
100000 (100000)	Reliance Gold Savings Fund - Growth	1,000,000	1,000,000
NIL (40839)	Religare Credit Opportunities Fund - Regular Monthly Dividend	NIL	415,239
50000 (50000)	SBI Infrastructure Fund I Dividend	500,000	500,000
26326 (26326)	TATA Infrastructure Fund- Dividend	600,000	600,000
55085 (57254)	Birla Sun life MIP - Wealth 25 -Monthly Payment	911,116	946,986
NIL (250000)	BNP Paribas Fixed Term Fund-Series21B (G)	NIL	2,500,000
1,00,000 (NIL)	BNP Paribas Fixed Term Fund-Series21B (G)	1,000,000	NIL
3188.3 (865)	HDFC Equity Fund - Growth	850,000	250,000
24596 (5824)	IDFC Premium Equity Fund Growth	800,000	200,000
NIL (96747)	J M Emerging Leaders Fund Growth Plan	NIL	1,500,000
53641 (NIL)	J M Multi Strategy Fund Growth Plan	688,895	NIL
250000 (NIL)	Reliance Fixed Horizon Fund XXI Series 18 - Growth	2,500,000	NIL
44560 (44560)	Reliance - MIP (Monthly Dividend)	500,000	500,000
NIL (150000)	SBIMF SDFS 370 Days - 10	NIL	1,500,000
100000 (NIL)	TATA Fixed Maturity Plan Series 39 Scheme J - Growth	1,000,000	NIL
		<u>33,788,857</u>	<u>20,112,226</u>
Total Non Current Investments		<u>64,129,569</u>	<u>49,549,042</u>
Aggregate book value of quoted investments		<u>19,214,352</u>	<u>18,305,457</u>
Market value of quoted investments		<u>16,209,002</u>	<u>20,699,057</u>
Aggregate book value of unquoted investments		<u>44,915,217</u>	<u>31,243,585</u>



HIND COMMERCE LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

	Year ended 31.03.2012 Amt (Rs.)	Year ended 31.03.2011 Amt (Rs.)
(15) Revenue From Operations		
Profit/(Loss) on sale of Investments		
- Current	(16,821)	5,200
- Non current	(412,227)	1,038,572
Dividend Income		
- Current	769,032	439,356
- Non current	923,654	498,481
Interest on Loan	330,265	749,842
	<u>1,593,903</u>	<u>2,731,451</u>
(16) Other Income		
Interest on IT Refund	NIL	29,008
Dividened Income-Current investments	8,370	NIL
Profit on sale of Current investments	157	NIL
	<u>8,527</u>	<u>29,008</u>
(17) Employee benefits expenses		
a. Salary, bonus etc.	441,571	287,117
b. Gratuity	NIL	106,480
	<u>441,571</u>	<u>393,597</u>
(18) Other Expenses		
Shares/Units Transaction Charges	31,059	31,188
Bad Debts written off	NIL	120,998
Securities Transaction Tax	1,135	6,583
Listing Fees	17,818	11,200
Custodial Fees	6,696	13,236
Profession Tax	5,000	5,000
Appeal Fees	10,000	NIL
Auditors' Remuneration		
- For Audit	31,180	20,000
- For Tax Matters	14,045	10,000
Advertisement Exps	50,374	41,901
Conveyance Exp.	9,385	15,345
Filing Fees	6,694	1,000
Legal & Professional Fees	32,170	2,250
Office & General Exp.	6,971	6,176
Printing & Stationery	572	7,944
Preliminary Expenses Written Off	45,000	NIL
	<u>268,099</u>	<u>292,821</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31,2012

(19) Segment Reporting

The Company is engaged solely in investment activity during the year and all activities of the Company revolve around this activity. As such there are no reportable segment as defined by Accounting Standard 17 on Segment Reporting issued by the Institute of Chartered Accountants of India.

(20) Related Party Disclosures

i. List of Related Parties with whom transaction have taken place & Relationship.

Name of the Related Parties	Relationship
a. Lahoti Overseas Ltd.	Enterprises over which Key Management Personnel are able to exercise significant influence
b. Umesh Lahoti	Key Managerial Persons
c. Ujwal Lahoti	Key Managerial Persons
d. Aaditya Lahoti	Key Managerial Persons, Crystal Tradecom Limited
e. Saurabh Lahoti	Key Managerial Persons, Crystal Tradecom Limited

ii. Transaction with Related Parties during the year :-

	Amt(Rs.) 2011-12	Amt(Rs.) 2010-11
a. Enterprise over which Key Management personnel are able to exercise significant influence		
Advance Received Back	NIL	24,500,000
b. Key Managerial Persons		
Loan Taken:		
Umesh Lahoti	250,000	NIL
Ujwal Lahoti	250,000	NIL
Aaditya Lahoti	250,000	NIL
Saurabh Lahoti	250,000	NIL

iii. Balance outstanding at the year end is as under :

	Amt(Rs.) As At 31.03.2012	Amt(Rs.) As At 31.03.2011
a. Enterprises over which Key Management personnel are able to exercise significant influence :		
Deposits Given	350,000	350,000
b. Relatives of Key Management Personnel :		
Sundry Creditors (for others)	NIL	2000
c. Key Managerial Persons		
Umesh Lahoti	250,000	NIL
Ujwal Lahoti	250,000	NIL
Aaditya Lahoti	250,000	NIL
Saurabh Lahoti	250,000	NIL

HIND COMMERCE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31,2012

(21) Earnings Per Share (EPS)

	<u>2011-2012</u>	<u>2010-2011</u>
i) Weighted Average Number of Equity Shares outstanding during the year	3000000	3000000
ii) Net Profit after tax available for Equity Shareholders (Rs.)	893793	1987411
iii) Basic and Diluted Earnings Per Share (Rs.)	0.30	0.66
iv) Nominal Value Per Share (Rs.)	10.00	10.00

The Company does not have any outstanding dilutive potential equity shares.

(22) Information of Subsidiaries in terms of Section 212(8) of the Companies Act,1956

The Company has given these particulars pursuant to letter No.-51/12/2007-CL-III dated February 8,2011 issued by the Department of Company Affairs.

	<u>Crystal Tradecom Limited</u>
Capital	500,000
Reserves	(50,817)
Total Assets	1,458,240
Total Liabilities	1,458,240
Investments	1,408,377
Turnover	NIL
Profit/Loss before Taxation	(50,187)
Provision for Taxation	NIL
Profit/Loss after Taxation	(50,187)
Proposed Dividend	NIL

(23) Previous year figures

The Revised Schedule VI has become effective from April 1, 2011 for the preparation and presentation of financial statements. This has significantly impacted the disclosures and presentation made in the financial statements. Previous Year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosures.

As per our report of even date

**For K K KHADARIA & CO
CHARTERED ACCOUNTANTS**

**AJAY DAGA
PARTNER**

PLACE : MUMBAI

Dated : 3rd August, 2012

For and on behalf of the board



Director



Director