RICHFIELD FINANCIAL SERVICES LTD.

33, Brabourne Road, 5TH Floor, Kolkata - 700 001

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of RICHFIELD FINANCIAL SERVICES LIMITED will be held at the Registered Office of the Company at 33, Brabourne Road, 5th Floor, Kolkata-700 001 on Monday, 30thJuly, 2012 at 10.30 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2012 and the Statement of Profit and Loss Account for the financial year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Sri Rajesh Kumar Kankaria who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

By order of the Board

R. K. Kankaria
Director

Kolkata, May 31, 2012

NOTES :

A. Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not be a member of the company.

B. Instrument of proxies in order to be effective must be deposited with the company at its Registered Office not less then 48 hours before the commencement of the meeting.

C. The register of members of the Company and share transfer book will remain closed from 25th July 2012 to 30th July 2012 (both days inclusive).

D. Members holding shares in DEMAT form are requested to bring their Client ID No. and DP ID No. for easier identification of the attendance at the meeting.

E. Members holding shares in physical form are requested to notify any change in the address to the Company and always quote their folio no. in all correspondence with the Company.

F. Information regarding the directors seeking appointment / re-appointment as per Item Serial No.2 of the notice is given below:

Sri Rajesh Kumar Kankaria, born 23.03.59, appointed as director since inception of the Company, is a practicing Chartered Accountant having more than 29 years of vast and rich experience to his credit. The company regularly avail his advises on Income Tax, Company law and other legal matters. His guidance and advises has contributed a lot in progress of the company. He is also a member of Audit committee of the company.

Shareholders desiring any information as regards the account are requested to write to the company sufficiently in advance so as to enable the management to keep the information ready.

By order of the Board

R. K. Kankaria
Director

Kolkata, May 31, 2012

DIRECTORS REPORT

TO THE MEMBERS

Your directors have pleasure in presenting the Twentieth Annual Report together with the Audited Accounts of your Company for the year ended 31st March 2012.

REVIEW OF OPERATIONS

The lower turnover and operating margins is an environment of high interest cost has put severe pressure on the company's profitability. Due to the poor debt service ability the compnay's working was not upto mark. The broad parameters of operations are as below:

FINANCIAL RESULTS	31.03.2012 (₹ in Lacs)	31.03.2011 (₹ in Lacs)
Total Income	70.24	74.16
Profit/(Loss) before Tax	(0.77)	3.32
Less: Provision for Taxation	1.15	0.08
Profit/(Loss) after Tax	(1.93)	3.24
Balance brought forward	24.65	22.87
Profit available for appropriation	22.72	26.11
Transfer to RBI Reserve Fund	—	0.66
Surplus carried to Balance Sheet	22.68	24.65

DIVIDEND

In view of the losses incurred by the Compnay, Your Directors have not recommended any dividend for the financial year ended March 31, 2012.

OPERATIONS & FUTURE PROSPECTS

The year ended 31st March, 2012 was not a very good year for the entire economy particularly the capital market, the area in which your company has been operating. In this market scenario your company has been able to maintain its growth to a certain level. Your directors feel that the inner strength of the Company will enable it to stand firmly on its feet and face the counter market for further development.

CONSERVATION OF ENERGY RESOURCES, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The requirement of disclosure in terms of section 217(1)(e) of the Companies Act, 1956, of the steps taken as regards conservation of energy and technology absorption does not apply to your company. Your company does not have any Foreign Exchange Earnings or Outgo during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with Section 217(2AA) of the Companies Act, 1956 as amended by the companies (Amendment) Act, 2000 the Directors confirm that –

i) In the preparation of annual accounts, the applicable accounting standards have been followed;

ii) Appropriate accounting policies as mentioned in Notes on Accounts of the Annual Accounts and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March 2012 and of the statement of profit or loss of the Company for the year ended 31st March 2012;

iii) Proper and sufficient care have been taken for maintenance of adequate accounting records in accordance with the provisions of the aforesaid Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) The annual accounts have peen prepared on the going concern basis.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Sri Rajesh Kumar Kankaria retires by rotation and is eligible for re-appointment.

CORPORATE GOVERNANCE

Your Company follows the principles of the effective corporate governance practices. The clause 49 of Listing Agreement deals with the Corporate Governance requirements which every publicly listed Company has taken steps to comply with the requirements of the revised Clause 49 of the listing Agreement with the Stock Exchange.

A separate section on corporate Governance forming part of the Directors' Report and the certificate from the company's Auditors on Corporate Governance as stipulated in clause 49 of the Listing Agreement is included in the Annual Report.

AUDITORS

M/s More V. & Co., Chartered Accountants, Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting, and being eligible offer themselves for re-appointment as auditors. The company has received a certificate from them to the effect that the re-appointment, if made would be within the limits prescribed under section 224(1B) of companies Act 1956.

AUDITORS REPORT

The notes on Accounts referred in the Auditors Report are self explanatory and therefore, do not call for any classification.

PUBLIC DEPOSIT

Your company has not accepted any deposit(s) within the meaning of Sec-58A of the Companies Act, 1956 and the rules made thereof.

LISTING OF SHARES

The Equity Shares of the Company are listed with Calcutta Stock Exchange. Listing Fees for the year 2011-12 have been paid.

DEPOSITORY SYSTEM

Following directive from Securities & Exchange Board of India (SEBI), the Shares of the Company are now open for dematerialisation. The ISIN number allotted to the Company is INE 201C01012. The shareholders now have the option to hold the Equity Shares of the Company either in physical form or in electronic form.

PARTICULARS OF EMPLOYEES

The particulars as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particular of Employees) Rules, 1975 (as amended) are not applicable, as none of the employees of the Company fall under the category prescribed.

APPRECIATION

Your Directors acknowledge with deep appreciation convey their gratitude to the employees, auditors shareholders and all concerned Government Department for their continued support and assistance extended to your company.

On Behalf of the Board of Directors

R. K. Kankaria
Director

May 31, 2012

Annexure A

REPORT ON CORPORATE GOVERNANCE

(A) COMPLIANCE OF MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company believes that good corporate governance enhances accountability and increases shareholder value. Good corporate governance has been an integral part of the Company's philosophy. Transparency, integrity, professionalism, and accountability based values form the basis of the company's philosophy for corporate governance. The Company believes that good corporate governance should be an internally driven need and is not to be looked upon as an issue of compliance dictated by statutory requirements. The Company strives to improve the corporate governance practices to meet stake holder's expectations and strictly complies with regulation guidelines on corporate governance, which is a key driver of sustainable growth and enhanced shareholder value.

BOARD OF DIRECTORS

Composition and Category of Directors

Sl.No	Category	Name of Director
1	Promoter and Non-Executive Directors	Sri R K Kankaria Sri J N Gupta
2	Independent and Non-Executive Directors	Sri S K Agrawal Sri S C Choradia

DATES AND NUMBER OF BOARD MEETINGS HELD

Attendance of Directors at the Meeting of Board of Directors held during the financial year 2011-12 and the Annual General Meeting held on 30th July, 2011 are as follows:

Five Board Meetings were held during the year. They were held on different dates, viz., 04.04.2011, 31.05.2011, 30.07.2011, 31.10.2011, and 30.01.2012.

The record of attendance of Directors and Directorships of Public Limited Companies and Memberships of Board Committees:

Name of Director	No of Board Meetings attended	Attendance at the AGM	No. of other Directorships	No of Membership of Board committees	No of Chairmanship of Board Committees
Sri R K Kankaria	5	Present	2	Nil	Nil
Sri J N Gupta	5	Present	2	Nil	Nil
Sri S K Agrawal	5	Present	4	3	2
Sri S C Choradia	5	Present	Nil	Nil	N

Brief note on Directors seeking appointed / re-appointment at the ensuing AGM:

Sri Rajesh Kumar Kankaria, born 23.03.59, appointed as director since inception of the Company, is a practicing Chartered Accountant having more than 29 years of vast and rich experience to his credit. The company regularly avail his advises on Income Tax, Company law and other legal matters. His guidance and advises has contributed a lot in progress of the company. He is also a member of Audit committee of the company.

Committees of Board of Directors

Audit Committee

Brief description of Terms of Reference

To oversee the Company's financial reporting process, Internal Control System, Reviewing the accounting policies and practices, reports of the Company's financial statements audited by the statutory auditors as also to review financial policies. The Audit committee of the company meets four times a year in the following pattern. One meeting is held before finalisation of annual accounts and one every three months. During the financial year ended 31.03.2012, the Audit committee met 4 times on 31.05.2011(Tue), 30.07.2011(Sat), 31.10.2011(Mon) and 30.01.2012(Mon).

Composition, Names of Members and record of attendance during the year

Name of the Director	Category	No of Meetings held	No of Meetings Attended
Sri S C Choradia, Chairman	Independent & Non-Executive	4	4
Sri S K Agrawal, Member	Independent & Non-Executive	4	4
Sri R K Kankaria, Member	Promoter & Non-Executive	4	4

Investors' Grievance Committee

Brief description of terms of reference:

To specifically look into redress of complaints like transfer of shares, non-receipt of annual report etc. received from shareholders / investors and improve the efficiency in investors service, wherever possible. During the financial year ended 31.03.2012, the Investors Grievance committee met 4 times on 31.05.2011(Tue), 30.07.2011(Sat), 31.10.2011(Mon) and 30.01.2012(Mon).

Composition, Names of Members and record of attendance during the year:

Name of the Director	Category	No of Meetings held	No of Meetings Attended
Sri S K Agrawal, Chairman	Independent & Non-Executive	4	4
Sri S C Choradia, Member	Independent & Non-Executive	4	4
Sri J N Gupta, Member	Promoter & Non-Executive	4	4

Name and Designation of Compliance Officer: Mr. Abhijit Puglia

Details of Complaints received during the Year 2011-12

Nature of Complaints/ Queries	No of Complaints/ Queries received	No of Complaints not solved to the satisfaction of Shareholder
Transfer of Shares	Nil	Nil
Non-receipt of Annual Report	Nil	Nil
Pending Share Transfers	Nil	Nil

The company confirms that there were no share transfers lying pending as on 31.03.2012, and all request for dematerialization and re-materialisation of shares as on that date were confirmed / rejected into the NSDL /CDSL system.

Remuneration Committee

No Remuneration Committee has been constituted by the Board of Directors of the Company.

Details of remuneration paid to Executive Directors for Financial Year 2011-12.

Since there is no Executive Directors in the Company, no remuneration has been paid.

Details of sitting fees paid to Directors- **Nil**

Annual General Meetings

i) Details of last three Annual General Meetings held:

Particulars	F.Y.2008-2009	F.Y.2009-2010	F.Y.2010-2011
Day	Friday	Friday	Saturday
Date	31.07.2009	23.07.2010	30.07.2011
Time	10.30A.M.	10.30A.M.	10.30A.M.
Venue	33, Brabourne Road 5th Floor, Kolkata-700001	33, Brabourne Road 5th Floor, Kolkata-700001	33, Brabourne Road, 5th Fl., Kolkata-700001

All the resolutions set out in the respective notices were passed by the shareholders.

DISCLOSURES

i) **Disclosures on materially significant related party transactions**

There were no significant related party transactions during the year having conflicts with the interests of the Company.

ii) **Details of non compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

The Company has complied with all the requirements of the listing Agreement with the stock exchanges as well as regulations & guidelines of SEBI. No penalties have been levied or strictures have been passed by SEBI, stock Exchanges or any other Statutory Authority on matters relating to capital markets, in the last three years.

Means of Communication

The quarterly and annual financial results of the company are forwarded to Calcutta Stock Exchange and are published in the "The Echo of India" (English) and the "Arthik Lipi" (Bengali).

GENERAL SHAREHOLDER INFORMATION

1. **Annual General Meeting**

Day	Monday
Date	30.07.2012
Time	10.30A.M.
Venue	33, Brabourne Road, 5th Floor, Kolkata-700001
Financial Year	1st April 2011 to 31st March 2012

2. **Declaration of Quarterly results**

Qtr Ended Jun 30, 2012	On or before 31st Jul 2012
Qtr Ended Sep 30, 2012	On or before 31st Oct 2012
Qtr Ended Dec 31, 2012	On or before 31st Jan 2012
Qtr Ended Mar 31, 2013	Publication of Audited Result by 31st May, 2013

3. Date of Book Closure: Wednesday, 25th July 2012 to Monday, 30th July 2012 (Both days inclusive).
4. Registrar and Share Transfer Agent: Niche Technology Pvt. Ltd. Room No-C-444, 71, BRBB Road, Kolkata-1 – for both Physical & Demat Segment.
5. Address for Investors Correspondence: As Above
6. Listing on Stock Exchange : Calcutta Stock Exchange Association Ltd.

   Annual Listing fee has been paid to Calcutta Stock Exchange for financial year 2011-12.
7. Demat ISIN Number : INE201C01012

   Scrip Code : 10028162

8. Shareholding pattern as on 31st March 2012

Sl No	Category	No. of Shares held	%of shareholding
A.	Promoter's holding		
	Promoters	180200	4.805%
	Person acting in Concert	1025600	27.349%
	Sub Total	**1330800**	**32.154%**
B.	Others		
	Body Corporate	1844624	49.188%
	Indian Public	699676	18.658%
	Any other- Clearing House	Nil	Nil
	Sub Total	**2544300**	**67.846%**
	Total	**3750100**	**100.00%**

9. Distribution of Shareholding as on 31st March 2012

Sl No	No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
1	Upto 500	480	77.80	57900	1.54
2	501 to 1000	25	4.05	19000	0.51
3	1001 to 5000	44	7.13	132800	3.54
4	5001 to 10000	12	1.95	101500	2.71
5	10001 to 50000	36	5.83	803650	21.43
6	50001 to 100000	8	1.30	569299	15.18
7	100001 and above	12	1.94	2065951	55.09
	Total	**617**	**100.00**	**3750100**	**100.00**

10. Share Transfer System:

Certain directors and executives of the company are severally empowered to approve the transfers & dematerialization. The company co-ordinates with the Common Transfer Agent to ensure that the transfer and dematerialization of shares are processed and completed within the stipulated time if the documents are complete in all respects.

As per agreements of the Company with NSDL & CDSL, the investors have an option to dematerialize their Ordinary Shares with either of the Depositories.

11. Dematerialisation of shares and liquidity as on 31st March 2012.

Shares of the Company can be held and traded in Electronic form. SEBI has notified inclusion of our company's shares for compulsory Demat trading by all the categories of the investors.

Extent of Dematerialisation:

Name of the Depositor	Shares	%
a. National Security Depository Limited	3233275	86.55
b. Central Depository Services (India) Limited	359075	9.24
Total	3592350	95.79

12. Market Price Data: The monthly High/Low Price of the Company's share traded on the Calcutta Stock Exchange during the financial year 2011-12 was as follows:

Month &Year	High (Rs)	Low (Rs)	No. of Shares	BSE Sensex	
	Per Share	Per Share	Traded	High	Low
April-11	N.T.	N.T.	Nil	19,811.14	18,976.19
May-11	N.T.	N.T.	Nil	19,253.87	17,786.13
June-11	N.T.	N.T.	Nil	18,873.39	17,314.38
July-11	N.T.	N.T.	Nil	19,131.70	18,131.86
August-11	N.T.	N.T.	Nil	18,440.07	15,765.53
September-11	N.T.	N.T.	Nil	17,211.80	15,801.01
October-11	N.T.	N.T.	Nil	17,908.13	15,745.43
November-11	N.T.	N.T.	Nil	17,702.26	15,478.69
December-11	N.T.	N.T.	Nil	17,003.71	15,135.86
January-12	N.T.	N.T.	Nil	17,258.97	15,358.02
February-12	80.35	80.35	14,000	18,523.78	17,061.55
March-12	80.35	80.35	1,99,000	18,040.69	16,920.61

(B) STATUS OF COMPLIANCE WITH NON-MANDATORY REQUIRMENTS

1) The expenses incurred in the performance of duties of Chairman are reimbursed or borne by the Company.

2) The company has not set up a Remuneration Committee.

CERTIFICATION BY THE CHAIRMAN OF THE BOARD & CHAIRMAN OF THE AUDIT COMMITTEE

It may be pertinent to note that clause 49 of the Listing Agreement dealing with Corporate Governance guidelines has stipulated that the Chief Executive Officer i. e. Managing Director or Manager, appointed in terms of the Companies Act,1956 and the Chief Financial Officer, i. e., the Whole-time Finance Director or any other person heading the finance function, shall certify on aspects concerning the financial statements for the financial year ended 31st March 2012, including the Cash Flow Statement.

Since your Company neither has a Managing Director nor a Whole-time Finance Director on its Board, the referred certificate was given jointly by Sri R K Kankaria, Chairman of the Board and Sri S C Choradia, Chairman of the Audit Committee which is reproduced below.

DECLARATION BY THE CHAIRMAN OF THE BOARD ON COMPLIANCE OF THE CODE OF CONDUCT BY THE BORAD MEMBERS AND SENIOR MANAGEMENT

I, R K Kankaria, Chairman of the Board, to the best of my knowledge and belief would like to declare that all the Directors have affirmed compliance with the applicable Code of Conduct for the year ended 31st March, 2012.

Sd/-

R K KANKARIA
Chairman – Board

May 31, 2012
Kolkata

CERTIFICATION BY THE CHAIRMAN OF THE BOARD & CHAIRMAN OF THE AUDIT COMMITTEE TO THE BOARD

We, R K Kankaria, Chairman of the Board and S C Choradia, Chairman of the Audit Committee, jointly have reviewed the financial statements for the 31st March 2012 and to the best our knowledge and belief certified that:-

(a) These statements do not contain any materially un-true statement or omit any material fact or contain statement that might be misleading;

(b) These statements give a true and fair view of the state of affairs of the company and are in confirmatory of the existing accounting standards, applicable laws and regulations;

(c) There are no transaction entered into by the Company which were fraudulent, illegal and violative to the code of the conduct of the Company;

We, confirm that establishment and maintenance of the internal control system for financial reporting have been evaluated and discussed with the statutory Auditors. In case, if any corrective action needs to be taken then the Audit Committee and the Board both shall be appraised.

We, both confirm that during the financial year have reported to the Auditors and the Audit Committee if (there was no such situation/event) :-

(a) Significant changes in internal control over financial reporting;

(b) Significant changes in accounting policies;

('c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the internal control system over financial reporting.

May 31, 2012
Kolkata

R K Kankaria
Chairman – Board

S C Choradia
Chairman – Audit Commitee

MORE V & CO.
Chartered Accountants
16-B Roberts Street, Kolkata-700 012

COMPLIANCE CERTIFICATE FROM AUDITORS OF THE COMPANY

(Under Clause 49 of the Listing Agreement)

To the members' of RICHFIELD FINANCIAL SERVICES LIMITED

We have examined the compliance of conditions of Corporate Governance by Richfield Financial Services Limited for the year ended on 31st March 2012 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination is limited to review the procedures and implementation thereof adopted by the company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending/unattended for a period of one month against the Company as per the records maintained by the Shareholders /Investor Grievance Committee.

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

For More V & Co.
Chartered Accountants
Firm Registration No. 312033E
Sd/-

P K SHYAMSUKHA
Partner
Membership No. 53220

16B, Roberts Street
Kolkata – 700 012
May 31, 2012

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

The report contains forward –looking statements, identified by the words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects' , 'estimations or projections abound the future, but not limited to the Company's Strategy for growth, market position, expenditures, and financial results, are forward- looking Statements. Since these are based on certain assumptions and expectations of future events, the company cannot guarantee that these are accurate or will be realized. The Company's actual results, performance or achievements could thus differ from those projected in any forward looking Statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

Operational Review

The Company is essentially an Investment Company. Its source of income is from dividends receivable on investment made and held by it in other companies and the capital appreciation of the investments. And also the interest receivable from the loans and advances made to various parties as per the company's well settled terms & conditions. Any adverse financial impact on the operation/businesses of the Investee companies may impact the revenue of the company and also result in diminution in the value of the investments. The Financing activity has been moderate this year due to moderate interest rate. Share trading business has also been moderate in the year.

Opportunities and Threats

Opportunities emanate from the environment that it operates in. Our company is well placed to exploit the opportunities from each of the factors, given its competitive strengths and strategic initiatives. We believe that our competitive strength primarily include the demonstrated track record; our experienced and strong management team.

These strengths apart, RFSL continues to undertake several initiatives that it believes will enable the Company take advantage of the forthcoming opportunities.

Political instability could adversely affect general economic conditions in India, which in turn could impact our financial results and prospects, as could adverse changes in specific laws and policies pertaining to banking and finance companies, foreign investment and other matters affecting investment in securities. Additionally, any adverse change in the economic liberalization policies- a major factor encouraging private participation in infrastructure – could have a significant impact on infrastructure development, business and economic condition in India, and this in turn may affect our financial results and prospects.

Outlook

The fiscal year 2011-12 witnessed slowdown of economic activities particularly industrial output. Inflation also remained at elevated level throughout the fiscal year. Private investment has declined in its pace of growth considerably affecting the growth rate of the economy.

The RBI has projected a GDP growth of 7.2% for 2012-13 whereas the economic Survey 2011-12 projects A GDP Growth of 7.6%. All these projections point to continuation or improvement over the pace of economic activity of the previous year. Combined with a lower inflation rate, the prognosis for the new financial year is one of improved performance on growth front. Stable external conditions and a favorable monsoon would be critical to the realization of these projections. The growth prospects for agriculture in 2012-13 will hinge on the performance of monsoon.

FMCG markets are expected to grow, however uncertain global economic environment, inflation and adverse impact of rupee depreciation and competitive intensity continue to pose challenges for the future. While the near term conditions pose a challenge for the Economy, the medium to longer term trends based on rising incomes, aspirations, low consumption levels, etc. are positive and an opportunity for the Company.

Human Resources

The human resource philosophy and strategy of your company is structured to attract and retain the best talent that encourages innovation and creates engaging and motivating workplace environment. This strategy has, through strong alignment with your Company's vision, successfully built and sustained your Company's standing as one of India's most admired and valuable corporations despite unrelenting competitive pressures. Your Company believes that its human resources are its greatest wealth. This intellectual resource is integral to the Company's ongoing operations and enables the Company to deliver superior performance year after year. Therefore, it is the Endeavour of your Company to nurture and develop this wealth.

Internal Control System

There are well established and documented internal Control systems and procedures in line with the size of operations and business. Audit Committee reviews the quarterly reports and monitors effectiveness and operational efficiency of internal control systems.

Audit Committee is giving valuable recommendations and suggestions from time to time for improving the business processes, systems and internal controls.

Cautionary Statement

Statements in this report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute forward looking Statements within the meaning of applicable laws and regulations and actual results might differ materially from those either expressed or implied.

MORE V & CO.
Chartered Accountants
16-B Roberts Street, Kolkata-700 012

AUDITORS' REPORT TO THE MEMBERS

1. We have audited the attached Balance Sheet of **M/s. RICHFIELD FINANCIAL SERVICES LIMITED** as at 31st March 2012 the Statement of Profit and Loss Account for the year ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. These financial statements are the responsibility of the management of the company. Our responsibility is to express an opinion on these financial statements based on our audit.

2. 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.

3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

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

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;

2. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

3. The Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account;

4. In our opinion, the Balance Sheet, Statement Profit and Loss Account and Cash Flow Statement 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 the written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a 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 the explanations given to us, the said accounts read with notes appearing in Notes on 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:

a) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2012.

b) In the case of the statement of Profit & Loss account of the Loss of the Company for the year ended on that date.

c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

As required by the "Non Banking Financial Companies Auditors Report (Reserve Bank) Directions, 1998", we further state that we have submitted a Report to the Board of Directors of the Company containing a statement on the matters of supervisory concern to the Reserve Bank of India as specified in the said directions, namely the following: -

1. The Company, incorporated prior to January 9, 1997, has applied for registration as provided in section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). The Company has been granted certificate of registration as NBFC by the Reserve Bank of India and the Registration No. is 05.00093 dated 18.02.1998.

2. The Board of Directors of the Company has passed a Resolution for non-acceptance of any public deposits.

3. The Company has not accepted any public deposits during the year under reference.

4. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning of bad doubtful debts as applicable to it.

For **More V & Co.**
Chartered Accountants
Firm Reg. No. 312033E

16B, Roberts Street
Kolkata – 700 012
May 31, 2012

P K Shyamsukha
Partner
M. No. 53220

ANNEXURE TO THE AUDITORS' REPORT

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

1) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) Fixed Assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets.

(c) There was no Substantial disposal of fixed assets during the year, which would affect the going concern of the Company.

2) The company does not hold any inventories within the meaning of inventories, as defined in Accounting Standard - 2 (Rev) issued by ICAI and therefore Clause 4(ii) of the Companies (Auditor's Report) Order 2003 is not applicable.

3) (a) As informed to us the Company has not taken any loan but has granted a loan to a party (continuing from earlier years) covered in the register maintained under section 301 of the Companies Act, 1956, the maximum amount of which involved during the year and the year-end balance is Rs. NIL/- and Rs. Nil /-, respectively.

(b) In our opinion, the rate of interest and other terms and conditions of such loan is not prima facie prejudicial to the interest of the company.

(c) In respect of the aforesaid loan, the borrower has been regular in repaying the interest as stipulated. The terms of arrangement do not stipulate any repayment schedule and are repayable on demand. Accordingly, Paragraph 4 (iii)(c) of the Order is not applicable to the Company in respect of repayment of the principal amount.

(d) There are no overdue amounts of more than rupees one lakh in respect of loan granted to the body corporate listed in the register maintained under Section 301 of the Companies Act, 1956.

4) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of Inventory & Fixed assets & sale of goods. There is no continuing failure to correct major weakness in the internal control.

5) Based on the audit procedures applied by us and according to the information and explanation provided by the management, we are of the opinion that there were no transactions during the year that need to be entered into the register maintained under section 301 of the Companies Act, 1956 and as such clause v (b) is not applicable.

6) Based on our scrutiny of the company's records and according to the information and explanations provided by the management, in our opinion the company has not accepted any public deposit and hence there is no contravention to the directives of Reserve Bank of India and the provision of Sections 58A and 58AA of the Act and the rules framed there under. We are informed by the management that no order has been passed by the National Company Law Tribunal under Sections 58A and 58AA.

7) In our opinion the Company has an internal audit system commensurate with the size of the Company and nature of its business.

8) We have been informed by the management that the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 in respect of activities carried out by the company.

9) a) According to the records of the Company, The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, wealth-tax, custom duty, excise duty, cess and any other statutory dues applicable to it.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth-tax, sales tax, custom duty, excise duty and cess were in arrears, as at 31st March, 2012 for a period of more than six months from the date they became payable.

c) According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess, which have not been deposited on account of any dispute.

10) The Company has no accumulated losses as at 31.03.2012 but it has incurred some cash losses during the financial year whereas there was no cash loss in the immediately preceding financial year.

11) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any dues to a financial institution or bank or debenture holders.

12) According to the records of the company, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13) In our opinion, the Company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

14) On the basis of our examinations of the companies' records, we are of the opinion that the company is maintaining adequate records regarding transactions and contracts relating to dealing / trading in shares, securities and other investments and timely entries have been made therein. The shares, securities and other investments have been held by the company in its own name except to the extent of exemption granted under section 49 of the Act.

15) According to the records of the company and the information and explanations provided by the management, the company has not given any guarantee for loans taken by others from bank or financial institutions.

16) The company has not raised any money through term loan and consequently do not have any term loan outstanding as at the end of the year.

17) On the basis of information received from the management and based on our examination of the balance sheet of the company, we find that the funds raised on a short-term basis have not been used for long-term investment and vice-versa.

18) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.

19) According to the records of the company, the company has not issued any debentures.

20) The Company has not raised any money by public issue during the year.

21) Based on information and explanations furnished by the management, there were no frauds on or by the Company noticed or reported during the course of our audit.

For **More V & Co.**
Chartered Accountants
Firm Reg. No. 312033E

16B, Roberts Street
Kolkata – 700 012
May 31, 2012

P K Shyamsukha
Partner
M. No. 53220

BALANCE SHEET AS AT 31ST MARCH, 2012

PARTICULARS	Note	As at 31st March, 2012	As at 31st March, 2011
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	1	37,300,750	37,300,750
Reserves and Surplus	2	17,480,734	17,677,573
Share Application money pending allotment		—	—
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	3	7,621	7,144
Current Liabilities			
Other Current Liabilities	4	11,195	11,142
Short-Term Provisions	5	213,006	107,648
Total Equity & Liabilities		**55,013,307**	**55,104,257**
ASSETS			
Non-Current Assets			
Fixed Assets	6	98,907	91,350
Non-current investments	7	11,301,388	12,329,242
Long term loans and advances	8	39,273,932	37,637,382
Current Assets			
Inventories	9	2,083,445	2,900,306
Cash and Bank Balance	10	1,863,355	1,448,571
Other current assets	11	392,279	697,405
Total Assets		**55,013,307**	**55,104,257**
Significant Accounting Policies and Notes on Financial Statements	1-26		

As per our Report of even date.

For MORE V & CO.
Chartered Accountants
Regn. No. 312033E
P K SHYAMSUKHA
Partner
M. No. 53220

16-B Roberts Street,
Kolkata - 700 012
Kolkata, May 31, 2012

R K Kankaria *Director* | **J N Gupta** *Director* | **S K Agrawal** *Director* | **S C Choradia** *Director*

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED ON 31ST MARCH 2012

PARTICULARS	Note	As at 31st March, 2012	As at 31st March, 2011
INCOME			
Revenue from operations	12	7,548,635	6,647,154
Other Income	13	(–524,836)	768,999
Total Revenue		**7,023,799**	**7,416,152**
EXPENDITURE			
Purchase of Stock-in-Trade		5,059,074	6,126,251
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	14	816,861	(–16,566)
Employee Benefit Expense	15	733,135	658,821
Depreciation and Amortization Expense	6	9,243	24,900
Other Expenses	16	482,896	290,400
Total Expenses		**7,101,209**	**7,083,806**
Profit Before Tax		**(–77,410)**	**332,346**
Tax Expense :			
(1) Current Tax		114,860	13,593
(2) Deferred Tax		477	(–5,751)
Profit/(Loss) for the period		**(–192,747)**	**324,504**
Earning per equity share of face value of Rs. 10/- each :			
Basic and Diluted (Rs.)		(0.05)	0.09
Significant Accounting Policies and Notes on Financial Statements	1-26		

As per our Report of even date.

For MORE V & CO.
Chartered Accountants
Regn. No. 312033E
P K SHYAMSUKHA
Partner
M. No. 53220

16-B Roberts Street,
Kolkata - 700 012
Kolkata, May 31, 2012

R K Kankaria *Director* | **J N Gupta** *Director* | **S K Agrawal** *Director* | **S C Choradia** *Director*

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

		Current year		Previous year
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax & extraordinary items		(77410)		332346
Adjustment for:				
Add : Depreciation		9243		24900
Add : Obsolete Fixed Assets Written Off		-		6369
		(68167)		363615
Deduct : Profit on sale of Investment	(556746)		169655	
Dividend Income	150438	(406308)	174432	344087
Operating Profit before Working Capital Changes		338140		19528
Adjustment for :-				
Increase in Advance to Creditors	(530)		-	
Inflow / : Increase in Trade & Other Payable	54		1068	
(Outflow) : Increase in Inventories	816861		(16566)	
Loan Given(Net)	(1636550)	(820165)	(3563951)	(3579450)
Cash Generated from Operations		(482025)		(3559921)
Direct Taxes Paid		(292063)		(12596)
Cash Inflow(+)/Outflow(-) before Extra Ordinary Items		(189962)		(3547325)
Add(+)/Deduct(-) Prior Period Adjustments		—		—
Net Cash Inflow(+)/Outflow(-) in Operating Activities		(189962)		(3547325)
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Outflow : Assets purchases		16800		—
Inflow : Sale of Investments	471108		3724509	
Dividend Income	150438	621546	174432	3898941
Net Cash Inflow(+)/Outflow(-) in Investing Activities		604746		3898941
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Inflow :		—		—
Outflow :		—		—
Net Cash Inflow(+)/Outflow(-) in Financing Activities		—		—
NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)		414784		351616
OPENING CASH AND CASH EQUIVALENTS (Opening Balance)		1448571		1096956
CLOSING CASH AND CASH EQUIVALENTS (Closing Balance)		1863355		1448571

In terms of our report of even date annexed hereto.

For MORE V & CO.
Chartered Accountants
Regn. No. 312033E
P K SHYAMSUKHA
Partner
M. No. 53220

16-B Roberts Street,
Kolkata - 700 012
Kolkata, May 31, 2012

R K Kankaria *Director* | **J N Gupta** *Director* | **S K Agrawal** *Director* | **S C Choradia** *Director*

SIGNIFICANT ACCOUNTING POLICIES

A) Basis of Preparation of Financial Statements:

The financial statements are prepared under historical cost convention and on an accrual basis to comply with the accounting standards issued by The Institute of Chartered Accountants of India referred to in Section 211(3C) of the Companies Act, 1956.

B) Fixed Asset

The Company capitalises Fixed assets at cost inclusive of all incidental expenses incurred in the acquisition of such assets.

Fixed assets both tangible and intangible assets are tested for impairment every year and impairment loss if any is provided/adjusted as applicable.

C) Depreciation & Amortisation

Depreciation has been provided on assets in accordance with the provision of the Schedule XIV of the Companies Act, 1956, on a straight line method to ensure that the cost of such assets is depreciated over the primary period of its use.

Depreciation has been provided on Pro-rata basis with respect to the period of use.

D) Provision for Current and Deffered Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

E) Investments

Investments are capitalised at cost including brokerage and stamp duty. In terms of the Reserve Bank of India guidelines to NBFC, all investments are bifurcated into current investments and long term investments. The investments acquired with the intention of short term holding are considered as stock in trade and classified as Current Assets and others are considered as Long term Investments. Decline in value of long term Investments are not provided for unless it is considered other than temporary in nature.

F) Revenue Recognition

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable. Dividend Income is accounted for on receipt basis.

G) Expenditure

All expenses have been accounted for on accrual basis.

H) Inventories

Inventories i.e. stock of shares are valued at cost or market value whichever is lower.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

	As at 31st March, 2012	As at 31st March, 2011
1) SHARE CAPITAL		
Authorised Share Capital		
40,00,000 Equity Shares of Rs. 10/- each.	40,000,000	40,000,000
	40,000,000	40,000,000
Issued, Subscribed & Paid up Capital		
37,50,100 Equity Shares of Rs. 10/- each, Fully Paid up	37,501,000	37,501,000
Less: Calls in arrears	200,250	200,250
	37,300,750	37,300,750

The Details of Shareholders holding more than 5% shares :

Name of the Shareholder	As at 31st March, 2012		As at 31st March, 2011	
	No. of shares	% held	No. of shares	% held
Brain Business (P) Ltd	439400	11.72%	439400	11.72%

The Reconciliation of the number of shares outstanding is set out below :

	As at 31st March, 2012	As at 31st March, 2011
Equity Shares at the beginning of the year	3,750,100	3,750,100
Equity Shares at the end of the year	3,750,100	3,750,100

2) RESERVE & SURPLUS

		As at 31st March, 2012		As at 31st March, 2011
Securities Premium Reserve				
As per Last Balance Sheet	14,100,400		14,100,400	
Less: Calls in arrears	54,427	14,045,973	54,427	14,045,973
RBI Reserve Fund				
As per Last Balance Sheet	598,983		532,514	
Add: Provided during the year	-	598,983	66,469	598,983
General Reserve				
As per Last Balance Sheet		567,475		567,475
Surplus (Profit & Loss Account)				
As per Last Balance Sheet	2,465,142		2,286,507	
Add: Profit for the year	(-192,747)		324,504	
Less: Appropriations				
Contingent provision against Standard Asset	4,091		94,055	
Income Tax Adjustment for earlier years	—		(-14,655)	
Transferred to RBI Reserve Fund	—	2,268,303	66,469	2,465,142
		17,480,734		17,677,573

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

		As at 31st March, 2012		As at 31st March, 2011
3) DEFERRED TAX LIABILITY (NET)				
Closing WDV of Fixed asset as per Co's Act	98,907		91,350	
Closing WDV of Fixed asset as per I T Act	74,245	24,662	68,230	23,121
Deffered Tax (Asset)/Liability		7,621		7,144

4) OTHER CURRENT LIABILITIES				
Liabilities For Expenses		11,195		11,142
		11,195		11,142

5) SHORT TERM PROVISIONS				
Contingent Provision against Standard Assets		98,146		94,055
Provision for Income Tax		114,860		13,593
		213,006		107,648

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

6. FIXED ASSETS

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Particulars	Value at the beginning	Addition during the year	Deduction during the year	Value at the End	Value at the beginning	Addition during the year	deduction during the year	Value at the End	WDV as on 31.03.2012	WDV as on 31.03.2011
Furniture & Fixture	274,051	-	-	274,051	266,066	-	-	266,066	7,985	7,985
Fax Machine	29,008	-	-	29,008	28,267	-	-	28,267	741	741
Computers	601,591	-	-	601,591	571,910	-	-	571,910	29,681	29,681
Inverter	13,500	-	-	13,500	1,366	160	-	1,526	11,974	12,134
Office Equipments	64,915	-	-	64,915	45,806	771	-	46,577	18,338	19,109
Air Conditioners	95,250	-	-	95,250	85,420	5,028	-	90,448	4,802	9,830
Mobile Phone	22,200	16,800	-	39,000	10,330	3,284	-	13,614	25,386	11,870
Total (Current Year)	**1,100,515**	**16,800**	**-**	**1,117,315**	**1,009,165**	**9,243**	**-**	**1,018,408**	**98,907**	**91,350**
(Previous Year)	**1,162,473**	**-**	**61,958**	**1,100,515**	**1,039,854**	**24,900**	**55,589**	**1,009,165**	**91,350**	**-**

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

7. NON CURRENT INVESTMENT

Investment in Equity Instrument	As at 31st March, 2012		As at 31st March, 2011	
	Quantity (nos)	Amounts(Rs.)	Quantity (nos)	Amounts(Rs.)
A) Quoted Shares:				
Balaji Galvanising Ind Ltd	75800	593,000	75800	593,000
Alstom Projects Ltd.	—	—	200	144,963
Areva T & D India Ltd.	—	—	500	184,195
3I infotech	—	—	1000	1
Bajaj Hindusthan Ltd	1500	293,271	1500	293,271
Bartonics Industries Ltd.	—	—	100	13,070
Bharat Gears Ltd.	—	—	500	34,696
Bharti Airtel Ltd	250	82,083	250	82,083
Bharat Heavy Electronics Ltd	250	104,393	50	104,393
Consolodated Contruction Consort Ltd.	—	—	375	74,462
Grasim Industries Ltd	50	33,448	50	33,448
HDFC Bank Ltd	100	112,525	100	112,525
Helios Matherson Technologies Ltd.	—	—	300	43,581
Himachal Futurastic Corp Ltd	1200	74,349	3200	118,958
Hindalco Industries Ltd	4000	847,851	4000	847,851
Infosys Technologies Ltd	150	301,679	150	301,679
Indian Hotels Co Ltd	173	12,110	173	12,110
Interstate Oil Carriers Ltd	40950	306,000	40950	306,000
Jai Prakash Associates Ltd	750	173,983	750	173,983
Jindal Steel & Power Ltd	300	102,301	300	102,301
Lokesh Machines Ltd.	—	—	1500	185,673
Mahindra Forgings Ltd.	—	—	200	42,258
Mangalam Cement Ltd.	—	—	500	129,198
MCC Investment & Leasing Ltd	7000	70,000	7000	70,000
Merck Ltd.	—	—	150	71,416
Norben Tea & Export Ltd	30000	300,000	30000	300,000
Omaxe Ltd.	—	—	250	67,188
Panchwati Holiday Resorts Ltd	4000	40,000	4000	40,000
Reliance Industries Ltd.	300	370,505	300	384,550
Reliance Infrastructure Ltd	100	73,607	100	73,607
Satyam Computer Services Ltd.	—	—	250	34,666
Sirpur Paper Mills Ltd.	—	—	1250	112,500
Tata Power Co Ltd	2550	298,257	275	321,187
Tata Steel Ltd	500	104,697	500	104,697
Tata Consultancy Services Ltd	400	196,959	400	196,959
Tech Mahindra Ltd	200	221,445	200	221,445
Tata Teleservices Maharastra Ltd.	—	—	1000	36,001
Woolworth India Ltd	875	70,000	875	70,000
Ultratech Cement Ltd	28	43,925	28	43,925
Zee News Ltd.	—	—	1000	40,900
Zee Entertainment Enterprises Ltd.	—	—	420	30,972
Zee Learn Ltd.	—	—	53	530
(Market Value of Quoted shares Rs 4574725.15/- Previous year Rs 5587719.60/-). **Total (A)**	171426	4,826,388	180499	6,154,242
B) Unquoted Shares:				
Brilliant Developers Private Ltd.	50000	100,000	50000	100,000
Bajrangbali Vinimay Pvt. Ltd.	15000	1,500,000	15000	1,500,000
Brain Business Pvt. Ltd.	10000	25,000	10000	25,000
Manik Commercial P Ltd.	15000	1,500,000	15000	1,500,000
Morgan Walker (Jute & Gunny) Ltd	10000	100,000	10000	100,000
Pinnacle Multiforms P Ltd	60000	600,000	60000	600,000
Richfield Investment Ltd.	30000	300,000	—	—
S B Assaying P Ltd	10000	500,000	10000	500,000
UTI Safe Eng. Consultants P Ltd	27000	1,350,000	27000	1,350,000
Vatsalya Dealers P Ltd	10000	500,000	10000	500,000
Total (B)	237000	6,475,000	207000	6,175,000
TOTAL (A + B)	408426	11,301,388	387499	12,329,242

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

	As at 31st March, 2012	As at 31st March, 2011
8) LONG TERM LOANS & ADVANCES		
Security Deposit		
Secured, Considered Good :		
Electricity Security with CESC	12,500	12,500
Telephone Deposit	3,000	3,000
	15,500	15,500
Other Loans & Advances		
Loans (including accured interest,if any)	39,258,432	37,621,882
	39,273,932	37,637,382
9) INVENTORIES		
Stock-in-Trade (As taken, valued and certified by the management)	2,083,445	2,900,306
10) CASH & BANK BALANCES		
Cash & Cash Equivalents		
Cash-in-Hand	67,128	323,245
Bank Balance		
In Scheduled Bank (Current) A/c	166,197	122,283
In Foreign Bank (Current) A/c	1,630,031	1,003,044
	1,863,355	1,448,571
11) OTHER CURRENT ASSETS		
Advances to Creditors	530	—
Income-Tax Deducted at Source	391,749	326,279
Income Tax Refundable	—	371,126
	392,279	697,405
12) REVENUE FROM OPERATION		
Sale of products	3,482,332	3,088,587
Dividend Income	150,438	174,432
Other Operating Revenues	3,915,865	3,384,135
	7,548,635	6,647,154
13) OTHER INCOME		
Interest on IT Refund	25,948	58,006
Long Term Capital Gain on sale of shares	(–556,746)	169,655
Short Term Capital Gain on sale of shares	5,962	
Other Receipts	—	541,337
	-524,836	768,999

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

	As at 31st March, 2012	As at 31st March, 2011
14) CHANGE IN INVENTORIES		
Opening Stock	2,900,306	2,883,740
Closing Stock	2,083,445	2,900,306
	816,861	(-16,566)
15) EMPLOYEE BENEFIT EXPENSES		
Salaries, Bonus, PF & ESIC	702,000	630,000
Food and Beverages for staffs at office	31,135	28,821
	733,135	658,821
16) OTHER EXPENSE		
A) Operating Expenses		
Computer Maintenance	31,546	24,865
Demat Charges	2,639	1,919
Telephone Expenses	21,654	21,313
Fax & Internet Expenses	11,591	11,519
Postage & Telegram	22,494	17,381
Printing & Stationery	44,890	43,062
Security Transaction Tax	2,745	603
Travelling & Conveyance	47,015	26,770
	184,574	147,431
B) Administrative Expenses		
Advertisement	10,783	11,825
Auditors Remuneration	6,618	6,618
Bad Debt written off	123,544	—
Bank Charges	364	331
Consultancy Fees	9,500	7,000
Electric Charges	18,016	20,910
Filing Fees	1,500	2,000
General Expenses	16,167	13,075
Legal Fees	8,550	—
Listing Fees	11,581	11,581
Newspaper,Magazines and Periodicals	12,600	9,450
Office Repairs & Maintenance	24,725	15,400
Obsolete Fixed Assets Written Off	-	6,369
Professional Tax	2,500	2,500
Rates & Taxes	1,850	1,850
Registrar's Fees	20,024	22,060
Rent	30,000	12,000
	298,322	142,969
TOTAL (A+B)	482,896	290,400
17) Payment to Auditors As:		
Statutory Audit Fees	5,515	5,515
Tax Audit Fees	1,103	1,103
	6,618	6,618

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

	As at 31st March, 2012		As at 31st March, 2011	
18. ADDITIONAL INFORMATION	Qty.(Nos.)	Value (Rs.)	Qty.(Nos.)	Value (Rs.)
Trading of Shares / Units :				
Opening of Stock	116326	2,900,306	110294	2,883,740
Purchases	19300	5,059,074	67507	6,126,251
Sales	35170	3,482,332	76225	3,088,587
Closing Stock	106558	2,083,445	116326	2,900,306

*Quantity of Closing stock is adjusted by 6102 shares (Prev year 14750 shares) in total, which is increased/decreased due to merger/demerger/bonus/split and other adjustments etc.

19) There were no employees receiving remuneration to the extent laid down in section 217(2A) of the Companies Act, 1956.

20) No amount of the Net Profit for the year ended 31.3.2012 has been transferred to RBI Reserve Fund in accordance with section 45-IC of the RBI Act, 1984 as there is no profit available in the concerned year and Provision for Contingent Provisions against Standard Assets @ 0.25% of Standard Assets has been Provided as per RBI Notification No. DNBS.222/ CGM(US)-2011 dated January 17, 2011.

21) EARNING PER SHARE (EPS) :

	As at 31st March, 2012	As at 31st March, 2011
(i) Profit after Tax	(–192,747)	324,504
(ii) Weighted average No. of Ordinary Shares for Basic EPS	3750100	3750100
(iii) Normal Value of Ordinary Share	10	10
(iv) Basic/Diluted Earnings per Ordinary Share	(–0.05)	0.09

22) INFORMATION ABOUT PRIMARY BUSINESS SEGMENT

(Figures in '000)

	Business Segment	Unallocable Shares	Total Interest	Others	Unallocable	Total
Revenue:						
External Revenue/Sale	[illegible]					

SCHEDULE TO BALANCE SHEET OF A NON-DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY

(as required in terms of Paragraph 13) of Non-Banking Financial (Non-Deposit Accepted or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

Rs. in Lacs

Particulars	Amount outstanding	Amount overdue
Liabilities side :		
1. Loans & Advances availed by the non-banking financial company inclusive of interest accured thereon but not paid :		
a Debentures : Secured		
Unsecured		
(Other than faling within the meaning of public deposits)	Nil	Nil
b. Deferred Credits		
c. Term Loans		
d. Inter - Corporate Loans & Borrowings		
f. Other Loans (specify nature)		
Assets Side:	**Amount Outstanding**	
2. Break-up of Loans & Advances including bills receivables (other than those included in (4) below) :		
a. Secured	—	
b. Unsecured	392.58	
3. Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities :		
i. Lease assets including lease rentals under sundry debtors		
(a) Financial Lease	—	
(b) Operating Lease	—	
ii. Stock on hire including hire charges under sundry debtors		
(a) Assets on hire	—	
(b) Repossessed Assets	—	
iii. Other loans counting towards AFC activities		
(a) Loans where assets have been Repossessed	—	
(b) Loans other than (a) above	—	

Particulars	Amount Outstanding
4. Break-up of Investments :	
Current Investments	
1. Quoted :	
i. Shares a. Equity	20.83
b. Preference	0.00
ii. Debentures and Bonds	—
iii. Units of Mutual Funds	—
iv. Government Securities	—
v. Others(Please specify)	—
2. Unquoted :	
i. Shares a. Equity	—
b. Preference	—
ii. Debentures and Bonds	—
iii. Units of Mutual Funds	—
iv. Government Securities	—
v. Others(Please specify)	—
Long Term Investments	
1. Quoted :	
i. Shares a. Equity (Net of Provisions)	48.26
b. Preference	—
ii. Debentures and Bonds	—
iii. Units of Mutual Funds	—
iv. Government Securities	—
v. Others(Please specify)	—
2. Unquoted :	
i. Shares a. Equity (Net of Provisions)	64.75
b. Preference	—
ii. Debentures and Bonds	—
iii. Units of Mutual Funds	—
iv. Government Securities	—
v. Others(Please specify)	—

5. Borrower group-wise classification of assets financed as in (2) and (3) above : Please see Note 2 below

Category	Amount net of provisions		
	Secured	Unsecured	Total
I. Related Parties			
a. Subsidiares	—	—	—
b. Companies in the same Group	—	—	—
c. Other related Parties	—	—	—
II. Other than related Parties	—	392.58	392.58
Total :	—	392.58	392.58

Particulars	**Amount Outstanding**	
6. Investor group-wise classification of all investments (current & long term) in shares and securities (both quoted and unquoted): Please see Note 3 below	**Market value/ Break up or Fair Value or NAV**	**Book Value (Net of Provisions)**
Category		
I. Related Parties		
a. Subsidiares		
b. Companies in the same Group		
c. Other related Parties	4.00	4.00
II. Other than related Parties	201.62	129.85
Total :	205.62	133.85

7. Other Information :	
Particulars	**Amount**
(i) Gross Non- Performing Assets	
(a) Related Parties	Nil
(b) Other than related Parties	
(ii) Net Non- Performing Assets	
(a) Related Parties	Nil
(b) Other than related Parties	
(iii) Assets acquired in satisfaction of debt	Nil

Notes :

1. As defined in Paragraph 2(I) (Xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
2. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions,2007.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of Investments and other Assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted Investments and break-up/fair value.

RICHFIELD FINANCIAL SERVICES LIMITED

REGD. OFFICE :
33 BRABOURNE ROAD, 5th FLOOR, KOLKATA-700001

PROXY

FOLIO NO/ DPID /Client ID ..... NO OF SHARES HELD.....

I/We _____

of _____

Being a member/members of the above named company, hereby appoint _____

_____ of _____

or failing him / her _____

of _____

As my /our Proxy to attend and vote for me/us and on my / our behalf at the 19th Annual General Meeting of the company to be held on Saturday, 30th July, 2012 at the Registered office of the Company at 33, Brabourne Road, 5th Floor, Kolkata-700001 and at any adjournment thereof.

Signed this _____ day of _____ 2012.

Affix
Revenue
Stamp

Signed by the said _____

Note: The proxy form must be returned so as to reach the Registered Office of the company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the company.

- -

ATTENDANCE SLIP

(Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall)

Folio No / DPID /Client ID..... No of Share(s) held.....

I/we hereby record my/our presence at the 20th Annual General Meeting of RICHFIELD FINANCIAL SERVICES LIMITED being held on Saturday, 30th July, 2012 at the Registered Office of the Company at 33, Brabourne Road, 5th Floor, Kolkata -700001

Signature of Shareholder(s) or Proxy _____

NOTE:
1. You are requested to sign and handover this at the entrance.
2. If you are interested to appoint a proxy to attend the meeting instead of yourself, the proxy form must *be deposited at the registered office of the company not less than 48 hours before the meeting.*

RICHFIELD FINANCIAL SERVICES LIMITED

ANNUAL REPORT 2011 - 2012

BOARD OF DIRECTORS:

Mr. R K Kankaria (Promoter, Non-Executive Director)
Mr. J N Gupta (Promoter, Non-Executive Director)
Mr. S K Agrawal (Independent, Non- Executive Director)
Mr. S C Choradia (Independent, Non- Executive Director)

AUDIT COMMITTEE

Mr. S C Choradia (Chairman of the Committee)
Mr. S K Agrawal (Member)
Mr. R K Kankaria (Member)

INVESTOR GRIEVANCES COMMITTEE

Mr. S K Agarwal (Chairman of the Committee)
Mr. S C Choradia (Member)
Mr. J N Gupta (Member)

AUDITORS:

M/S MORE V & CO.
Chartered Accountants
16-B Roberts Street
Kolkata 700 012.

REGD OFFICE

33, Brabourne Road,
5th Floor,
Kolkata 700 001.

BANKERS:

Citi Bank
IDBI Bank
Canara Bank
Punjab National Bank
Punjab & Sindh Bank

REGISTRAR & SHARE TRANSFER AGENT: (Physical & Demat)

Niche Technology Private Limited
C-444, 71- BRBB Road
Kolkata-700 001