

**NOTICE**

Notice is hereby given that the 17<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Monday the 30<sup>th</sup> day of September 2013 at the Corporate Office of the Company at 'XXXVI-202, JJ Complex, Dairy Methanam Road, Kochi – 682 024, at 10.00 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 Profit and Loss Account for the year ended on that date together with the report of the Directors' and the Auditors' Report thereon.
2. To appoint a Director in place of Mr. Harish Galipelli who retires by rotation and being eligible, offers himself for reappointment.

**SPECIAL BUSINESS**

3. To appoint Auditors and fix their remuneration.

RESOLVED that M/s Haribakthi and Co, Chartered Accountants, 5B, A Block, 5th Floor, Mena Kampala Arcade, Thiagaraya Road, T. Nagar, Chennai – 600 017 be appointed as the Statutory auditors of the Company to hold office till the conclusion of next Annual General meeting, in place of M/s B S R & Associates, KPMG House, No 10, Mahatma Gandhi Road, Nungambakkam, Chennai- 600034, the retiring Auditors of the Company who has expressed their intention not to seek reappointment.

RESOLVED further that the Board of Directors of the Company be and is hereby authorized to fix the remuneration of the Statutory Auditors for the period.

**Place: Kochi**  
**Date: 05.08.2013**

**By order of the Board**  
Sd/-  
**Samson K.J**  
**Managing Director**

**Notes:**

- i. The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of the special business is annexed hereto.
- ii. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY (IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
- iii. Proxies in order to be effective must be received by the Company at the registered office not less than 48 hours before the commencement of the meeting.
- iv. Members are advised to bring their copy of the annual report for reference and discussion. The attendance slip duly signed by the member or proxy should be deposited at the venue of the meeting.
- v. The Register of Directors' Shareholding, maintained under Section 307 of the Companies Act, 1956, will be available for inspection by the members at the AGM.

- vi. The Register of Contracts, maintained under Section 301 of the Companies Act, 1956, will be available for inspection by the members at the registered office of the Company during working hours.

**Place: Kochi**  
**Date: 05.08.2013**

**By order of the Board**  
Sd/-  
**Samson K.J**  
**Managing Director**

**Explanatory Statement Pursuant to Section 173(2) Of the Companies Act, 1956**

**Item No.3**

The present Auditors of the Company, M/s B S R & Associates had expressed their intention not to seek reappointment at the ensuing Annual General Meeting pursuant to Sec 224(2) of the Companies Act 1956. Your Directors recommends M/s Haribakthi & Co, Chennai to be appointed as the Statutory auditors of the Company. They have informed us that if appointed, the audit will be within the limits mentioned in Sec 224(1B) of the Companies Act 1956.

Section 224(2) read with Sec 225 (1) of the Companies Act 1956 provides that special notice shall be given for appointment of a person other than the retiring auditor as the auditors of the company.

None of the Directors are interested in the resolution.

**BRIEF PARTICULARS OF DIRECTOR SEEKING RE-APPOINTMENT**

<b>Particulars</b>	<b>Mr. Harish Galipelli</b>
Age & date of birth	35 years, 03.08.1978
Date of First Appointment as a Director	25.07.2011
Educational Qualification	Masters in Business Administration in Finance
Experience / expertise	He has got over ten years of experience in various functional areas of commodity and currency markets including research, business development and corporate advisory. He has worked with companies like IL & FS Investment Commodity Brokers and Karvy Comtrade Limited.
Functional Areas	Non Executive Director
Directorships of other companies	JRG Fincorp Limited
Shares held in the company	Nil
Any other important information	No

**By order of the Board**

**Place: Kochi**  
**Date: 05.08.2013**

Sd/-  
**Samson K.J**  
**Managing Director**

### DIRECTORS' REPORT

Your Directors' have great pleasure in presenting the 17<sup>th</sup> Annual Report together with the audited statement of Accounts of your Company for the year ended 31st March, 2013

#### 1. Operations & Financial Results

Particulars	Amount in Rs.	
	2012-13	2011-12
Total Revenue	109,512,896	165,018,578
Total Expenses	149,145,970	133,033,959
Profit/(Loss)Before Tax & prior period expenses	(39,633,074)	31,984,619
Provision For Taxes	3,998,212	10,001,869
Profit /(Loss) After Tax	(43,631,286)	21,982,750
Balance in Profit & Loss Account Brought Forward	(2,838,789)	(24,821,539)
Balance in Profit & loss A/c carried forward	(46,470,075)	(2,838,789)

During the year under review your Company recorded revenue of Rs.10.95 crores as against Rs.16.50 crores in the previous year. The total expenditure incurred was Rs. 14.91 crores resulting in a loss before tax of Rs. 3.96 before prior period items and taxes, as against profit before tax of Rs 3.2 Crores in the previous year. After provision for taxes the loss for the year is Rs.4.36 crores as against profit of Rs.2.19 crores in the previous year.

#### 2. Dividend

The Company incurred loss during the current financial year under review and therefore Board of Directors do not recommend dividend to the shareholders for the financial year 2012-13.

#### 3. Subsidiary and its operations

During the year under review the subsidiary Company Inditrade Insurance Broking Private Limited had recorded total revenue of Rs. 39 Lakhs as against Rs.64.55 lakhs during the previous year 2011-12. The expenditure during the year stood at Rs.48.74 lakhs resulting in a Loss of Rs.9.73 lakhs as against a loss of Rs. 10.78 lakhs during the previous year.

#### 4. Recent updates

During the year under review, the Company with the approval of its members at the 16<sup>th</sup> Annual General Meeting changed its name from *JRG Wealth Management Limited*

to *Inditrade Derivatives and Commodities Limited* to make it in consonance with the group's brand name "*inditrade*". Similarly, its subsidiary company also changed its name from *JRG Insurance Broking Private Limited* to *Inditrade Insurance Broking Private Limited*.

The Company also shifted its corporate office during the last quarter of the year under review, from the existing premises at JRG House, Ashoka Road, Kaloore, Kochi - 682016 to *XXXVI-202, JJ Complex, Dairy Methanam Road, Edapally, Kochi- 682024*

#### 4. Directors

At present the Board comprises of 5 Directors including Managing Director. Mr. Harish Galipelli, Director would be liable to retire by rotation at the forthcoming Annual General Meeting and being eligible offer himself for re-appointment. The Board of Directors of your Company recommends his re-appointment.

#### 5. Directors' Responsibility Statement

As required under Section 217(2AA) of the Companies Act, 1956, the directors hereby confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures therefrom.
- b) the Directors had selected such accounting policies 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 at the end of the financial year and of the loss of the company for that year;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis.

#### 6. Auditors

M/s. B S R & Associates, KPMG House, No. 10, Mahatma Gandhi Road, Nungambakkam, Chennai - 600034, (Regn No.116231W) were appointed as the Statutory Auditors of your Company for the year 2012-13. M/s B S R & Associates had expressed their intention not to seek reappointment at the ensuing Annual General Meeting pursuant to Sec 224(2) of the Companies Act 1956. The Board of Directors recommends the appointment of M/s. Haribakthi & Co, Chennai - 600017 as the Statutory Auditors of the Company for the year 2013-14.

*Response by Management for Comments in Companies Auditors' Report Order 2003 (CARO)*

The Statutory Auditors have in their report under CARO 2003 commented that there have been delays ranging from 1 to 30 days in case of payment of Stamp Duty and Labour Welfare Fund to the appropriate authorities. The Board noted the same and

decided to take adequate internal control system is put in place to ensure that no such delays occur in future.

#### **6. Fixed deposits**

The Company has not accepted any fixed deposits from public during the year.

#### **7. Conservation of Energy, Technology absorption, Foreign Exchange Earnings and outgo:**

In terms of Section 217(1) (e) of the Companies Act, 1956 (as amended) and the Companies (Disclosure of particulars in report of Directors') Rules, 1988, your directors furnish hereunder the additional information as required:

**A. Conservation of Energy** - The operations of your Company are not energy sensitive in nature. However, measures are introduced to reduce the energy consumption at all levels in the organization by optimal use of technology.

**B. Technology absorption** - The Company has adopted the latest state-of-the-art software and hardware tools available in the market for rendering the commodity trading and other services more efficiently and effectively.

**C. Foreign Exchange Earnings and outgo** - NIL

#### **8. Particulars of employees**

No employee of the Company was in receipt of remuneration exceeding the amount prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, during the financial year 2012-13.

#### **9. Acknowledgement**

Your Directors would like to place on record their sincere gratitude to the Clients, Bankers, Vendors, Business Associates, shareholders, exchanges, Regulatory authorities like SEBI, Registrar of Companies, Stock Exchanges, bankers, Government of India and State Governments for their wholehearted support and Cooperation extended during the year. Your directors also thank ex-Directors and the employees of the Company for their sincere and valuable contribution during the year under review. Your Directors also look forward for their valuable support and cooperation in the years to come.

**For and on behalf of the Board**

Sd/-

Sd/-

Place : Kochi

Samson KJ

Harish Galipelli

Date : 05.08.2012

MANAGING DIRECTOR

DIRECTOR

## **Independent Auditors' Report**

**To the members of Inditrade Derivatives and Commodities Limited** (*formerly known as JRG Wealth Management Limited*)

### **Report on the financial statements**

We have audited the accompanying financial statements of Inditrade Derivatives and Commodities Limited *formerly known as JRG Wealth Management Limited* (the "Company") which comprise the balance sheet as at 31 March 2013, 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 and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. 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.

### **Auditors' 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 auditors' 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 auditors consider 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 the 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 financial statements give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2013;
- (b) in the case of the statement of profit and loss, of the loss for the year ended on that date; and
- (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"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments to in the Annexure referred to above, 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;
  - (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 the books of account;
  - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956; and
  - (e) On the basis of written representations received from the directors as at 31 March 2013, and taken on record by the board of directors, we report that none of the directors is disqualified as at 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

*for* **B S R & Associates**

*Chartered Accountants*

Firm Registration No.: 116231W

S Sethuraman

Partner

Membership No.: 203491

Chennai

14 May 2013

**Annexure to the Independent Auditors' Report of Inditrade Derivatives and Commodities Limited as of and for the year ended 31 March 2013**

(Referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. However the Company is in process of updating its records so as to include quantitative details and situation of fixed assets in relation to certain class of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) Fixed assets disposed of during the year were not substantial, and therefore, do not affect the going concern assumption.
- (ii) The Company is a service company, primarily rendering services as brokers to various commodity exchanges. Accordingly it does not hold any physical inventories. Thus, paragraph 4(ii) of the Order is not applicable.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly paragraph 4(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, and having regard to the explanation that the purchase of certain items of fixed assets are for the Company's specialised requirements and similarly services rendered are for the specialised requirements of the buyers and suitable alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard with regard to the purchase of fixed assets and sale of services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system. The activities of the Company do not involve purchase of inventory and sale of goods.
- (v) In our opinion, and according to the information and explanations given to us, there are no contracts and arrangements the particulars of which need to be entered into the register maintained under section 301 of the Companies Act, 1956.
- (vi) The Company has not accepted any deposits from the public. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (vii) The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the services rendered by the Company.
- (viii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including, Provident fund, Employee State Insurance Income-tax, Service tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. *However there have been delays ranging from 1 to 30 days in case of payment of Stamp Duty and Labour Welfare Fund to the appropriate authorities.* As explained to us, the Company did not have any dues on account of Customs Duty, Sales tax, Excise duty, Wealth tax and Investor Education and Protection Fund.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Service tax and other material



statutory dues were in arrears as at 31 March 2013 for a period of more than six months from the date they became payable

c) According to the information and explanations given to us, there are no dues of Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty and Cess which have not been deposited with the appropriate authorities on account of any dispute.

- (ix) In our opinion, the accumulated losses of the Company are not more than fifty percent of its net worth. The Company has incurred cash losses during current financial year. *However, has not incurred cash losses in the immediately preceding financial year.*
- (x) The Company did not have any outstanding dues to any financial institution, banks or debenture holders during the year.
- (xi) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund/society.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures or other instruments.
- (xiv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xv) The Company did not have any term loans outstanding during the year.
- (xvi) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that there have been no funds raised on a short-term basis that has been used for long term investment by the Company.
- (xvii) The Company has not made any preferential allotment of shares to companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xviii) The Company did not have any outstanding debentures during the year.
- (xix) The Company has not raised any money by public issue.
- (xx) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

*for* **B S R & Associates**

*Chartered Accountants*

Firm Registration No.: 116231W

S Sethuraman

Partner

Membership No.: 203491

Chennai

14 May 2013

## Inditrade Derivatives and Commodities Limited

(formerly JRG Wealth Management Limited)

### Balance sheet as at 31 March 2013

(All amounts in Indian rupees, except share data and where otherwise stated)

	Note	As at 31 March 2013	As at 31 March 2012
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	92,624,270	92,624,270
Reserves and surplus	4	(39,955,075)	3,676,211
		<b>52,669,195</b>	<b>96,300,481</b>
<b>Non-current liabilities</b>			
Other long-term liabilities	5	6,343,984	4,580,072
		<b>6,343,984</b>	<b>4,580,072</b>
<b>Current liabilities</b>			
Short-term borrowings	6	14,000,000	-
Trade payables	7	93,726,094	156,872,741
Other current liabilities	8	36,069,478	14,436,730
Short-term provisions	9	-	3,326,704
		<b>143,795,572</b>	<b>174,636,175</b>
		<b>202,808,751</b>	<b>275,516,728</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible fixed assets	10	4,397,877	9,412,648
Intangible fixed assets	11	38,447	59,329
Intangible asset under development		-	963,782
		<b>4,436,324</b>	<b>10,435,759</b>
Non-current investments	12	15,000,000	15,000,000
Deferred tax asset (net)	24	-	3,816,216
Long-term loans and advances	13	6,039,602	5,592,422
Other non-current assets	14	46,674	-
		<b>25,522,600</b>	<b>34,844,397</b>
<b>Current assets</b>			
Trade receivables	15	40,000	859,809
Cash and bank balances	16	117,652,967	157,512,171
Short-term loans and advances	13	56,016,748	76,607,276
Other current assets	14	3,576,436	5,693,075
		<b>177,286,151</b>	<b>240,672,331</b>
		<b>202,808,751</b>	<b>275,516,728</b>
<b>Total</b>			
<b>Significant accounting policies</b>			
	2		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

for **B S R & Associates**

Chartered Accountants

Firm registration No.: 116231W

for **Inditrade Derivatives and Commodities Limited**

S Sethuraman

Partner

Membership No.: 203491

Samson K J  
Managing Director

Harish Galipelli  
Director

Chennai  
14 May 2013

Place: Hyderabad  
Date: 14 May 2013

## Inditrade Derivatives and Commodities Limited

(formerly JRG Wealth Management Limited)

### Statement of profit and loss for the year ended 31 March 2013

(All amounts in Indian rupees, except share data and where otherwise stated)

	Note	Year ended 31 March 2013	Year ended 31 March 2012
<b>REVENUE FROM OPERATIONS</b>			
Sale of services - broking income		95,794,552	150,837,492
Other operating revenues - interest charges		2,275,207	2,319,389
		<b>98,069,759</b>	<b>153,156,881</b>
Other income	17	11,443,137	11,861,697
<b>Total revenue</b>		<b>109,512,896</b>	<b>165,018,578</b>
<b>EXPENSES</b>			
Operating expenses	18	31,014,217	55,290,017
Employee benefits	19	26,405,031	35,492,623
Finance costs	20	483,226	49,691
Depreciation and amortisation	10 & 11	4,659,193	5,605,160
Other expenses	21	86,584,303	36,596,468
<b>Total expenses</b>		<b>149,145,970</b>	<b>133,033,959</b>
<b>(Loss) / profit before exceptional item and tax</b>		<b>(39,633,074)</b>	<b>31,984,619</b>
<b>Tax expense</b>			
Current tax for earlier years		181,996	10,973,554
Deferred tax reversal / (credit)		3,816,216	(971,685)
<b>Total tax expense</b>		<b>3,998,212</b>	<b>10,001,869</b>
<b>(Loss) / profit after tax</b>		<b>(43,631,286)</b>	<b>21,982,750</b>
<b>Earnings per share:</b>			
Basic and diluted	28	(27.13)	9.32

#### Significant accounting policies

2

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

for **B S R & Associates**

Chartered Accountants

Firm registration No. : 116231W

for **Inditrade Derivatives and Commodities Limited**

S Sethuraman  
Partner  
Membership No.: 203491

Samson K J  
Managing Director

Harish Galipelli  
Director

Chennai  
14 May 2013

Place: Hyderabad  
Date: 14 May 2013

## Inditrade Derivatives and Commodities Limited

(formerly JRG Wealth Management Limited)

(All amounts in Indian rupees, except share data and where otherwise stated)

### Cash flow statement for the year ended 31 March 2013

	For the year ended 31 March 2013	For the year ended 31 March 2012
<b>Cash flow from operating activities</b>		
Net (loss) / profit before tax	(39,633,074)	31,984,619
Adjustments for:		
Depreciation /amortization *	2,981,484	5,605,160
Provision for doubtful trade receivables	1,005,666	2,688,097
Provision for doubtful loans and advances	290,567	-
Loss on sale of assets/ assets written off (net)	1,207,222	113,139
Interest income	(10,524,020)	(8,448,160)
Difference in Foreign Exchange		
Subsidy Received from Government		
Assets written off	-	-
Dividend Income		
Interest expense	483,226	49,691
<b>Operating profit before working capital changes</b>	<b>(44,188,928)</b>	<b>31,992,546</b>
Adjustments for:		
(Increase)/Decrease in Inventories		
(Increase) / decrease in trade receivables	(185,857)	(351,878)
(Increase) /decrease in loans and advances	19,852,781	(36,400,938)
(Decrease) / increase in liabilities and provisions	(43,076,690)	(16,294,367)
<b>Cash generated from operations</b>	<b>(23,409,766)</b>	<b>(53,047,183)</b>
Income tax paid / (refund), net	-	7,784,302
	<b>(23,409,766)</b>	<b>(60,831,485)</b>
<b>Net cash generated from operating activities (A)</b>	<b>(67,598,694)</b>	<b>(28,838,939)</b>
<b>Cash flow from investing activities</b>		
Purchase of fixed assets	(21,195)	(436,983)
Proceeds from sale of fixed assets	154,214	175,001
Investment in subsidiary company		
Decrease in loan given to Subsidiary Company		
Purchase of investments - Shares		
Fixed Deposit with Banks maturing after 90 days		
Dividend Income received		
Investment in bank deposits (having original maturity of more than 3 months)	(8,859,446)	(11,227,118)
Interest income	-	5,669,295
<b>Net cash used in investing activities (B)</b>	<b>(8,726,427)</b>	<b>(5,819,805)</b>
<b>Cash flow from financing activities</b>		
Increase/(decrease) in borrowings from related party	14,000,000	-
Acceptance / (repayments) of public deposits net		
Increase in loan from Parent Company		
Subsidy received from Government		
Interest paid	(483,226)	(49,691)
Interest income		
Dividend paid (including dividend distribution tax)		
<b>Net cash from financing activities (C)</b>	<b>13,516,774</b>	<b>(49,691)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(62,808,347)</b>	<b>(34,708,435)</b>
Cash and cash equivalents at the beginning of the year	65,507,338	100,215,773
<b>Cash and cash equivalents at the end of the year</b>	<b>16</b>	<b>65,507,338</b>

\* Depreciation have been reduced to the extent of shared service expense charged.

#### Significant accounting policies

2

The accompanying notes are the integral part of the financial statements.

As per our report of even date attached  
for **B S R & Associates**  
Chartered Accountants  
Firm registration No.: 116231W

for **Inditrade Derivatives and Commodities Limited**

S Sethuraman  
Partner  
Membership No.: 203491

Samson K J  
Managing Director

Harish Galipelli  
Director

Chennai  
14 May 2013

Place: Hyderabad  
Date: 14 May 2013

## Inditrade Derivatives and Commodities Limited

(formerly JRG Wealth Management Limited)

### Notes to financial statements for the year ended 31 March 2013 (Continued)

(All amounts in Indian rupees, except share data and where otherwise stated)

#### 3 Share capital

Particulars	As at	
	31 March 2013	31 March 2012
<b>Authorised</b>		
4,000,000 ( Previous year: 4,000,000 ) equity shares of Rs. 10 each	40,000,000	40,000,000
8,000,000 ( Previous year: 8,000,000 ) preference shares of Rs. 10 each	80,000,000	80,000,000
<b>Issued subscribed and paid-up</b>		
1,800,000 ( Previous year: 1,800,000 ) equity shares of Rs. 10 each fully paid up	18,000,000	18,000,000
7,462,427 ( Previous year: 7,462,427 ) 6 % cumulative redeemable preference shares of Rs. 10 each fully paid up	74,624,270	74,624,270
	<b>92,624,270</b>	<b>92,624,270</b>

#### a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

##### i. Equity Shares

Particulars	As at			
	31 March 2013		31 March 2012	
	No. of shares	Value	No. of shares	Value
At the beginning and at the end of the year	1,800,000	18,000,000	1,800,000	18,000,000

##### ii. 6 % Cumulative redeemable preference shares

Particulars	As at			
	31 March 2013		31 March 2012	
	No. of shares	Value	No. of shares	Value
At the beginning and at the end of the year	7,462,427	74,624,270	7,462,427	74,624,270

#### b) Terms / rights attached to equity shares

\* The Company has a single class of equity shares. All the equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to share of paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any called up on the shares may lead to the forfeiture of shares.

On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, remaining after the distribution of all preferential amounts in proportion to the number of equity shares held.

#### c) Terms / rights attached to 6% cumulative redeemable preference shares

The Company has only one class of preference shares namely 6% cumulative redeemable preference shares ("CRPS") of Rs.10 each. The said "CRPS" were issued to the parent company JRG Securities Limited in September 2009. The "CRPS" have been issued for a period of 10 years. However, the redemption shall be made at anytime after the expiry of 3 months by the mutual consent of the company and the preference share holder and that such redemption shall be at Rs. 10 per share.

#### d) Details of the shares held by the Holding Company

Name of the shareholder	As at			
	31 March 2013		31 March 2012	
	No. of shares	Value	No. of shares	Value
<b>JRG Securities Limited</b>				
i. Equity shares	1,647,095	16,470,950	1,647,095	16,470,950
ii. Preference shares	7,462,427	74,624,270	7,462,427	74,624,270
	<b>9,109,522</b>	<b>91,095,220</b>	<b>9,109,522</b>	<b>91,095,220</b>

#### e) Details of the shareholders holding more than 5% shares in the Company

Name of the shareholder	As at			
	31 March 2013		31 March 2012	
	No. of shares	% holding	No. of shares	% holding
<b>JRG Securities Limited</b>				
i. Equity shares	1,647,095	91.51%	1,647,095	91.51%
ii. Preference shares	7,462,427	100%	7,462,427	100%

#### 4 Reserves and surplus

Particulars	As at	
	31 March 2013	31 March 2012
<b>I. Securities premium account</b>	<b>4,000,000</b>	<b>4,000,000</b>
<b>II. General reserve</b>	<b>2,515,000</b>	<b>2,515,000</b>
<b>III. Surplus / (deficit) in the statement of profit and loss</b>		
Balance at the beginning of the year	(2,838,789)	(24,821,539)
Net (loss) / profit after tax transferred from statement of profit and loss	(43,631,286)	21,982,750
Amount available for appropriations	<b>(46,470,075)</b>	<b>(2,838,789)</b>
Less Appropriations:	-	-
<b>Balance at the end of the year</b>	<b>(46,470,075)</b>	<b>(2,838,789)</b>
<b>Total reserves and surplus</b>	<b>(39,955,075)</b>	<b>3,676,211</b>

#### 5 Other long-term liabilities

Particulars	As at	
	31 March 2013	31 March 2012
Security deposit from franchisees	6,343,984	4,580,072
	<b>6,343,984</b>	<b>4,580,072</b>

#### 6 Short-term borrowings

Particulars	As at	
	31 March 2013	31 March 2012
<b>Unsecured</b>		
Loan from JRG Fincorp Limited (fellow subsidiary)	14,000,000	-
	<b>14,000,000</b>	<b>-</b>

\* The loan is repayable on demand and carries and interest rate of 12%

#### 7 Trade payable \*

Particulars	As at	
	31 March 2013	31 March 2012
Payable to client **	93,148,112	154,805,408
Business incentive payable	577,982	2,067,333
	<b>93,726,094</b>	<b>156,872,741</b>

\* For Micro, small and medium enterprises, refer note 31

\*\* Includes payable to a fellow subsidiary, Inditrade Business Consultants Limited (previously JRG Business Investment Consultants Limited)

3,611,436	2,772,895
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#### 8 Other current liabilities

Particulars	As at	
	31 March 2013	31 March 2012
Dues to related parties	21,234,693	466,908
Provision for expenses	4,112,031	3,632,979
Payable to employees	2,348,701	1,966,452
Payable to exchanges	2,567,135	1,423,700
Security deposit from franchisees	100,000	2,191,358
Statutory liabilities payable	789,888	-
Other payables	4,917,030	4,755,333
	<b>36,069,478</b>	<b>14,436,730</b>

#### 9 Short-term provisions

Particulars	As at	
	31 March 2013	31 March 2012
Provision for tax (net of advance tax)	-	3,326,704
	<b>-</b>	<b>3,326,704</b>

## Inditrade Derivatives and Commodities Limited

(formerly JRG Wealth Management Limited)

Notes to financial statements for the year ended 31 March 2013 (Continued)

(All amounts in Indian rupees, except share data and where otherwise stated)

### 10 Tangible fixed assets

Particulars	Furniture and fittings	Office equipments	Computers	Electrical fittings	Motor vehicles	V-Sat equipments	Total
<b>Gross block</b>							
Balance as at 1 April 2011	14,483,129	3,905,286	7,976,346	5,197,400	500,219	4,974,940	37,037,320
Additions	66,862	163,321	-	82,800	-	124,000	436,983
Deletions	963,906	-	-	-	-	-	963,906
Balance as at 31 March 2012	13,586,085	4,068,607	7,976,346	5,280,200	500,219	5,098,940	36,510,397
Additions	-	21,195	-	-	-	-	21,195
Deletions	1,478,294	31,440	20,600	971,217	-	-	2,501,551
Balance as at 31 March 2013	12,107,791	4,058,362	7,955,746	4,308,983	500,219	5,098,940	34,030,041
<b>Accumulated depreciation</b>							
Balance as at 1 April 2011	7,897,090	1,638,686	6,026,206	2,288,188	145,826	4,193,241	22,189,237
Depreciation for the year	2,423,245	762,116	981,927	902,463	98,512	416,015	5,584,278
Accumulated depreciation on disposals	675,766	-	-	-	-	-	675,766
Balance as at 31 March 2012	9,644,569	2,400,802	7,008,133	3,190,651	244,338	4,609,256	27,097,749
Depreciation for the year	2,325,627	604,927	487,937	865,003	98,512	256,305	4,638,311
Accumulated depreciation on disposals	1,317,923	21,584	19,939	744,450	-	-	2,103,896
Balance as at 31 March 2013	10,652,273	2,984,145	7,476,131	3,311,204	342,850	4,865,561	29,632,164
<b>Net block</b>							
As at 31 March 2012	3,941,516	1,667,805	968,213	2,089,549	255,881	489,684	9,412,648
As at 31 March 2013	1,455,518	1,074,217	479,615	997,779	157,369	233,379	4,397,877

### 11 Intangible fixed assets

Particulars	Computer software	Total
<b>Gross block</b>		
Balance as at 01 April 2011	4,072,592	4,072,592
Additions	-	-
Deletions	-	-
Balance as at 31 March 2012	4,072,592	4,072,592
Additions	-	-
Deletions	-	-
Balance as at 31 March 2013	4,072,592	4,072,592
<b>Accumulated amortisation</b>		
Balance as at 01 April 2011	3,992,381	3,992,381
Amortisation for the year	20,882	20,882
Accumulated depreciation on disposals	-	-
Balance as at 31 March 2012	4,013,263	4,013,263
Amortisation for the year	20,882	20,882
Deletions	-	-
Balance as at 31 March 2013	4,034,145	4,034,145
<b>Net block</b>		
As at 31 March 2012	59,329	59,329
As at 31 March 2013	38,447	38,447

## Inditrade Derivatives and Commodities Limited

(formerly JRG Wealth Management Limited)

### Notes to financial statements for the year ended 31 March 2013 (Continued)

(All amounts in Indian rupees, except share data and where otherwise stated)

#### 12 Non-current investments

Particulars	As at	
	31 March 2013	31 March 2012
<b>Trade investments (valued at cost)</b>		
<b>I. Investments in equity instruments (unquoted)</b>		
<b>Investment in subsidiaries</b>		
6,500,000 (Previous year : 6,500,000) equity shares of Rs.10 each fully paid up in Inditrade Insurance Broking Private Limited (previously JRG Insurance Broking	65,000,000	65,000,000
Less : Provision for other-than-temporary	(50,000,000)	(50,000,000)
	<b>15,000,000</b>	<b>15,000,000</b>
Aggregate amount of unquoted investments	65,000,000	65,000,000
Aggregate amount of provision for diminution in the value of investments	50,000,000	50,000,000

#### 13 Loans and advances

Particulars	Non-current		Current	
	As at		As at	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
<b>To other than related parties</b>				
<b>I. Capital advances (Unsecured, considered good)</b>				
<b>Security deposits (Unsecured)</b>				
Considered good				
Deposits with exchanges	550,000	550,000	51,600,000	69,000,000
Rental deposits	1,863,200	2,813,200	40,000	300,000
Other deposits	589,311	782,987	-	-
Considered doubtful				
Rental deposits	-	-	261,284	261,284
Other deposits	-	-	229,655	40,588
	<b>3,002,511</b>	<b>4,146,187</b>	<b>52,130,939</b>	<b>69,601,872</b>
Provision for doubtful deposits				
Rental deposits	-	-	(261,284)	(261,284)
Other deposits	-	-	(229,655)	(40,588)
	<b>3,002,511</b>	<b>4,146,187</b>	<b>51,640,000</b>	<b>69,300,000</b>
<b>Advances recoverable in cash or kind (Unsecured)</b>				
Considered good	126,900	141,000	1,554,140	3,408,562
Considered doubtful	-	-	101,500	-
	<b>126,900</b>	<b>141,000</b>	<b>1,655,640</b>	<b>3,408,562</b>
Provision for doubtful advances	-	-	(101,500)	-
	<b>126,900</b>	<b>141,000</b>	<b>1,554,140</b>	<b>3,408,562</b>
<b>Other loans and advances (Unsecured, considered good)</b>				
Advance tax (net of provisions)	2,296,287	1,053,920	-	-
Gratuity (net of liability)	613,904	251,315	-	-
Prepaid expense	-	-	232,714	844,035
Balance with government authorities	-	-	2,581,494	258,276
	<b>2,910,191</b>	<b>1,305,235</b>	<b>2,814,208</b>	<b>1,102,311</b>
<b>Loans and advances to related parties</b>				
<b>I. Advances recoverable in cash or kind</b>				
Inditrade Business Consultants Limited (fellow subsidiary)	-	-	-	2,796,403
Inditrade Insurance Broking Private Limited (subsidiary)	-	-	8,400	-
(Unsecured, considered good)	-	-	8,400	2,796,403
	<b>-</b>	<b>-</b>	<b>8,400</b>	<b>2,796,403</b>
	<b>6,039,602</b>	<b>5,592,422</b>	<b>56,016,748</b>	<b>76,607,276</b>

#### 14 Other assets



Particulars	Non-current		Current	
	As at		As at	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
Non current bank balances (Refer note 3.12)	-	-	-	-
Bank deposits (due to mature after 12 months from the	46,674	-	-	-
Interest accrued on fixed deposits	-	-	3,576,436	5,693,075
	<b>46,674</b>	<b>-</b>	<b>3,576,436</b>	<b>5,693,075</b>

#### 15 Trade receivables

Particulars	As at	
	31 March 2013	31 March 2012
<b>Outstanding for a period exceeding six months from the date they became due for payment</b>		
Unsecured, considered doubtful	3,979,452	1,923,556
	<b>3,979,452</b>	<b>1,923,556</b>
Provision for doubtful receivable	(3,979,452)	(1,923,556)
	-	-
<b>Other receivables</b>		
Secured, considered good	-	-
Unsecured, considered good	40,000	859,809
Unsecured, considered doubtful	354,059	1,404,289
	394,059	2,264,098
Provision for doubtful receivable	(354,059)	(1,404,289)
	<b>40,000</b>	<b>859,809</b>
	<b>40,000</b>	<b>859,809</b>

#### 16 Cash and bank balances

Particulars	As at	
	31 March 2013	31 March 2012
<b>Cash and cash equivalents</b>		
Cash in hand	50,062	37,468
Balances with banks		
On current accounts	16,738,626	60,363,425
Deposits with original maturity of less than 3 months	-	5,106,445
	<b>16,788,688</b>	<b>65,507,338</b>
<b>Other balances</b>		
Deposits with original maturity for more than 3 months but less than 12 months *	56,252,518	31,243,807
Deposits with original maturity for more than 12 months *	44,658,435	60,761,026
Less: Amount disclosed under non - current asset (Refer Note 14 )	(46,674)	-
	<b>100,864,279</b>	<b>92,004,833</b>
<b>Total of cash and bank balances</b>	<b>117,652,967</b>	<b>157,512,171</b>

\* Includes deposits pledged with banks as security for guarantees issued by banks in favour of various commodity exchanges

31,500,000 66,145,363

## Inditrade Derivatives and Commodities Limited

(formerly JRG Wealth Management Limited)

### Notes to financial statements for the year ended 31 March 2013

(All amounts in Indian rupees, except share data and where otherwise stated)

#### 17 Other income

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Interest income		
Interest on fixed deposits	10,089,535	8,002,863
Other interest income	434,485	445,297
Liabilities no longer required writtenback	365,701	-
Other non-operating income	553,417	3,413,537
	<b>11,443,137</b>	<b>11,861,697</b>

\* The direct expenses in relation to the non operating income is not directly determinable and hence the same has not been netted off against the other non operating income.

#### 18 Operating expenses

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Business incentive	20,132,763	34,944,431
Turnover charges	9,510,284	17,330,887
Other trading expenses	1,371,169	3,014,699
	<b>31,014,217</b>	<b>55,290,017</b>

#### 19 Employee benefits

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Salaries and wages	24,123,810	33,504,353
Staff incentive	1,117,919	300,000
Contribution to provident and other funds	1,091,897	1,562,640
Staff welfare expenses	71,405	125,630
	<b>26,405,031</b>	<b>35,492,623</b>

#### 20 Finance cost

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Interest expense	483,226	49,691
	<b>483,226</b>	<b>49,691</b>

#### 21 Other expenses

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Rent, rates and taxes	11,510,718	9,188,875
Repair and maintenance	5,102,804	5,484,706
Power and fuel	4,123,308	1,632,802
Advertisement and business promotion	343,860	440,747
Communication expenses	8,733,677	2,455,802
Registration and renewals	588,552	1,261,804
Travelling expenses	3,313,969	2,379,680
Office and branch expenses	3,091,444	2,368,337
Printing and stationery	1,274,705	476,083
Legal, professional and consultancy (Refer note 23)	7,797,873	3,693,776
Shared service expenses	35,452,333	2,423,307
Bank and other charges	1,135,881	1,634,252
Provision for doubtful trade receivables	1,005,666	2,688,097
Provision for doubtful advances	290,567	-
Loss on sale of fixed assets	243,440	113,139
Assets written off	963,782	-
Advances written off	1,395,544	-
Miscellaneous expenses	216,180	355,061
	<b>86,584,303</b>	<b>36,596,468</b>

## Inditrade Derivatives and Commodities Limited

(formerly JRG Wealth Management Limited)

Notes to financial statements for the year ended 31 March 2013 (Continued)

(All amounts in Indian rupees, except share data and where otherwise stated)

### 22 Contingent liabilities and commitments

Particulars	As at	
	31 March 2013	31 March 2012
Contingent liabilities		
Claims against the company not acknowledged as debt	27,074,059	10,159,261
Bank guarantees	31,500,000	108,000,000
Commitments		
Other commitments	-	37,500
Arrears of dividend on 6% cumulative redeemable preference shares	19,183,343	13,979,532

### 23 Payment to auditor (included in legal professional and consultancy charges, excluding service tax)

Particulars	Year ended	
	31 March 2013	31 March 2012
As Auditor :		
Statutory audit	500,000	500,000
Tax audit	50,000	50,000
Certification fees	45,000	45,000
For reimbursement of expenses	40,355	19,325

### 24 Deferred taxes

The major components of deferred tax assets and liabilities are outlined below:

Particulars	As at	
	31 March 2013	31 March 2012
Deferred tax assets		
Depreciation	3,260,536	2,811,986
Provision for loans and advances	-	97,942
Provision for doubtful trade receivables	-	1,079,719
	<b>A</b>	<b>3,260,536</b>
Deferred tax liabilities		
Others	108,643	173,431
	<b>B</b>	<b>108,643</b>
<b>Net deferred tax asset</b>	<b>A-B</b>	<b>3,151,893</b>

In accordance with AS - 22 - "Accounting for taxes on income" prescribed by the Companies (Accounting Standards) Rules, 2006,

### 25 Related party disclosures

Names of related parties and nature of relationship:

<b>Holding Company</b>	JRG Securities Limited
<b>Subsidiary Companies</b>	Inditrade Insurance Broking Private Limited (formerly known as
<b>Entities under common control</b>	Inditrade Business Investment Consultants Limited (formerly JRG Fincorp Limited
<b>Key managerial personnel</b>	Samson K J (Managing Director)

### Transactions and balances with related parties

Particulars	Transactions during	Amount (payable) /
	year ended	receivable as at
	31 March 2013	31 March 2013
<b>Equity contribution</b>		
JRG Securities Limited ( Equity Shares)	-	(16,470,950)
JRG Securities Limited ( Preference Shares)	-	(74,624,270)
<b>Loan given to Subsidiaries and fellow subsidiaries (net)</b>		
JRG Business Investment Consultants Limited	16,151,409	21,153,812
JRG Fincorp Limited	7,245,143	7,245,143
JRG Securities Limited	15,997,225	15,997,225
<b>Reimbursement of expenses (net)</b>		
JRG Securities Limited	766,092	-
JRG Fincorp Limited	-	-
<b>Interest (expense) / income (net)</b>		
JRG Fincorp Limited	(347,853)	-
JRG Securities Limited	27,730	-
JRG Business Investment Consultants Limited	319,016	-

<b>Shared service expenses (including service tax)</b>		
JRG Securities Limited	19,426,400	-
JRG Business Investment Consultants Limited	19,299,730	-
JRG Fincorp Limited	20,516,085	-
	(838,541)	(3,611,436)
<b>Amount receivable / (payable) to JRG Business Investment Consultants Limited in relation to trading in commodities</b>		

<b>Remuneration paid</b>		
<b>Salaries, other allowances and perquisites -</b>		
Samson K J	1,267,820	-

#### Transactions and balance with related parties

Particulars	Transactions during	Amount (payable) /
	year ended	receivable as at
	31 March 2012	31 March 2012
<b>Equity contribution</b>		
JRG Securities Limited ( Equity Shares)	-	(16,470,950)
JRG Securities Limited ( Preference Shares)	-	(74,624,270)
<b>Loan given to Subsidiaries and fellow subsidiaries (net)</b>		
JRG Business Investment Consultants Limited	2,796,403	5,002,403
<b>Reimbursement of expenses (net)</b>		
JRG Securities Limited	826,152	-
<b>Interest expense / (income) (net)</b>		
JRG Fincorp Limited	59,178	-
JRG Securities Limited	116,712	-
JRG Business Investment Consultants Limited	269,407	-
<b>Shared service expenses (including service tax)</b>		
JRG Securities Limited	9,375,500	-
JRG Business Investment Consultants Limited	2,206,000	(2,206,000)
JRG Fincorp Limited	466,908	(466,908)
<b>Amount receivable / (payable) from JRG Business Investment Consultants Limited in relation to trading in commodities</b>	(2,772,895)	(2,772,895)
<b>Remuneration paid</b>		
<b>Salaries, other allowances and perquisites -</b>		
Samson K J	1,468,000	-

## 26 Segment reporting

The Company is engaged only in the business of acting as brokers of various commodity exchanges. The entire operations are organised and managed as one organisational unit with the same set of risks and returns, hence the same has been considered as representing a single primary segment. The Company renders its services in India only and does not have any operations in economic environments with different risks and returns; hence it is considered operating in a single geographic segment.

## 27 Employee benefit

Details of actuarial valuation of gratuity pursuant to the Accounting Standard 15

Change in projected benefit obligation	Year ended	
	31 March 2013	31 March 2012
Projected benefit obligation at the beginning of the year	857,862	833,984
Acquisition adjustment	(205,953)	-
Service cost	203,924	292,522
Interest cost	70,774	70,889
Actuarial gain	(253,004)	(209,894)
Benefits paid	(65,396)	(129,639)
<b>Projected benefit obligation at the end of the year</b>	<b>608,207</b>	<b>857,862</b>
<b>Change in plan assets</b>		
Fair value of plan assets at beginning of the year	1,109,177	1,139,243
Expected return on plan assets	100,563	96,698
Actuarial gain	(4,001)	2,875
Contributions	81,768	-
Benefits paid	(65,396)	(129,639)
<b>Fair value of plan assets at the end of the year</b>	<b>1,222,111</b>	<b>1,109,177</b>
<b>Reconciliation of present value of obligation on the fair value of plan assets</b>		
Present value of projected benefit obligation at the end of the year	608,207	857,862
Funded status of the plans	1,222,111	1,109,177
<b>Funded status amount of liability recognized in the balance sheet</b>	<b>(613,904)</b>	<b>(251,315)</b>

**Recognised under :**

Loans and advances (Non Current) (Refer note no : 3.9)	613,904	251,315
	<b>613,904</b>	<b>251,315</b>

**The components of net gratuity costs are reflected below:**

Service cost	203,924	292,522
Interest cost	70,774	70,889
Expected return on plan assets	(100,563)	(96,698)
Recognized net actuarial (gain)/ loss	(249,003)	(212,769)
<b>Net gratuity costs</b>	<b>(74,868)</b>	<b>53,944</b>

**Financial assumptions at balance sheet date:**

Discount rate	8.25%	8.50%
Long-term rate of compensation increase	7.50%	7.50%
Rate of return on plan assets	9.00%	9.00%

Attrition rate:5% at younger ages and reducing to 1% at older ages according to graduated scale

The Company assesses these assumptions with the projected long-term plans of growth and prevalent industry standards.

**28 Earnings per share**

Particulars	As at	
	31 March 2013	31 March 2012
Net profit /(loss) for the year	(43,631,286)	21,982,750
Unpaid preference dividend (including tax thereon)	(5,203,811)	(5,203,700)
Net profit / (loss) considered for computing earnings / (loss) per share <b>A</b>	<b>(48,835,097)</b>	<b>16,779,050</b>
Number of equity shares considered as basic weighted average shares outstanding <b>B</b>	1,800,000	1,800,000
Basic and Diluted earnings/(loss) per share <b>A / B</b>	<b>(27.13)</b>	<b>9.32</b>

**29 Security margins from clients**

In order to secure the performance by the clients of their obligations, commitments and liabilities to the Company, bank guarantees etc are placed as margins in favour of the Company. Such bank guarantees etc are held by the Company in a fiduciary capacity on behalf of its clients and are not recognised in the financial statements. In case such margins are received in cash, the same are disclosed under creditors.

**30** Inditrade Insurance Broking Private Limited ('IIBPL') is a wholly owned subsidiary of the Company. As at 31 March 2013, IIBPL has incurred accumulated losses aggregating to Rs.51.9 million which have significantly eroded the share capital of IIBPL. During the previous year, the management of IIBPL have commenced various steps including rationalization of the number of employees, changes to the revenue model, streamlining of the sales force etc. Based on the revised budget plans, the management believes that there is no requirement to further provide for the diminution in the value of investment in IIBPL in the current year.

**31 Micro, Small and Medium Enterprises Development Act, 2006**

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of "Micro and Small Enterprises" as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("the Act"). Accordingly, based on the information received and available with the Company, there are no amounts payable to such enterprises as at 31 March 2013.

**32 Foreign currency forward contracts**

The Company has no receivable and payable in foreign currency as at the balance sheet date. Hence the Company has not entered into

**33** The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing

**34 Prior year comparatives**

Prior year figures have been reclassified / regrouped wherever necessary to conform to the current year's classification.

As per our report attached

for **B S R & Associates**

Chartered Accountants

Firm registration No.: 116231W

for **Inditrade Derivatives and Commodities Limited**

S Sethuraman

Partner

Membership No.: 203491

Samson K J

Managing Director

Harish Galipelli

Director

Chennai

14 May 2013

Place: Hyderabad

Date: 14 May 2013

**INDITRADE DERIVATIVES AND COMMODITIES LIMITED**  
**Regd office:** First Floor, M E S Building, Kaloor, Kochi-682 017  
**Corporate Office:** XXXVI-202, JJ Complex, Dairy Methanam Road,  
Kochi – 682 024, Kerala  
**Tel:** 0484 3006000, **email:** [jrgwealth@inditrade.com](mailto:jrgwealth@inditrade.com)

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**ATTENDANCE SLIP**

Name and Address of the Member and / or Proxy

Reg. Folio No : \_\_\_\_\_

No. of Shares Held: \_\_\_\_\_

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I hereby record my presence at the 17<sup>th</sup> ANNUAL GENERAL MEETING of the Company being held at the Corporate Office of the Company at 'XXXVI-202, JJ Complex, Dairy Methanam Road, Kochi – 682 024' on Monday the 30<sup>th</sup> day of September 2013 at 10:00 hrs.

Member's / Proxy's Signature \_\_\_\_\_

Please fill in the attendance slip and hand over the attendance at the meeting hall. Please bring your copy of the Annual report for reference at the meeting.

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**INDITRADE DERIVATIVES AND COMMODITIES LIMITED**  
**Regd Office:** 1<sup>st</sup> Floor, MES Building, Kaloor, Kochi-682017  
**Corporate Office:** XXXVI-202, JJ Complex, Dairy Methanam Road, Edappally  
Kochi – 682 024, Kerala  
**Tel:** 0484 3006000, **email:** [jrg@inditrade.com](mailto:jrg@inditrade.com)

**PROXY FORM**

Reg. Folio No : \_\_\_\_\_

No. of Shares Held: \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_  
being a member/members of **Inditrade Derivatives and Commodities Limited** hereby appoint \_\_\_\_\_  
of \_\_\_\_\_ or failing him \_\_\_\_\_  
of \_\_\_\_\_ as my / our proxy to vote for me / us and on  
my / our behalf at the **Annual General Meeting** of the company to be held on Monday the 30<sup>th</sup>  
day of September 2013 and at any adjournment thereof.

Signed \_\_\_\_\_ day of \_\_\_\_\_, 2013

Affix  
Re 1  
Revenue  
Stamp

Note: This form duly completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.