

**SALARPURIA & PARTNERS**

**7, Chittaranjan Avenue**

**Kolkata 700 072**

**Phone No.2237 5400/01**

**Fax No. : 2225 0992**

**E-mail : [salarpuria.jajodia@rediffmail.com](mailto:salarpuria.jajodia@rediffmail.com)**

**LARK TRADING & FINANCE LIMITED**

**BLANCE SHEET AND STATEMENT OF PROFIT & LOSS  
FOR THE YEAR ENDED 31.03.2014**

# LARK TRADING AND FINANCE LIMITED

Head Office : Flat No. GA ( Ground Floor ) 1, Merlin Park, Kolkata-700 019. Ph. : 2460-8916

## DIRECTOR'S REPORT

Your Directors presents the 27th Annual Report of LARK TRADING & FINANCE LIMITED together with the Audited Statement of Accounts for the year ended 31st March, 2014.

<u>Financial Results:</u>	<u>31.3.2014</u>	<u>31.3.2013</u>
Profit before tax	198050	95938
Provision for tax	35790	26491
Provision for deferred tax	928	( 86 )
Profit After Tax	161332	69533
Balance brought forward last year	737628	682002
Profit available for appropriation	898960	751535
Less: Transfer to Special Reserve	32266	13907
Balance Carried to Balance Sheet	866693	737628

Dividend: Your directors have not recommended any dividend for the year ended 31.3.2014.

Statutory Auditors: Auditor of the company M/s. Salarpuria & Partners, Chartered Accountants, hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment until the conclusion of 30th Annual General Meeting of the company to be held in the year 2017 (subject to ratification of their appointment by the members at every Annual General Meeting held after the ensuing Annual General Meeting).

As required under the provision of section 139(1) of the Companies Act 2013, the company has received a written consent from M/s. Salarpuria & Partners, Chartered Accountants, to their re-appointment and a certificate, to the effect that their re-appointment if made would be in accordance with the new Act and the Rules framed there under and that they satisfy the criteria provided in section 141 of Companies Act, 2013. The Board recommends their appointment.

Auditors Report: The comments made by the auditors in their report are self explanatory and the opinion of the Board do not require any further clarification.

Particulars of Employees: During the year no employees was in receipt of remuneration of or in excess of the amount prescribed under section 217(2A) of the Companies Act, 1956.

RBI Regulation-Compliance: Your company continues to comply with all the applicable rules and regulations of RBI including the prudential provisioning for risky assets, credit concentration statutory reserves liquid assets, capital adequacy etc.

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: 2 :

Director's Mrs. Sumitra Devi Almal, director of the company retires by rotation and being eligible offer themselves for reappointment.

Conservation of Energy: Conservation of Energy, Technology Absorption and Foreign Exchange earnings/outgo.

A. Since this is not a manufacturing unit there is noting to disclose with respect to conservation of energy and Technology Absorption.

B. Foreign Exchange Earnings Outgo:

- |                             |     |
|-----------------------------|-----|
| i) Foreign Exchange Earning | Nil |
| ii) Foreign Exchange Outgo  | Nil |

Directors Responsibility Statement Pursuant to Section 217 (2AA) of the Companies Act, 1956.

The Directors hereby confirm :

- i) That in preparation of the Annual accounts, the applicable accounting standards had been followed.
- ii) That the directors had selected such accounting policies and applied them consistently and made judgements, and estimates that are reasonable prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2014 and of the Profit of Loss account of the company for the year ended on that date.
- iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and irregularities;
- iv) That the directors had prepared the Annual Accounts on a going concern basis.

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: 3 :

Compliance Certificate: In terms of Section 383A(1) of the Companies Act, 1956 and Companies (Compliance Certificate) Rule 2001 the certificate issued by a Company Secretary in Whole-Time-Practice Certifying that the company has complied with all the provision of the Companies Act, 1956 is annexed to the report.

Appreciation: Your directors wish to express their gratitude to the shareholders, bankers all other well wishers for their continued support and patronage.

1, Merlin Park,  
Kolkata-700 019.

Dated: 1.09.2014

BY ORDER OF THE BOARD

*Sumitra Devi Almal*

(SUMITRA DEVI ALMAL)  
DIRECTOR





# Salarpuria & Partners

CHARTERED ACCOUNTANTS

7, C. R. AVENUE, KOLKATA - 700 072

Phone : 2237 5400 / 5401, 4014 5400 - 5410

e-mail : salarpuria.jajodia@rediffmail.com

Branches at New Delhi & Bangalore

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LARK TRADING & FINANCE LIMITED

### *Report on the Financial Statements*

We have audited the accompanying financial statements of **LARK TRADING & FINANCE LIMITED**, which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss and The Cash flow Statement for the year then ended, and a summary of significant accounting policies and 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") read with General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. 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 but not for the purpose of expressing an opinion on the effectiveness of company's internal control. 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b. In the case of the Statement of Profit and Loss, of the **Profit** 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.





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## Report on Other Legal and Regulatory Requirements

1. 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 Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
2. As required by Sec 227(3) of the Act, we report that :
  - (i) 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;
  - (ii) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
  - (iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (iv) In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.;
  - (v) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

FOR SALARPURIA & PARTNERS

CHARTERED ACCOUNTANTS

Firm ICAI Reg. No.302113E

**Nihar Ranjan Nayak**

*N. R. Nayak*

Chartered Accountant  
Membership No. - 87076  
Partner

Place: Kolkata

Dated: 01/09/2014







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## ANNEXURE TO COMPANIES (AUDITORS' REPORT) ORDER

(Referred to in the paragraph (1) of the report on other Legal and regulatory Requirements of our report of even date)

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

- 1.a) The Company has maintained proper records to show full particulars including quantitative details and situation of Fixed Assets.
- b) The Fixed Assets of the Company have been physically verified by the Management during the year and no serious discrepancies were noticed on such verification.
- c) No fixed assets have been disposed off during the year.

2.a) The stock-in-trade have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

b) The procedures of physical verification of stocks-in-trade followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

3. a) The company has granted a unsecured loan to Other Party covered in the Register Maintained under Sec 301 of the Companies Act, 1956 during the year, details are as follows: (In Rs.)

No. of Party	Name of the Party	Opening Loan	Maximum Outstanding	Closing Loan
1	Simur Promoters Pvt. Ltd	1,150,000	1,150,000	1,150,000

b) The company has granted interest free loan. Other terms & conditions of loan are not prima facie prejudicial to the interest of the company.

c) The payment of principal amount is regular as per mutual consent.

d) There is no overdue amount of loan given.

e) The company has not taken any loan, secured or unsecured from any Party covered in the Register Maintained under Sec 301 of the Act, Hence the clause (iii) f & (iii) g of the said order are not applicable.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets, investments etc.

5. On the basis of our examination of books and records of the company, there are no transactions attracting the provisions of Section 301 of the Companies Act, 1956.







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6. The company has not accepted any public deposits under the provision of Section 58A and 58AA of the Companies Act, and the rules framed there under.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. The Central Government has not prescribed maintenance of cost record under Section 209 (1) (d) of the Companies Act, 1956 in respect of the activities of the Company.
9. a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees State Insurance, Income Tax, and other Statutory dues, applicable to it.  
b) According to the information and explanation given to us, no undisputed amounts are payable in respect of Income Tax, Sales Tax, Wealth Tax, Custom Duty and Excise Duty as at 31<sup>st</sup> March, 2014 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 Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty and Excise Duty, which have not been deposited on account of any dispute.
10. There is no accumulated losses of the Company at the end of the financial year and it has not incurred cash loss, in the financial year and immediately preceding financial year.
11. The company has not taken any loan from the financial institutions, and banks, hence comment on this clause is not applicable.
12. The company has neither granted nor taken any loans and advances on the basis of security by way of pledge of Shares, Debentures or Other Securities.
13. The Provisions of any special statute applicable to the chit fund/nidhi/societies are not applicable to the company.
14. The Company has maintained proper records of transactions and contracts of Investment in Shares, Debentures and other Investments and made timely entries therein. All the investments held by the company are in its own name.
15. The company has not given any guarantee for loan taken by others from financial institution or bank.
16. There is no term loan taken by the company, so the question of its application does not arise.
17. According to the information and explanation given to us and an overall examination of the balance sheet of the company, we report that no funds raised as short-term basis have been used for long term Investment.
18. According to information and explanations given to us, the company has not made preferential allotment of shares to parties covered in the register maintained under Section 301 of the Companies Act 1956.





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19. According to the information and explanations given to us, during the year covered by our audit report, the company has not issued any debentures.
20. The company has not raised any money by public issue during the year and hence the question of disclosure and verification of end use of such money does not arise.
21. According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

FOR SALARPURIA & PARTNERS

CHARTERED ACCOUNTANTS

Firm ICAI Reg. No.302113E

**Nihar Ranjan Nayak**

*N. R. Nayak*

Chartered Accountant

Membership No. - 57076

Partner

Place: Kolkata

Dated: 01/09/2014





**LARK TRADING & FINANCE LTD.****Balance Sheet as at 31st March 2014**

I. EQUITY AND LIABILITIES	Notes	As at 31.03.2014 (₹)	As at 31.03.2013 (₹)
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	<b>5,000,000</b>	5,000,000
(b) Reserves and Surplus	2	<b>998,652</b>	837,320
		<b>5,998,652</b>	5,837,320
<b>(2) Non-Current Liabilities</b>			
(a) Deferred Tax Liabilities (Net)	3	<b>1,450</b>	522
		<b>1,450</b>	522
<b>(3) Current Liabilities</b>			
(a) Trade Payable	4	<b>141,675</b>	102,804
(b) Other Current Liabilities	5	<b>46,465</b>	75,065
(c) Short-Term provisions	6	<b>97,152</b>	214,396
		<b>285,292</b>	392,265
<b>Total</b>		<b>6,285,394</b>	6,230,107

II. ASSETS	Notes	As at 31.03.2014 (₹)	As at 31.03.2013 (₹)
<b>(1) Non-current assets</b>			
(a) Fixed Assets			
Tangible Assets	7	<b>5,744</b>	6,682
(b) Non-Current Investments	8	<b>234,734</b>	578,355
(c) Long Term Loans And Advances	9	<b>1,208,110</b>	1,208,110
(d) Other Non Current Asset	10	<b>2,945,158</b>	1,820,566
		<b>4,393,746</b>	3,613,713
<b>(2) Current Assets</b>			
(a) Inventories	11	<b>510,841</b>	1,009,328
(c) Cash And Bank Balances	12	<b>1,194,640</b>	1,295,970
(d) Short-Term Loans And Advances	13	<b>147,251</b>	272,180
(e) Other Current Assets	14	<b>38,916</b>	38,916
		<b>1,891,648</b>	2,616,394
<b>Total</b>		<b>6,285,394</b>	6,230,107

**Significant Accounting Policies And Other Notes**

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The accompanying Notes are integral part of the Financial Statement

As per our separate report of even date attached.

For **SALARPURIA & PARTNERS.**

Chartered Accountants

FIRM ICAI REG. NO.302113E

**Nihar Ranjan Nayak***N. R. Nayak*

Chartered Accountant

Membership No. - 57076

Partner

Place : Kolkata

Date : 01/09/2014

For and on behalf of the Board

For **LARK TRADING & FINANCE LTD.***Sumitra Devi Almal*

Director

For **LARK TRADING & FINANCE LTD.***Shweta Sarangi*

Director





**LARK TRADING & FINANCE LTD.****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014**

Particulars	Notes	For the Year Ended 31.03.2014 (₹)	For the Year Ended 31.03.2013 (₹)
I. Revenue From Operations	15	<b>1,373,988</b>	287,625
II. Total Revenue		<b>1,373,988</b>	287,625
III. Expenses:			
Changes in Inventories of Stock-in-Trade	16	<b>498,487</b>	(54,555)
Employee Benefits Expense	17	<b>125,250</b>	125,250
Depreciation	18	<b>938</b>	1,092
Other Expenses	19	<b>551,263</b>	119,900
IV. Total Expenses		<b>1,175,938</b>	191,687
V. Profit/ (Loss) before tax (II - IV)		<b>198,050</b>	95,938
VI. Tax expense:			
(1) Current Tax		<b>35,000</b>	26,491
(2) Deferred Tax		<b>928</b>	(86)
(3) Income tax for earlier year		<b>790</b>	-
VII. Profit/(Loss) after Tax (V - VI)		<b>161,332</b>	69,533
VIII. Earnings per Equity Share	20(B3)		
Basic/Diluted		0.32	0.14

Significant Accounting Policies And Other Notes

20

The accompanying Notes are integral part of the Financial Statement

As per our separate report of even date attached.

For SALARPURIA &amp; PARTNERS.

Chartered Accountants

FIRM ICAI REG. NO.302113E

**Nihar Ranjan Nayak***N. R. Nayak*

Chartered Accountant

Membership No. - 57076

Place : Kolkata Partner

Date : 01/09/2014

For and on behalf of the Board

For LARK TRADING &amp; FINANCE LTD.

*Sumitra Devi Agarwal*

Director

For LARK TRADING &amp; FINANCE LTD.

*Shruti Sarangi*

Director



**LARK TRADING & FINANCE LTD****CASH FLOW STATEMENT FOR YEAR ENDED 31.03.2014**

PARTICULARS	For the Year Ended 31.03.2014 (₹)	For the Year Ended 31.03.2013 (₹)
<b>A. Cash Flow from Operating Activities :</b>		
Net Profit before tax and extraordinary items	198,050	95,938
Depreciation	938	1,092
contingent provision for standard assests	-	2,875
Interest Received	(292,669)	(269,332)
(Profit)/Loss on Sale of Investments	(77,643)	-
Dividend Received	(19,034)	(18,293)
<b>Operating Profit before Working Capital Changes</b>	<b>(190,358)</b>	<b>(187,720)</b>
<b>Mo vements in Working Capital :</b>		
(Increase)/Decrease in Trade Payables	38,871	30,856
(Increase)/Decrease in Other Current Liabilities	(28,600)	27,636
Decrease/(Increase) in Inventories	498,487	(54,555)
Decrease/(Increase) in Other Current Assets	-	38,323
<b>Cash generated from operations/(Used in) Operations</b>	<b>318,400</b>	<b>(145,460)</b>
Direct taxes paid	(28,105)	(86,562)
Cash Flow before extraordinary items	290,295	(232,022)
Extraordinary items	-	-
<b>Net Cash from operating activities</b>	<b>290,295</b>	<b>(232,022)</b>
<b>B. Cash Flow from Investing Activities</b>		
(Deposit)/Maturity of fixed deposit more than 3 months	(819,715)	(102,802)
Sale of Investments	421,264	-
Interest Received	292,669	269,332
Dividend Received	19,034	18,293
<b>Net Cash used in investing activities</b>	<b>(86,748)</b>	<b>184,823</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds/(Repayment) from Long Term Borrowings	-	-
Proceeds/(Repayment) from Short Term Borrowings	-	-
Interest Paid	-	-
Dividends Paid	-	-
<b>Net Cash used in Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in Cash or Cash Equivalens (A+B+C)</b>	<b>203,547</b>	<b>(47,199)</b>
<b>Cash and Cash Equivalents as at (Opening Balance)</b>	<b>131,965</b>	<b>179,164</b>
<b>Cash and Cash Equivalents as at (Closing Balance)</b>	<b>335,512</b>	<b>131,965</b>

For LARK TRADING &amp; FINANCE LTD.

Sunil Kumar Das

Director

For LARK TRADING &amp; FINANCE LTD.

Shankar Sarangi

Director

DIRECTORDIRECTOR



**LARK TRADING & FINANCE LTD****CASH FLOW STATEMENT FOR YEAR ENDED 31.03.2014**

COMPONENTS OF CASH AND CASH EQUIVALENT	For the Year Ended 31.03.2014 (₹)	For the Year Ended 31.03.2013 (₹)
Cash & Cash Equivalents		
Bank Balance		
On Current Account	332,984	125,029
Cash on hand	2,528	6,936
Total	335,512	131,965

Note :

1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.
2. Cash and Cash Equivalents represent cash, bank balances and fixed deposits.

As per our separate report of even date attached hereto.

For SALARPURIA & PARTNERS.

Chartered Accountants

FIRM ICAI REG. NO.302113E

**Nihar Ranjan Nayak**

*N. R. Nayak*  
Chartered Accountant  
Membership No. - 57076  
Partner

Place : Kolkata

Date : 01/09/2014

For LARK TRADING & FINANCE LTD.

*Sumitra Devi Almal*

Director

For LARK TRADING & FINANCE LTD.

*Shanti Sarangi*

Director





**LARK TRADING & FINANCE LTD.****Notes to the Financial Statement As At 31.03.2014**

Note : 1 SHARE CAPITAL	As at 31.03.2014 (₹)		As at 31.03.2013 (₹)
<b>Equity Shares</b>			
<u>Authorised Shares</u>	<b>5,000,000</b>		5,000,000
500,000 equity shares of Rs. 10/- each	<u>5,000,000</u>		<u>5,000,000</u>
<u>Issued, Subscribed &amp; Paid Up</u>			
500,000 equity shares of Rs.10/- each fully paid up	<u>5,000,000</u>		<u>5,000,000</u>
<b>Total</b>	<u>5,000,000</u>		<u>5,000,000</u>

**a. Reconciliation of shares outstanding at the beginning & at the end of the reporting year**

Equity Shares	Nos.	As at 31.03.2014 (₹)	Nos.	As at 31.03.2013 (₹)
At the beginning of the year	500,000	5,000,000	500,000	5,000,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>500,000</u>	<u>5,000,000</u>	<u>500,000</u>	<u>5,000,000</u>
<b>Total</b>	<u>500,000</u>	<u>5,000,000</u>	<u>500,000</u>	<u>5,000,000</u>

**b. Details of Shareholders holding more than 5% Shares in the Company**

Particulars	Nos.	As at 31.03.2014 % Holding in the class	Nos.	As at 31.03.2013 % Holding in the class
<b>Equity Shares of Rs. 10/- Each</b>				
Victor Commercial Co. Ltd.	99,400	19.88	99,400	19.88
Shruti Almal	88,500	17.70	88,500	17.70
Oven Commercial Pvt. Ltd.	40,000	8.00	40,000	8.00
Sumitra Devi Almal	37,000	7.40	37,000	7.40
Sunil Kumar Gupta	25,000	5.00	25,000	5.00





**LARK TRADING & FINANCE LTD.**

Notes to the Financial Statement As At 31.03.2014

Note : 2 RESERVES & SURPLUS	As at 31.03.2014 (₹)	As at 31.03.2013 (₹)
<b>a) RBI Reserve Fund :</b>		
Opening Balance	99,692	85,785
Addition	32,266	13,907
Deduction	-	-
Closing Balance	131,958	99,692
<b>c) Surplus/(Deficit) Statement of Profit &amp; Loss :</b>		
Surplus/(Deficit) as per the last Financial Statement	737,628	682,002
Addition (Profit/(Loss) for the year	161,332	69,533
Deduction for RBI Reserve Fund	(32,266)	(13,907)
Surplus/(Deficit) at the end of the reporting year	866,693	737,628
<b>Total</b>	<b>998,652</b>	<b>837,320</b>

Note : 3 DEFERRED TAX LIABILITY	As at 31.03.2014 (₹)	As at 31.03.2013 (₹)
Deferred Tax Liabilities(Opening)	522	608
Add: Charged/(credit) during the year	928	(86)
<b>Deferred tax liabilities (Closing)</b>	<b>1,450</b>	<b>522</b>

Note : 4 TRADE PAYABLE	As at 31.03.2014 (₹)	As at 31.03.2013 (₹)
Sundry Creditors for services	140,494	101,623
Sundry Creditors for expenses	1,181	1,181
<b>Total</b>	<b>141,675</b>	<b>102,804</b>



**LARK TRADING & FINANCE LTD.**

Notes to the Financial Statement As At 31.03.2014

Note : 5 OTHER CURRENT LIABILITIES	As at 31.03.2014 (₹)	As at 31.03.2013 (₹)
Payable to employees	16,700	16,700
Other Payables	29,765	58,365
<b>Total</b>	<b>46,465</b>	<b>75,065</b>

Note : 6 SHORT TERM PROVISIONS	As at 31.03.2014 (₹)	As at 31.03.2013 (₹)
Provision for Fringe Benefit Tax	11,866	11,866
Provision for Income Tax	82,411	199,655
Contingent provision against standard Assets	2,875	2,875
<b>Total</b>	<b>97,152</b>	<b>214,396</b>





**LARK TRADING & FINANCE LTD.**

Notes to the Financial Statement As At 31.03.2014

Note : 7 FIXED ASSETS	GROSS BLOCK				ACCUMULATED DEPRECIATION AND AMORTISATION				NET BOOK VALUE	
	01.04.2013	Addition	Deduction	31.3.2014	31.3.2013	Charge during the Year	Deduction/ Adjustment	31.3.2014	31.3.2014	31.3.2013
<b>TANGIBLE ASSETS</b>										
Air Conditioners	10,000	-	-	10,000	7,197	390	-	7,587	2,413	2,803
Furnitures & Fittings	11,780	-	-	11,780	11,582	36	-	11,618	162	198
Mobile Phone	5,100	-	-	5,100	3,504	222	-	3,726	1,374	1,596
Refrigerator	25,900	-	-	25,900	23,815	290	-	24,105	1,795	2,085
Total	52,780	-	-	52,780	46,098	938	-	47,036	5,744	6,682
Previous Year	52,780	-	-	52,780	45,006	1,092	-	46,098	6,682	-



**LARK TRADING & FINANCE LTD.**

Notes to the Financial Statement As At 31.03.2014

Sl. No.	NOTE - 8 NON CURRENT INVESTMENT	31.03.2014		31.03.2013	
		No. of Shares/ Units	Cost Price	No. of Shares/ Units	Cost Price
	Investment In Mutual Fund (Other Than Trade) (Quoted)				
1	HDFC Top 200 GR	0.00	-	154.63	23,621
2	Reliance Vison Fund	393.83	100,000	393.83	100,000
3	Reliance Equity Fund	0.00	-	2,000.00	20,000
4	SBI Arbitrage Opp. Fund.	0.00	-	27,373.76	300,000
5	Sundaram BNP Paribas	1,090.60	100,000	1,090.60	100,000
6	UTI Infrastructure Fund	1,015.64	34,734	1,015.64	34,734
	<b>TOTAL</b>		<b>234,734</b>		<b>578,355</b>

	As at 31st March 2014		As at 31st March 2013	
	Cost	Market Value	Cost	Market Value
Aggregate value of Quoted Investments	234,734	243,452	578,355	607,369





**LARK TRADING & FINANCE LTD.**

Notes to the Financial Statement As At 31.03.2014

Note : 9 LONG TERM LOANS & ADVANCES	As at 31.03.2014 (₹)	As at 31.03.2013 (₹)
<u>Loans :</u>		
Unsecured, Considered Good (Related Party)*	1,150,000	1,150,000
Security Deposit	58,110	58,110
<b>Total</b>	<b>1,208,110</b>	<b>1,208,110</b>
* Simur Promoters Pvt. Ltd		

Note : 10 OTHER NON CURRENT ASSET	As at 31.03.2014 (₹)	As at 31.03.2013 (₹)
Non-Current Bank Deposits having maturity more than 12 months transferred from Cash and Bank Balances (Refer Note 12)		
	2,945,158	1,820,566
<b>Total</b>	<b>2,945,158</b>	<b>1,820,566</b>

Note : 11 INVENTORIES	As at 31.03.2014 (₹)	As at 31.03.2013 (₹)
In Shares*	510,841	348,087
In Mutual Fund*	-	661,241
<b>Total</b>	<b>510,841</b>	<b>1,009,328</b>
*Valued at lower of cost or market price and as certified by the management		

Note : 12 CASH & BANK BALANCES	As at 31.03.2014 (₹)	As at 31.03.2013 (₹)
<b>Cash &amp; Cash Equivalents :</b>		
Banks Balance		
-On Current Account	332,984	125,029
Cash On Hand	2,528	6,936
<b>SUBTOTAL</b>	<b>335,512</b>	<b>131,965</b>
<b>Other Bank Balances</b>		
Bank deposit with maturity of less than 12 months from the reporting date	859,128	1,164,005
Bank deposit with maturity of more than 12 months from the reporting date	2,945,158	1,820,566
	3,804,286	2,984,571
Less: Non-Current Bank Deposits Transferred to Other Non Current Assets(refer note)	(2,945,158)	(1,820,566)
<b>SUBTOTAL</b>	<b>859,128</b>	<b>1,164,005</b>
<b>GRAND TOTAL</b>	<b>1,194,640</b>	<b>1,295,970</b>



**LARK TRADING & FINANCE LTD.**

Notes to the Financial Statement As At 31.03.2014

Note : 13 SHORT TERM LOANS & ADVANCES	As at 31.03.2014 (₹)	As at 31.03.2013 (₹)
Advance Income tax, Fringe Benefit Tax & TDS	<u>147,251</u>	<u>272,180</u>
<b>Total</b>	<u>147,251</u>	<u>272,180</u>

Note : 14 OTHER CURRENT ASSETS	As at 31.03.2014 (₹)	As at 31.03.2013 (₹)
Income Tax Refundable	<u>38,916</u>	<u>38,916</u>
<b>Total</b>	<u>38,916</u>	<u>38,916</u>





**LARK TRADING & FINANCE LTD.****Notes to the Financial Statements For the Year Ended 31.03.2014**

<b>Note : 15 REVENUE FROM OPERATIONS</b>	<b>For the Year Ended 31.03.2014 (₹)</b>	<b>For the Year Ended 31.03.2013 (₹)</b>
Interest Received	292,669	269,332
Dividend on Short-Term Investments	19,034	18,293
Profit/(Loss) on sale of Long Term Investment (mutual funds)	77,643	
Sale of mutual funds	984,642	-
<b>Total</b>	<b>1,373,988</b>	<b>287,625</b>

<b>Note : 16 CHANGES IN INVENTORY OF STOCK IN TRADE</b>	<b>For the Year Ended 31.03.2014 (₹)</b>	<b>For the Year Ended 31.03.2013 (₹)</b>
<b>Inventories at the end of the year</b>		
Stock of Shares/Mutual Fund	510,841	1,009,328
<b>Inventories at the beginning of the year</b>		
Stock of Shares/Mutual Fund	1,009,328	954,773
(Increase)/Decrease in Inventory	498,487	(54,555)

<b>Note : 17 EMPLOYEE BENEFITS EXPENSE</b>	<b>For the Year Ended 31.03.2014 (₹)</b>	<b>For the Year Ended 31.03.2013 (₹)</b>
Salary, Wages, Bonus, Gratuity & Allowances	125,250	125,250
<b>Total</b>	<b>125,250</b>	<b>125,250</b>



**LARK TRADING & FINANCE LTD.****Notes to the Financial Statements For the Year Ended 31.03.2014**

Note : 18 DEPRECIATION	For the Year Ended 31.03.2014 (₹)	For the Year Ended 31.03.2013 (₹)
Depreciation	938	1,092
<b>Total</b>	<b>938</b>	<b>1,092</b>

Note : 19 OTHER EXPENSES	For the Year Ended 31.03.2014 (₹)	For the Year Ended 31.03.2013 (₹)
Rent	1,800	1,800
Postage, Telegram & Telephone	4,265	1,599
Travelling & conveyance	-	10,904
Printing and Stationery	273	-
<u>Payment to Auditors :</u>		
- As Statutory Fees	10,112	10,112
Professional Fees	32,130	31,060
Directors Meeting Fees	4,200	4,200
Filing Fees	1,500	1,500
Repairs & Maintenance		
To Others	43,646	33,438
Demat Charges	1,124	1,123
Contingent provision against standard Assests	-	2,875
Bank Charges and Commission	1,639	147
Brokerage	495	-
Future Options Trading loss	429,000	-
Electricity Charges	13,652	13,879
Listing Fees Up Stock Exchange	6,000	6,000
Advertisement and Publicity	1,222	1,263
Securities Transaction Tax	205	-
<b>Total</b>	<b>551,263</b>	<b>119,900</b>





**20 SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES**

**A. SIGNIFICANT ACCOUNTING POLICIES:**

**1. Basis of Accounting**

- a) The Accounts have been prepared on Historical Cost Basis and on the accounting principle of a going concern to comply in all material aspects with applicable accounting principles in India, the Accounting Standards and the relevant provisions of the Companies Act, 1956.

**2. Fixed Assets & Depreciation**

- a) Fixed Assets are stated at cost of acquisition less depreciation.
- b) Depreciation is provided on pro-rata basis with reference to the date of commencement of use, at the rates specified in Schedule XIV of the Companies Act, 1956 on 'Written down value' method.

**3. Revenue Recognition.**

- a) Interest income is accounted for on accrual basis except that no interest income is recognised on Non - Performing/Doubtful Assets, considering prudential norms for income recognition prescribed by the Reserve Bank of India for Non Banking Financial Companies. Interest income on such assets is recognised when the amount is received and appropriated towards interest.
- b) Income from dividend on shares is taken into account on cash basis.

**4. Investments.**

Non Current Investments are stated at cost, after providing for diminution value, if such diminution is other than temporary in nature.

**5. Stock-in-Trade:**

- a) Securities acquired with the intention of short-term holding and trading positions are considered as stock-in-trade and shown as current assets.
- b) In respect of securities held as stock-in-trade, brokerage and stamps duly are written off as revenue expenditure.
- b) The securities held as stock-in-trade under current assets are value at cost on market value whichever is lower. Where Market Value is not available securities are valued at cost.

**6. Borrowing Cost:**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the substantially ready for their intended use or sale. All other borrowings cost are recognized in the Statement of Profit & Loss in the period in which they are incurred.



**7. Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity Shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit/(loss) for the period after deducting preference dividend, if any, and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit/(loss) for the period attributable to equity shareholders before appropriation to RBI Reserve Fund and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**8. Employee Benefits:**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss for the year ended in which the related service is rendered.

**9. Impairment of Assets:**

As assets are treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable value.

**10. Prudential Norms.**

The company has followed the prudential norms, as issued by the Reserve Bank of India in respect of Non Banking Financial Company (NBFCs) wherever necessary.

**11. Taxation:**

*Current tax* is determined on the basis of the amount payable for the year ended under Income Tax Act. Deferred Tax is calculated at current statutory income tax rate and is recognized on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

*Deferred Tax Assets*, subject to consideration of prudence are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**12. Provisions for Contingent Liability & contingent assets:**

Provisions are recognized in respect of present obligations arising out of past events where there is a reliable estimate of probable outflows of resources. Contingent liabilities are the possible obligation of the past events, the existence of which will be confirmed only by the occurrence or non-occurrence of a future event. These are not provided for and are disclosed by way of notes to the accounts. Contingent assets are not provided for or disclosed.

**13. The company has made/ held adequate contingency provision against standards assets @ 0.25% as per Circular No. DNBS.PD.No. 207/03.02.2002/2010-11 issued by RBI.**





**LARK TRADING AND FINANCE LTD.****B. OTHER NOTES:**

1. Special Reserve has been created as per the Provision of Section 45(1C) of the directions of Reserve Bank of India.
2. The company has not received information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosures if any, relating to amount unpaid as at the year ended together with interest paid/payable as required under said act have not been made.

**3. Basic/Diluted Earnings per Share**

Particulars	2013-2014	2012-2013
(1) Profit attributable to equity Shareholder	161,332	69,533
(2) Average No. of Equity Shares outstanding during the year	500,000	500,000
Basic/Diluted Earnings Per Shares(1/2)	0.32	0.14

**4. Related parties and their Relationship****A) Key Managerial Personnel:**

- 1) Sumitra Devi Almlal
- 2) Shruti Almal
- 3) R. K. Raniwala

**B) Enterprise over which Key Managerial Personnel have common Control/ significant influence.**

- 1) Simur Promoters Pvt. Ltd.
- 2) Victor Commercial Co. Ltd.
- 3) Shruti Profin Services Pvt. Ltd.
- 4) BS Commercial Pvt. Ltd.
- 5) Steel City Investment Services Pvt. Ltd.

**C) Transaction with Related Parties above during the year:**

Nature of Transaction Particulars	With Relatives(A) above		With Relatives (B) above	
	Current year	Previous year	Current Year	Previous Year
a) Loan Given	NIL	NIL	NIL	NIL
b) Balance Receivable at the year end	NIL	NIL	1150000	1150000
c) Meeting Fees	4200	4200	NIL	NIL
d) Balance Payable at the year end	4200	4200	NIL	NIL
e) Amount Written off during the year	NIL	NIL	NIL	NIL



**LARK TRADING AND FINANCE LTD.**

5. The company has only one segment, Hence Segment Reporting as per AS-17 notified under the Companies (Accounting Standards-17) Rule, 2006 is not applicable.
6. As a matter of prudence Deferred Tax Assets as per Accounting Standard 22 (accounting for Taxes on Income) has not been recognized in the books of accounts.
7. As Per AS 29 – Provisions , Contingent Liabilities and Contingent Assets :

	Provision towards Standard Assets (Rs.)
Carrying amount beginning of the year	2,875
Additional Provision during the year	<u>NIL</u>
	2,875
Amount charged against the provision	<u>NIL</u>
Carrying amount – end of the year	<u>2,875</u>

8. Figures for previous year have been regrouped and/or recasted wherever necessary.







# Salarpuria & Partners

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Branches at New Delhi & Bangalore

Auditor's Report to the Board of Directors of **LARK TRADING & FINANCE LIMITED.**

As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Direction, 2008" issued by Reserve Bank of India and on the basis of such checks, we hereby state that :-

- 1) The Company is not engaged in the business of Non-Banking Financial Institution.
- 2) It has obtained the certificate of registration No. **12.00382** from the bank dated 15.01.2002.
- 3) Based on the terms of the assets/income patterns of the company as on 31<sup>st</sup> March, 2013, the company is not entitled to continue to hold such certificate of registration since one of the tests is not satisfied for the company to be treated as Non-Banking Financial Company as per the Circular No. **DNBS (PD) C.C. No.81/03.05.002/2006-2007 dated 19.10.2006** and Circular **DNBS (PD) CC NO.259/03.02.59/2011-12 dated 15.03.2012.**, Investment in Fixed Deposit are not treated as Financial Assets and Receipt of interest Income on Fixed Deposits with Banks are not treated as Income from Financial Assets. Total income from financial assets is more than 50% of its Gross Income for the financial year 2013-2014. And, Total financial assets are not more than 50% of its Total Assets as at 31.03.2014.
- 4) The Board of Directors has passed a resolution in their meeting dated 30<sup>th</sup> April, 2013, for the non-acceptance of any public deposits.
- 5) The Company has not accepted any public deposits during the relevant year 2013-2014 and,
- 6) As per Information and Explanations given to us the Company has complied with the prudential norms relating to income recognition, Accounting standards, Asset classification and provisioning for bad and doubtful debts as applicable to it on terms of Non-Banking financial(Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2007.

FOR SALARPURIA & PARTNERS  
CHARTERED ACCOUNTANTS  
Firm ICAI Reg. No.302113E

**Nihar Ranjan Nayak**

*N. R. Nayak*

Chartered Accountant  
Membership No. - 57076  
Partner

Place: Kolkata

Date: 01/09/2014



**Schedule to the Balance Sheet of Non Banking**

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

(Rs. In Lacs)

Particulars					
Liabilities Side :					
(1)	Loans and Advances availed by the Non Banking Financial Company Inclusive of interest accrued thereon but not <u>paid</u> :			Amount Outstanding	Amount Overdue
	(a)	Debentures : Secured 			





2	2	<u>Unquoted:</u>		
		( i ) Shares :	(a) Equity	5.06
			(b) Preference	-
		( ii ) Debentures and Bonds		-
		( iii ) Units of Mutual Funds		-
		( iv ) Government Securities		-
		( v ) Others (Please Specify)		-
	1	<u>Long Term Investments :</u>		
		<u>Quoted :</u>		
		( i ) Shares :	(a) Equity	NIL
			(b) Preference	NIL
		( ii ) Debentures and Bonds		NIL
		( iii ) Units of mutual funds		2.35
		( iv ) Government Securities		NIL
		( v ) Others (Please specify)		NIL
	2	<u>Unquoted :</u>		
		( i ) Shares :	(a) Equity	NIL
			(b) Preference	NIL
		( ii ) Debentures and Bonds		NIL
		( iii ) Units of mutual funds		NIL
		( iv ) Government Securities		NIL
		( v ) Others (Please specify)		NIL

5 **Borrower group-wise classification of assets financial as in (2) and (3) above:**  
Please See Note 2 Below

Category	Amount net of provisions		
	Secured	Unsecured	Total
1 Related Parties**			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	11.50	11.50
(c) Other related parties	-	-	-
2 Other than related parties	-	-	-
Total	-	11.50	11.50



(6) Investor group-wise classification of all investments (current and long term) on shares and securities (both quoted and unquoted): Please See Note 3 Below			
Category		Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)
1	Related Parties**		
(a)	Subsidiaries	-	-
(b)	Companies in the same group	43.41	2.32
(c)	Other related parties	-	-
2	Other than related parties	2.80	5.14
Total		46.21	7.46

\*\*As per Accounting Standard of ICAI (Please See Note 3)

(7) Other Information

Particulars			Amount
(i)	Gross Non-Performing Assets		
(a)	Related Parties		-
(b)	Other than Related Parties		-
(ii)	Net Non-Performing Assets		
(a)	Related Parties		-
(b)	Other than Related Parties		-
(iii)	Assets acquired in satisfaction of debt		-

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 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/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long terms or current in (4) above.

