



RICHFIELD FINANCIAL SERVICES LIMITED
ANNUAL REPORT 2012 – 2013

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:

Citibank
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



RICHFIELD FINANCIAL SERVICES LTD.

RICHFIELD FINANCIAL SERVICES LTD.

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

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty First 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 Tuesday, 30th July, 2013 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, 2013 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 30, 2013

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 than 48 hours before the commencement of the meeting.
- C. The register of members of the Company and share transfer book will remain closed from 20th July 2013 to 30th July 2013 (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 30 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 30, 2013



DIRECTORS REPORT

TO THE MEMBERS

Your directors have pleasure in presenting the Twenty First Annual Report together with the Audited Accounts of your Company for the year ended 31st March 2013.

REVIEW OF OPERATIONS

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

FINANCIAL RESULTS	31.03.2013 (₹ in Lacs)	31.03.2012 (₹ in Lacs)
Total Income	80.37	70.24
Profit/(Loss) before Tax	1.87	(0.77)
Less: Provision for Taxation	0.36	1.15
Profit/(Loss) after Tax	1.51	(1.93)
Balance brought forward	22.68	24.65
Profit available for appropriation	24.19	22.72
Transfer to RBI Reserve Fund	0.37	—
Surplus carried to Balance Sheet	23.82	22.68

DIVIDEND

To strengthen the capital base of the Company, Your Directors have not recommended any dividend for the financial year ended March 31, 2013.

OPERATIONS & FUTURE PROSPECTS

The year ended 31st March, 2013 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, 2008 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 2013 and of the statement of profit or loss of the Company for the year ended 31st March 2013;



- 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 been 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 2012-13 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

Kolkata, May 30, 2013



**ANNEXURE TO THE DIRECTORS' REPORT
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 2012-13 and the Annual General Meeting held on 30th July, 2012 are as follows:

Five Board Meetings were held during the year. They were held on different dates, viz., 04.04.2012, 31.05.2012, 30.07.2012, 30.10.2012, and 31.01.2013.

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	Nil

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 30 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 31.03.2013, the Audit committee met 4 times on 31.05.2012(Thu), 30.07.2012(Mon), 30.10.2012(Tue) and 31.01.2013(Thu).

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 31.03.2013, the Investors Grievance committee met 4 times on 31.05.2012(Thu), 30.07.2012(Mon), 30.10.2012(Tue) and 31.01.2013(Thu).

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 2012-13

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 31.03.2013, 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 2012-13.

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.2009-2010	F.Y.2010-2011	F.Y.2011-2012
Day	Friday	Friday	Monday
Date	23.07.2010	30.07.2011	30.07.2012
Time	10.30 A.M.	10.30 A.M.	10.30 A.M.
Venue	33, Brabourne Road, 5th Floor, Kolkata-700001	33, Brabourne Road, 5th Floor, Kolkata-700001	33, Brabourne Road, 5th Floor, 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	Tuesday
Date	30.07.2013
Time	10.30 A.M.
Venue	33, Brabourne Road, 5th Floor, Kolkata-700001
Financial Year	1st April 2012 to 31st March 2013

2. **Declaration of Quarterly results**

Qtr Ended Jun 30, 2013	On or before 31st Jul 2013
Qtr Ended Sep 30, 2013	On or before 31st Oct 2013
Qtr Ended Dec 31, 2013	On or before 31st Jan 2013
Qtr Ended Mar 31, 2014	Publication of Audited Result by 30th May, 2014

**RICHFIELD FINANCIAL SERVICES LTD.**

3. Date of Book Closure: Wednesday, 24th July 2013 to Tuesday, 30th July 2013 (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 2012-13.
7. Demat ISIN Number : INE201C01012
Scrip Code : 10028162

8. Shareholding pattern as on 31st March 2013

SI No	Category	No. of Shares held	% of shareholding
A.	Promoter's holding		
	Promoters	171200	4.565%
	Person acting in Concert	1025600	27.349%
	Sub Total	1196800	31.914%
B.	Others		
	Body Corporate	1887324	50.327%
	Indian Public	665976	17.759%
	Any other- Clearing House	Nil	Nil
	Sub Total	2553300	68.086%
	Total	3750100	100.00%

9. Distribution of Shareholding as on 31st March 2013

SI No	No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
1	Upto 500	480	79.08	57900	1.54
2	501 to 1000	25	4.12	19000	0.51
3	1001 to 5000	43	7.08	128800	3.44
4	5001 to 10000	10	1.65	84700	2.26
5	10001 to 50000	32	5.27	729575	19.45
6	50001 to 100000	4	0.66	326149	8.70
7	100001 and above	13	2.14	2403976	64.10
	Total	607	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 2013.

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	3378150	90.08
b. Central Depository Services (India) Limited	214200	5.71
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 2012-13 was as follows:

Month & Year	High (Rs)	Low (Rs)	No. of Shares Traded	BSE Sensex	
	Per Share	Per Share		High	Low
April-12	N.T.	N.T.	Nil	17,664.10	17,010.16
May-12	N.T.	N.T.	Nil	17,432.33	15,809.71
June-12	80.35	80.35	103175	17,448.48	15,748.98
July-12	80.35	80.35	50700	17,631.19	16,598.48
August-12	80.35	80.35	9000	17,972.54	17,026.97
September-12	N.T.	N.T.	Nil	18,869.94	17,250.80
October-12	80.35	80.35	13000	19,137.29	18,393.42
November-12	N.T.	N.T.	Nil	19,372.70	18,255.69
December-12	N.T.	N.T.	Nil	19612.18	19149.03
January-13	N.T.	N.T.	Nil	20203.66	19508.93
February-13	N.T.	N.T.	Nil	19966.69	18793.97
March-13	N.T.	N.T.	Nil	19754.66	18568.43

(B) STATUS OF COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

- 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 2013, 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 BOARD 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, 2013.

May 30, 2013
Kolkata

R K Kankaria
Chairman – Board

**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 2013 and to the best of 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 conformity of the existing accounting standards, applicable laws and regulations;
- (c) There are no transactions entered into by the Company which were fraudulent, illegal and violative to the code of 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 apprised.

We, both confirm that during the financial year we 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 30, 2013
Kolkata

R K Kankaria
Chairman – Board

S C Choradia
Chairman – Audit Committee



RICHFIELD FINANCIAL SERVICES LTD.

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 2013 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.

16B, Roberts Street
Kolkata – 700 012
May 30, 2013

For **MORE V & CO.**
Chartered Accountants
Firm Registration No. 312033E
Sd/-
P K SHYAMSUKHA
Partner
Membership No. 53220



MANAGEMENT DISCUSSION AND ANALYSIS

Overview

Indian economy is adversely affected by persistent inflation over the last few years. The rising incomes propped the purchasing power of the population, driving consumption demand in sectors, where supply lagged particularly, in food grain and non food-grain commodities, Sharp increase in international prices of fuels also contributed to inflationary pressure. The Government has been going very slow on various reforms, expected by large investors and market. Market participants were particularly concerned about subsidies—fertilizer, food and fuel; falling rupee against dollar; unreported corruptions; widening current account and fiscal deficits. Net Buys by the Foreign Institutional investors have been declining during the year as compared to these of the earlier years. Economic situations in Euro Zone countries and other priced the Capital Market towards losses.

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

Outlook for the Company is linked to Capital Market. The management of the Company believes that Company's Investments in the equity shares of various companies would reasonably perform in the ensuing years.

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

INDEPENDENT AUDITOR'S REPORT

To the Members of Richfield Financial Services Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of Richfield Financial Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon gives the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2013.
- b) In the case of the Statement of Profit & Loss of the Profit 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.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and have found them to be satisfactory;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.
3. 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: -
 - a) 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.
 - b) The Board of Directors of the Company has passed a Resolution for non-acceptance of any public deposits.
 - c) The Company has not accepted any public deposits during the year under reference.
 - d) 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.

16B, Roberts Street
Kolkata - 700 012
May 30, 2013

For **MORE V & CO.**
Chartered Accountants
Firm Registration No. 312033E

Sd/-
P K SHYAMSUKHA
Partner
Membership 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 31.03.2013 and it has not incurred cash losses during the financial year but had incurred the same 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.

16B, Roberts Street
Kolkata – 700 012
May 30, 2013

For MORE V & CO.
Chartered Accountants
Firm Registration No. 312033E
Sd/-
P K SHYAMSUKHA
Partner
Membership No. 53220



BALANCE SHEET AS AT 31ST MARCH, 2013

PARTICULARS	Note	As at 31st March, 2013	As at 31st March, 2012
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital			
Reserves and Surplus	1	37,300,750	37,300,750
	2	17,640,937	17,480,735
Share Application money pending allotment			
Non-Current Liabilities			
Deferred Tax Liabilities (Net)			
Current Liabilities	3	8,636	7,621
Other Current Liabilities			
Short-Term Provisions	4	9,890	11,195
	5	238,918	213,006
Total Equity & Liabilities		55,199,131	55,013,307
ASSETS			
Non-Current Assets			
Fixed Assets			
Non-current investments	6	124,772	98,907
Long term loans and advances	7	11,301,388	11,301,388
Current Assets	8	35,553,272	39,273,932
Inventories			
Cash and Bank Balance	9	3,270,160	2,083,445
Other current assets	10	4,204,810	1,863,355
	11	744,728	392,279
Total Assets		55,199,131	55,013,307
Significant Accounting Policies and Notes on Financial Statements	1-25		

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 30, 2013

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 2013

PARTICULARS	Note	As at 31st March, 2013	As at 31st March, 2012
INCOME			
Revenue from operations	12	7,733,755	7,548,635
Other Income	13	303,080	-524,836
Total Revenue		8,036,835	7,023,799
EXPENDITURE			
Purchase of Stock-in-Trade		7,825,275	5,059,074
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	14	-1,186,715	816,861
Employee Benefit Expense	15	883,361	733,135
Depreciation and Amortization Expense	6	8,635	9,243
Other Expenses	16	319,150	482,896
Total Expenses		7,849,706	7,101,209
Profit Before Tax		187,129	-77,410
Tax expense:			
(1) Current tax		35,214	114,860
(2) Deferred tax		1,015	477
Profit/(Loss) for the period		150,901	-192,747
Earning per equity share of face value of Rs. 10/- each: Basic and Diluted (Rs.)		0.04	-0.05
Significant Accounting Policies			
Notes on Financial Statements	1-25		

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 30, 2013

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, 2013

	Current year		Previous year	
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax & extraordinary items		187129		(77410)
Adjustment for:				
Add : Depreciation		8635		9243
		<u>195764</u>		<u>(68167)</u>
Deduct : Profit on sale of Investment	—		(556746)	
Dividend Income	177445	177445	150438	(406308)
Operating Profit before Working Capital Changes		<u>18320</u>		<u>338141</u>
Adjustment for :-				
Increase in Advance to Creditors	530		(530)	
Inflow / (Outflow) : Increase in Trade & Other Payable	(1305)		54	
Increase in Inventories	(1186715)		816861	
Loan Given(Net)	3720660	253170	(1636550)	(820165)
Cash Generated from Operations		<u>2551490</u>		<u>(482025)</u>
Direct Taxes Paid		352979		(292063)
Cash Inflow(+)/Outflow(-) before Extra Ordinary Items		<u>2198511</u>		<u>(189962)</u>
Add(+)/Deduct(-) Prior Period Adjustments		—		—
Net Cash Inflow(+)/Outflow(-) in Operating Activities		<u><u>2198511</u></u>		<u><u>(189962)</u></u>
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Outflow : Assets purchases		34500		16800
Inflow : Sale of Investments	—		471108	
Dividend Income	177445	177445	150438	621546
Net Cash Inflow(+)/Outflow(-) in Investing Activities		<u>142945</u>		<u>604746</u>
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Inflow :		—		—
Outflow :		—		—
Net Cash Inflow(+)/Outflow(-) in Financing Activities		<u>—</u>		<u>—</u>
NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)		<u>2341456</u>		<u>414784</u>
OPENING CASH AND CASH EQUIVALENTS (Opening Balance)		<u>1863355</u>		<u>1448571</u>
CLOSING CASH AND CASH EQUIVALENTS (Closing Balance)		<u><u>4204810</u></u>		<u><u>1863355</u></u>

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 30, 2013

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) Use of Estimates**
The Preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the result are known / materialised.
- C) 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.
- D) 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.
- E) 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.
- F) 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.
- G) 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.
- H) Expenditure**
All expenses have been accounted for on accrual basis.
- I) Inventories**
Inventories i.e. stock of shares are valued at cost or market value whichever is lower.
- J) Employee Benefits**
Short Term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.
- K) Provisions, Contingent Liabilities and Contingent Assets**
Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013	As at 31st March, 2012
1) SHARE CAPITAL		
Authorised Share Capital		
40,00,000 Equity Shares of Rs. 10/- each.	40,000,000	40,000,000
	<u>40,000,000</u>	<u>40,000,000</u>
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
	<u>37,300,750</u>	<u>37,300,750</u>

The Details of Shareholders holding more than 5% shares :

Name of the Shareholder	As at 31st March, 2013		As at 31st March, 2012	
	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, 2013	As at 31st March, 2012
Equity Shares at the beginning of the year	3,750,100	3,750,100
Equity Shares at the end of the year	<u>3,750,100</u>	<u>3,750,100</u>

2) RESERVE & SURPLUS

	As at 31st March, 2013	As at 31st March, 2012
Securities Premium Reserve		
As per Last Balance Sheet	14,100,400	14,100,400
Less: Calls in arrears	<u>54,427</u>	<u>54,427</u>
	14,045,973	14,045,973
RBI Reserve Fund		
As per Last Balance Sheet	598,983	598,983
Add: Provided during the year	<u>37,426</u>	-
	636,409	598,983
General Reserve		
As per Last Balance Sheet	567,475	567,475
Surplus (Profit & Loss Account)		
As per Last Balance Sheet	2,268,303	2,465,142
Add: Profit for the year	150,901	-192,747
Less: Appropriations	-	-
Contingent provision against Standard Asset	-9,301.57	4,091
Transferred to RBI Reserve Fund	<u>37,426</u>	-
	<u>2,391,080</u>	2,268,304
	<u>17,640,937</u>	<u>17,480,735</u>



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013		As at 31st March, 2012	
3) DEFERRED TAX LIABILITY (NET)				
Closing WDV of Fixed asset as per Co's Act	124,772		98,907	
Closing WDV of Fixed asset as per I T Act	96,825	27,948	74,245	24,662
Deffered Tax (Asset)/Liability		<u>8,636</u>		<u>7,621</u>
4) OTHER CURRENT LIABILITIES				
Liabilities For Expenses		9,890		11,195
		<u>9,890</u>		<u>11,195</u>
5) SHORT TERM PROVISIONS				
Contingent Provision against Standard Assets		88,844		98,146
Provision for Income Tax		150,074		114,860
		<u>238,918</u>		<u>213,006</u>



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

6. FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	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 31.03.2013	WDV as on 31.03.2012
Tangible Assets										
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	1,526	-	-	1,526	11,974	11,974
Office Equipments	64,915	-	-	64,915	46,577	-	-	46,577	18,338	18,338
Air Conditioners	95,250	34,500	-	129,750	90,448	5,104	-	95,552	34,198	4,802
Mobile Phone	39,000	-	-	39,000	13,614	3,531	-	17,145	21,855	25,386
Total (Current Year)	1,117,315	34,500	-	1,151,815	1,018,408	8,635	-	1,027,043	124,772	98,907
(Previous Year)	1,100,515	16,800	-	1,117,315	1,009,165	9,243	-	1,018,408	98,907	-



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

7. NON CURRENT INVESTMENT

Investment in Equity Instrument

A) Quoted Shares:

	As at 31st March, 2013		As at 31st March, 20112	
	Quantity (nos)	Amounts(Rs.)	Quantity (nos)	Amounts(Rs.)
Balaji Galvanising Ind Ltd	75800	593,000	75800	593,000
Bajaj Hindusthan Ltd	1500	293,271	1500	293,271
Bharti Airtel Ltd	250	82,083	250	82,083
Bharat Heavy Electronics Ltd	250	104,393	250	104,393
Grasim Industries Ltd	50	33,448	50	33,448
HDFC Bank Ltd	100	112,525	100	112,525
Himachal Futurastic Corp Ltd	1200	74,349	1200	74,349
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
MCC Investment & Leasing Ltd	7000	70,000	7000	70,000
Norben Tea & Export Ltd	30000	300,000	30000	300,000
Panchwati Holiday Resorts Ltd	4000	40,000	4000	40,000
Reliance Industries Ltd.	300	370,505	300	370,505
Reliance Infrastructure Ltd	100	73,607	100	73,607
Tata Power Co Ltd	2550	298,257	2550	298,257
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
Uniworth Ltd (formerly Woolworth India Ltd)	875	70,000	875	70,000
Ultratech Cement Ltd	28	43,925	28	43,925
(Market Value of Quoted shares Rs 39,50,591.00/- Previous year Rs 4574725.15/-).	171426	4,826,388	171426	4,826,388

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	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
	237000	6,475,000	237000	6,475,000
TOTAL (A+B)	408426	11,301,388	408426	11,301,388



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013	As at 31st March, 2012
8) LONG TERM LOANS & ADVANCES		
Security Deposit		
Secured, Considered Good :		
Electricity Security with CESC	12,500	12,500
Telephone Deposit	3,000	3,000
	<u>15,500</u>	<u>15,500</u>
Other Loans & Advances		
Loans (including accrued interest, if any)	35,537,772	39,258,432
	<u>35,553,272</u>	<u>39,273,932</u>
9) INVENTORIES		
Stock-in-Trade	3,270,160	2,083,445
(As taken, valued and certified by the management)		
10) CASH & BANK BALANCES		
Cash & Cash Equivalents		
Cash-in-Hand	135,031	67,128
Bank Balance		
In Scheduled Bank (Current) A/c	489,453	166,197
In Foreign Bank (Current) A/c	3,580,327	1,630,031
	<u>4,204,810</u>	<u>1,863,355</u>
11) OTHER CURRENT ASSETS		
Advances to Creditors	-	530
Income-Tax Deducted at Source	744,728	391,749
	<u>744,728</u>	<u>392,279</u>
12) REVENUE FROM OPERATION		
Sale of products	4,026,532	3,482,332
Dividend Income	177,445	150,438
Other Operating Revenues	3,529,779	3,915,865
	<u>7,733,755</u>	<u>7,548,635</u>
13) OTHER INCOME		
Interest on IT Refund	-	25,948
Long Term Capital Gain on sale of shares	-	-556,746
Short Term Capital Gain on sale of shares	-	5,962
Other Receipts	303,080	-
	<u>303,080</u>	<u>-524,836</u>



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013	As at 31st March, 2012
14) CHANGE IN INVENTORIES		
Opening Stock	2,083,445	2,900,306
Closing Stock	<u>3,270,160</u>	<u>2,083,445</u>
	<u>-1,186,715</u>	<u>816,861</u>
15) EMPLOYEE BENEFIT EXPENSES		
Salaries & Bonus	804,000	702,000
Stipened to trainees	63,000	-
Food and Beverages for staffs at office	<u>16,361</u>	<u>31,135</u>
	<u>883,361</u>	<u>733,135</u>
16) OTHER EXPENSE		
A) Operating Expenses		
Computer Maintenance	10,423	31,546
Demat Charges	2,164	2,639
Telephone Expenses	26,935	21,654
Fax & Internet Expenses		11,591
Postage & Telegram	8,627	22,494
Printing & Stationery	30,453	44,890
Security Transaction Tax		2,745
Travelling & Conveyance	18,162	47,015
	96,764	184,574
B) Administrative Expenses		
Advertisement	14,352	10,783
Auditors Remuneration	6,742	6,618
Bad Debt written off	-	123,544
Bank Charges	613	364
Consultancy Fees	-	9,500
Donation	50,000	-
Electric Charges	10,671	18,016
Filing Fees	1,500	1,500
General Expenses	17,155	16,167
Legal Fees	-	8,550
Listing Fees	11,798	11,581
Newspaper, Magazines and Periodicals	12,600	12,600
Office Repairs & Maintenance	28,757	24,725
Professional Tax	2,500	2,500
Rates & Taxes	1,850	1,850
Registrar's Fees	20,348	20,024
Rent	42,000	30,000
Secretarial Audit fees	1,500	-
	<u>222,386</u>	<u>298,322</u>
TOTAL (A+B)	<u>319,150</u>	<u>482,896</u>



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31st March, 2013	As at 31st March, 2012
17) PAYMENT TO AUDITORS AS:		
Statutory Audit Fees	6,742	5,515
Tax Audit Fees	—	1,103
	6,742	6,618

18. ADDITIONAL INFORMATION

Trading of Shares / Units :	As at 31st March, 2013		As at 31st March, 2012	
	Qty.(Nos.)	Value (Rs.)	Qty.(Nos.)	Value (Rs.)
Opening of Stock	106558	2,083,445	116326	2,900,306
Purchases	57350	7,825,275	19300	5,059,074
Sales	54250	4,026,532	35170	3,482,332
Closing Stock	109658	3,270,160	106558	2,083,445

*Quantity of Closing stock is adjusted by NIL shares (Prev year 6102 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) An amount of Rs. 37,426/- from the Net Profit for the year ended 31.3.2013 has been transferred to RBI Reserve Fund in accordance with section 45-IC of the RBI Act, 1984 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, 2013	As at 31st March, 2012
(i) Profit after Tax	150,901	-192,747
(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	0.04	-0.05

22) INFORMATION ABOUT PRIMARY BUSINESS SEGMENT

(Figures in '000)

		Business Segment				Unallocable	Total
		Shares	Interest	Others	Unallocable		
Revenue:							
Revenue:							
External Revenue/Sale	2012-13	4203.98	3529.78	303.08	0.00	8036.84	
	2011-12	3632.77	3941.81	(550.78)	0.00	7023.80	
Result:							
Segment result before tax	2012-13	(2434.58)	3529.78	(2550.87)	1642.81	187.13	
	2011-12	(2243.17)	3941.81	1457.34	(3233.39)	(77.40)	
Less: Prov. for tax & Contingencies	2012-13	—	—	—	—	26.93	
	2011-12	—	—	—	—	119.43	
Results after tax	2012-13					160.20	
	2011-12					-196.83	



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

				As at 31st March, 2013		As at 31st March, 2012
Other Information:						
Segment Assets	2012-13	3270.16	35537.77	—	16391.20	55199.13
	2011-12	2083.45	39258.43	—	13671.43	55013.31
Segment Liabilities	2012-13	—	—	—	257.44	257.44
	2011-12	—	—	—	231.82	231.82
Non Cash Exp. other than Dep.	2012-13	—	—	—	—	—
	2011-12	—	—	—	—	—
Depreciation	2012-13	—	—	—	8.64	8.64
	2011-12	—	—	—	9.24	9.24

- i) The Company has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of product, services, the different risks and results, the organisation structure and internal reporting system. The Company's operations predominantly relates to trading in Shares & Finance. Other business comprises brokerage etc.
- ii) The Company's operations wholly relate to domestic market. The export turnover is nil. As such there are no reportable geographical segments.
- iii) Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The expenses, which are not directly relatable to the business segment, are shown as unallocated corporate cost. Assets and liabilities that cannot be allocable between the segments are shown as unallocated corporate assets and liabilities respectively.
- 23) The Company is a Small And Medium Sized Company (SMC) as defined in the general instruction in respect of the Accounting Standards notified under the Companies Act, 1956. Accordingly the company has Complied with the Accounting Standards as applicable to a Small and Medium Sized Company.
- 24) In the absence of necessary information with the company relating to the registration of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 the information required under the Act Could not be Complied and Disclosed.
- 25) Previous year figures have been regrouped or rearranged wherever necessary.

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 30, 2013

R K Kankaria
 Director

J N Gupta
 Director

S K Agrawal
 Director

S C Choradia
 Director



Particulars	Amount Outstanding
4. Break-up of Investments :	
Current Investments	
1. Quoted :	
i. Shares a. Equity	32.70
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. Subsidiaries	—	—	—
b. Companies in the same Group	—	—	—
c. Other related Parties	—	—	—
II. Other than related Parties	—	355.38	355.38
Total :	—	355.38	355.38

**6. Investor group-wise classification of all investments (current & long term) in shares and securities (both quoted and unquoted):
Please see Note 3 below**

Particulars	Amount Outstanding	
	Market value/ Break up or Fair Value or NAV	Book Value (Net of Provisions)
Category		
I. Related Parties		
a. Subsidiaries		
b. Companies in the same Group		
c. Other related Parties	4.25	4.25
II. Other than related Parties	153.35	141.47
Total :	157.60	145.72

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 :

- As defined in Paragraph 2(1) (Xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- 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 21st Annual General Meeting of the company to be held on Tuesday, 30th July, 2013 at the Registered office of the Company at 33, Brabourne Road, 5th Floor, Kolkata-700001 and at any adjournment thereof.

Signed this _____ day of _____ 2013.

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 21st Annual General Meeting of RICHFIELD FINANCIAL SERVICES LIMITED being held on Tuesday, 30th July, 2013 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.