

## Company Details

### BOARD OF DIRECTORS

• Sh.Tribhawan Singh Thapar	Chairman
• Sh.Dheeraj Ghai	Vice-Chairman
• Sh.Sanjeev Gupta	Director
• Sh.Arjan Dass Goyal	Director
• Sh.Hari Krishan Punni	Director
• Sh.Baldev Raj Kalra	Director
• Sh.Pankaj Gupta	Director
• Sh.Rajan Bedi	Director

#### Registered Office :

SCO 142 - 143, Cabin No. 111, 4th Floor,  
Sector 34-A, Chandigarh-160002.

Tele.Nos.:0172-3958091,5012555

FaxNo.:0172-5074285

#### Corporate Office :

1st Floor, Stock Exchange Building,  
Feroze Gandhi Market, Ludhiana-141001.

Tele. Nos. : 0161-4615397, 4619296

Fax No. : 0161-4620396

#### Statutory Auditors :

Bhakoo & Associates

Civil Lines, Ludhiana.

#### Bankers :

HDFC Bank

Axis Bank

ICICI Bank

#### RTA

M/S Beetal Financial & Computer Pvt Ltd

“Beetal House”,

3rd Floor, 99, Madangir,

B/H Local Shopping Centre,

New Delhi-110 062

#### TRADING CUM CLEARING MEMBER

MCX

NSEL

## LUDHIANA COMMODITIES TRADING SERVICES LIMITED

**CIN-U74999CH2003PLC026455**

Registered Office: SCO - 142/ 143, 4th Floor, Cabin No. 111, Sector 34A, Chandigarh - 160022  
Corporate office: 1st Floor, Ludhiana Stock Exchange Building, Feroze Gandhi Market, Ludhiana - 141001

### **NOTICE**

NOTICE is hereby given that the **18th Annual General Meeting** of the Members of **Ludhiana Commodities Trading Services Limited** will be held on Friday the **24<sup>th</sup> day of September, 2021** at 5.00 P.M. at **SCO 142-143, 4th Floor, Cabin No. 111, Sector 34A, Chandigarh-160022**, Registered Office of the Company, to transact the following **Ordinary Business**:

### **AS ORDINARY BUSINESS**

- 1). To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31.03.2021 together with Reports of the Board and Auditors of the Company thereon.
- 2). To Declare Dividend on Equity Shares.
- 3). To appoint a Director in place of Sh. Arjan Dass Goyal (DIN: 00467327) who retires by rotation and being eligible, offers himself for re-appointment.
- 4). To appoint a Director in place of Sh. Rajan Bedi (DIN: 02834734) who retires by rotation and being eligible, offers himself for re-appointment.
- 5). To appoint a Director in place of Sh. Hari Krishan Punni (DIN: 01478782) who retires by rotation and being eligible, offers himself for re-appointment.

By Order of the Board of Directors  
For LUDHIANA COMMODITIES TRADING SERVICES LIMITED

PLACE : LUDHIANA  
DATE : 26-08-2021

Sd/-  
(Dheeraj Ghai)  
Director  
DIN:02832228

### **NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY(IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK PROXY FORM IS ENCLOSED. PROXY FORM, IN ORDER TO BE MADE EFFECTIVE, MUST BE DEPOSITED WITH THE REGISTERED OFFICE OF THE COMPANY DULY EXECUTED NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF ANNUAL GENERAL MEETING.
2. Documents referred to in the notice are open for inspection at the registered office of the company on all working days, except holidays, between 10.00 a.m to 12.00 a.m up to the date of the Annual General Meeting.
3. Corporate Members are requested to send duly certified copy of the Board Resolution, pursuant to section 113 of Companies Act, 2013, authorising their representative to attend and vote at the Annual General Meeting.
4. The Register of Members and the Share Transfer Book of the company will remain closed from 22nd September, 2021 (Wednesday) to 24th September, 2021 (Friday) (Both Day Inclusive).
5. The dividend on equity shares as recommended by the Board of Directors, if approved at the Annual General Meeting, will be paid to the members, whose names shall appear in Register of Beneficial owners, maintained by the RTA at the close of 21<sup>st</sup> September, 2021.
6. Members are requested to write to the Company at least Ten Days before the meeting for obtaining any information as regards to accounts and operations of the Company so that the same could be compiled in advance.
7. Members are requested to bring their copy of Annual Report along with them to the Annual General Meeting.

## LUDHIANA COMMODITIES TRADING SERVICES LIMITED

8. Pursuant to Companies ( Prospectus and Allotment of Securities ) Third Amendment Rules, 2018, Every Unlisted Public Company shall facilitate dematerialization of all its existing securities . The Company being Unlisted Public Company has secured its ISIN i.e. INE02O201019 Central Depository Services Limited ( CDSL ) . So members can avail the services of Central Depository Services Limited ( CDSL ) to get their shares dematerialised through their DP.
9. All correspondence regarding shares of the Company should be addressed to the Company's Registrar and Transfer Agent (RTA), M/S Beetal Financial & Computer Services Pvt. Ltd., "Beetal House", 3rd Floor, 99, Madangir, B/H Local Shopping Centre, New Delhi-110 062.
10. Members who hold shares in the physical form and wish to make / change nomination in respect to their shareholding in the Company , as permitted under section 72 of the Companies Act, 2013 and rule 19 (1) of Companies ( Share Capital and Debentures) Rules 2014, may submit the prescribed form SH 13 to the Company.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number ( PAN) by every participant in the securities market . Members holding shares in electronic as well as in physical form are requested to submit their PAN to the Company or Registrar and Transfer Agent (RTA), M/S Beetal Financial & Computer Services Pvt. Ltd., New Delhi.
12. Members who have not registered their e-mail addresses so far are requested to register / update their e-mail addresses for receiving all communications including Annual Report, Notices, Circulars etc.
13. Members are requested to quote their full names as per Company's record, email IDs, Contact No, Folio Nos./DP and Client ID as the case may be, in all correspondence with the company and for prompt reply for their queries.
14. For Convenient and proper conduct of Meeting, Members / Proxies should bring Attendance Slip that are annexed to the Annual Report for entry to the place of meeting and handover the same at the entrance of venue of the meeting.

**By Order of the Board of Directors**  
**For LUDHIANA COMMODITIES TRADING SERVICES LIMITED**

**Sd/-**  
**(Dheeraj Ghai)**  
**Director**  
**DIN:02832228**

**PLACE : LUDHIANA**  
**DATE : 26-08-2021**



## DIRECTOR'S REPORT

To

The Members,  
Ludhiana Commodities Trading Services Limited,  
Ludhiana.

Your Directors have great pleasure in presenting **18<sup>th</sup> Annual Report** on the business and operations of the Company along with the Audited Statement of Accounts of the Company for the year ended 31<sup>st</sup> March, 2021 as under:

### 1. COMPANY SPECIFIC INFORMATION

#### • **Financial Summary and Highlights**

The financial results of the Company for the year under review as compared to the previous year are summarized below:

(Amount in Rs.)

SR. NO.	PARTICULARS	31.03.2021	31.03.2020
1	Profit before depreciation and tax	14,81,312.38	9,94,433.14
2	Depreciation	3,94,863.36	3,75,674.16
3	Profit before tax	10,86,449.02	6,18,758.98
4	Provision for taxation	3,65,000.00	2,25,000.00
5	a. Deferred Tax	62,203.00	(40,592.00)
	b. Earlier year	7502.70	(23144.71)
	Profit after tax	651743.32	4,57,495.69
6	Appropriations	423855.00	7,66,499.50
7	Surplus carried to Balance Sheet	11076469.50	1,08,48,581.18
8.	Earning per share (EPS) (Basic)	0.31	0.22

#### • **RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS**

##### **OPERATIVE RESULTS BEING TRADING CUM CLEARING MEMBER OF MCX**

The Company is registered with MCX as Trading Cum Clearing Member along with SEBI as Stock Broker. During the period under review the company has earned Gross Profit before Depreciation, Interest and Tax (PBDIT) of Rs. 14,81,312.38 as compared to Rs. 9,94,433.14 in previous year. The company earned a Profit after Tax of Rs. 651743.32 as compared to Rs. 4,57,495.69 in previous year.

##### **a) Trading at MCX**

During the period under review, your company has recorded a turnover of 8491.00 Crore as compared to 14,336.00 Crore in previous Year thus recording a decrease of about 40.77 % (Approx.) which is attributed to unfavorable market conditions.

##### **b) Future Outlook**

The overall Market conditions have not been favorable for the Industry and the Company as well during the period under review and the future outlook also seems to be not very good in view of the Covid 19 and its adverse effects. During the current year.i.e.2021-22, the company has recorded a turnover of 1974.00 Crore (till 15.08.2021) on MCX.

#### • **AMOUNT OF RESERVES**

The Board of Directors of your company, has decided not to transfer any amount to the Reserves for the year under review.



## LUDHIANA COMMODITIES TRADING SERVICES LIMITED

### • **DIVIDEND**

- The Board of Directors of your company is pleased to recommend a dividend of Rs.0.225 per Equity Share of the face value of Rs. 10 each (@ 2.25%). The dividend, if approved at the forthcoming Annual General Meeting to be held on 24<sup>th</sup> September, 2021, will be paid to those Shareholders whose names will appear in the Register of shareholders provided by RTA M/s BEETAL FINANCIAL & COMPUTER SERVICES PVT. LTD as on the Record Date (i.e 21.09.2021).
- Dividend if declared in Annual General Meeting will result in cash outflow of an amount of Rs.4.77 Lac approx.

### **MAJOR EVENTS OCCURRED DURING THE YEAR**

In terms of the information required under Sub-section (3)(i) of Section 134 of the Companies Act, 2013, we report that no material changes and commitments affecting the financial position of the Company have occurred between the end of the Financial Year to which these Financial Statements relate and the date of the Directors' Report.

### **2. CAPITAL AND DEBT STRUCTURE**

The Authorized Share Capital of the company as on 31st March, 2021 was Rs. 2,50,00,000/-

(25,00,000 equity shares of Rs. 10/- each ) and the paid up Equity Share Capital as on 31st March, 2021 was 21192750.00 /- (2119275 equity shares of Rs. 10/- each Fully Paid Up). Company is not having any Outstanding Debt.

#### • **Change in authorized, issued, subscribed and paid – up share capital**

During the year under review, there was no change in authorized, issued, subscribed and paid – up share capital of the Company.

### **3. CREDIT RATING OF SECURITIES**

As our company is not listed and also not having any debt , Credit Rating of securities is not required.

### **4. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

### **5. MANAGEMENT**

The management of the Company vested in the Board of the Directors of the Company.

#### • **CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL**

There has been no change in the constitution of the Board of Directors during the year under review and up to the date of this report i.e. the structure of the Board remains the same.

#### • **DIRECTORS RETIRING BY ROTATION:**

- Sh. Arjan Dass Goyal, Sh Rajan Bedi and Sh. Hari Krishan Punni are retiring by rotation and are eligible for re-appointment in terms of Article 107(b) of articles of Association of the company.

#### • **INDEPENDENT DIRECTORS AND DECLARATION BY INDEPENDENT DIRECTORS AND STATEMENT ON COMPLIANCE OF CODE OF CONDUCT**

Provision of Independent Director under Sub-section (10) of section 149 of The Companies Act, 2013 is not applicable to the company . So company doesn't have any Independent Director.

#### • **BOARD MEETINGS:**

During the financial year April 01, 2020 to March 31, 2021, Seven Meetings of the Board were held in such a manner that gap between two consecutive meetings of the Board was not more than one hundred and twenty days.

#### • **GENERAL MEETINGS (NUMBER AND DATE OF MEETING)**

During the Year, The 17th Annual General Meeting of the company was held on 21.11.2020.

#### • **COMMITTEE :**

##### • **Particulars of Audit Committee**

- Pursuant to the provision of section 177 of companies act, 2013 and rule 6 of companies (Meetings of Board and its Powers) Rules, 2014. The company is not required to constitute an Audit Committee of the Board

## LUDHIANA COMMODITIES TRADING SERVICES LIMITED

- **Nomination & Remuneration Committee and Stakeholders Relationship Committee**

- The Company does not fall under the criteria of the requirements to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013

- **Board Evaluation**

The company is not required for preparing the statement for formal annual evaluation of the performance of the Board, as per the Rule 8(4) of Companies (Accounts) Rules 2014 of the Companies Act, 2013.

- **Remuneration received by Managing/ Whole Time Director/Directors of the company**

During the Year, the company has not appointed any managerial personnel and such no managerial personnel have received the remuneration exceeding the limits as mentioned in Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Remuneration received by Managing/ Whole Time Director from holding or subsidiary company. The Company has no holding or subsidiary company, therefore this disclosure is not applicable.

- **DIRECTORS' RESPONSIBILITY STATEMENT:**

The Directors would like to assure the members that the financial statements for the year under review conform in their entirety to the requirements of the section 134 (5) of the Companies Act, 2013 and rules made there under.

The Directors state that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
  - 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 profit and loss of the company for that period;
  - c) 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 other irregularities;
  - d) The directors had prepared the annual accounts on a going concern basis; and
  - e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- **Frauds Reported by the Auditors**

The Auditors have not reported any fraud to the Board under Section 143 (12) of the Companies Act, 2013.

## 6. **DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

- **Report on performance and financial position of the subsidiaries, associates and joint ventures**

The Company does not have any subsidiaries, associates and joint ventures

- **Companies which have become or ceased to be subsidiaries, associates and joint ventures**

- There has been no instance regarding becoming / cessation of any subsidiary, associates and joint ventures.

## 7. **DETAILS OF DEPOSITS**

- During the period under review, your Company has not accepted any deposits from public in terms of the Companies Act, 2013 and rules made there under.

## 8. **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

- There was no loan or guarantee given or investment made or security provided pursuant to Section 186 of the Companies Act, 2013 during the year under review and hence the said provisions are not applicable.

## 9. **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES PURSUANT TO SECTION 188 OF THE COMPANIES ACT, 2013**

- Pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, there are no transactions to be reported under Section 188(1) of the Act in Form AOC-2, there were no

contracts or arrangements or transactions entered into during the year ended March 31, 2021, which were not at arm's length basis.

**10. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

- During the period under review, the Board of Directors of the company has not spent any amount on account of the Corporate Social Responsibility as the Company is not covered under the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policies) Rules, 2014.

**11. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

- The Company has an adequate Internal Financial Control system with reference to financial statements pursuant to Rule 8 (5) (viii) of Companies (Accounts) Rules, 2014, commensurate with the size of its business operations and the same is reviewed by the Company from time to time.

**12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

- The Company is engaged in stock broking and has no activity pertaining to manufacturing and as such furnishing of details as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is not given. Further, the particulars as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, in respect to foreign exchange earnings and outgo are Nil.

**13. RISK MANAGEMENT**

- The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Board has laid down procedures to inform the members about the risk assessment, if any, and procedure to minimize the same.

**14. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM U/S 177 OF COMPANIES ACT, 2013**

- Provision of section 177 of Companies Act, 2013 are not applicable to your company.

**15. MATERIAL ORDERS OF JUDICIAL BODIES /REGULATORS**

- In terms of the information required under Section 134 of the Companies Act, 2013 and Rule 8 of Companies (Accounts) Rules, 2014, it is to be noted that there are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and the Company's operations in future.

**16. AUDITORS**

**STATUTORY AUDITORS**

M/s Bhakoo & Associates., Chartered Accountants (Registration No. 014391N) were reappointed as the Statutory Auditors of the company in AGM held on 31st day of August, 2019, for five consecutive years pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed there under and they hold office up to the date of AGM to be held in the year 2024.

**COST AUDITOR AND SECRETARIAL AUDITOR**

Provisions for appointment of Cost Auditor and Secretarial Auditor are not applicable to our Company.

**EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS**

The Auditors' Report does not warrant any comments as there is no qualification, reservation or adverse remark made by the Auditors in their Report.

**17. COMPLIANCE WITH SECRETARIAL STANDARDS**

During the year under review, the Company has complied with the provisions of the applicable Secretarial Standards issued by Institute of Companies Secretaries of India. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively.

**18. FAILURE TO IMPLEMENT ANY CORPORATE ACTION**

The company has not executed any Corporate Action ("corporate action" includes buy back of securities, , mergers and de-mergers, delisting, split and issue of any securities.) except payment of dividend declared which has been disbursed within stipulated time during the year under review.

**19. ANNUAL RETURN**

Pursuant to the provisions of Section 92(3) of the Companies Act 2013, the Annual Return in Form MGT-7 for the financial year 2020-21 is uploaded on the website of the company at the Weblink (<http://ludhianacommodities.com/site/downloadDocuments>).

**20. MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDAR)**

Your company being an unlisted company, this provision is not applicable to your company.

**21. COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

This provision is not applicable to your company as the company is not listed with any stock exchange. However the company believes in good corporate governance and follows the requisite provisions voluntarily.

**22. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In terms of provisions of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013, the company has formulated a policy to prevent sexual harassment of women at workplace and Board has constituted a Woman Harassment Committee. During the year under review, there were no cases filed pursuant to sexual harassment of women at workplace.

**23. OTHER DISCLOSURES**

During the year under review, the Company has neither issued shares with Differential Voting Rights nor has granted any stock options or Sweat Equity. Further, the Company has neither bought back its own shares nor has given any loan to the employees of the Company for the purchase of the shares of the Company.

**24. ACKNOWLEDGEMENTS:**

The Board wishes to place on record its gratitude for the kind co-operation, assistance, and continued support to the company by members, SEBI, MCX, Bankers, employees at all level and other business constituents. The Board also wishes to place on record its warm appreciation for the creative and dedicated efforts of staff at all levels.

For LUDHIANA COMMODITIES TRADING SERVICES LIMITED

PLACE : LUDHIANA  
DATE : 26-08-2021

Sd/-  
TRIBHAWAN SINGH THAPAR  
CHAIRMAN  
DIN:00494576

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
Ludhiana Commodities Trading Services Limited  
Ludhiana

### Report on Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Ludhiana Commodities Trading Services Limited** ('the Company'), which comprise the balance sheet as at 31<sup>st</sup> March 2021, the statement of profit and loss and the cash flow statement for the year ended and the notes to the financial statements including the summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations give to us, the aforesaid 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, of the state of affairs of the Company as at 31<sup>st</sup> March 2021 and its profit and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

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

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the such other information is materially

inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This



responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

## LUDHIANA COMMODITIES TRADING SERVICES LIMITED

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (II) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order, of the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and 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 it appears from our examination of those books
  - (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 aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representation received from the directors as on 31<sup>st</sup> March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2021 from being appointed as a director in terms of Section 164 (2) of the Act,
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) With respect of the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) There are no pending litigations against the company.
    - (ii) The company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses
    - (iii) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

**For Bhakoo & Associates  
Chartered Accountants**

**PLACE : LUDHIANA  
DATE : 26-08-2021  
UDIN: 21502011AAAACJ1736**

**Sd/-  
(Amit Bansal)  
(Partner)  
Membership No. : 502011  
FRN: 014391N**

**“Annexure A” to the Independent Auditor's Report**

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31<sup>st</sup> March 2021, we report that.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets comprising of Property, plant and Equipment and intangibles.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets
- (c) According to the information and explanations given to us by the management and on the basis of our examination of the records of the company, no immovable property are held by the company during the year.
- (ii) The Company is a service company, primarily rendering brokerage services and accordingly it does not hold any physical inventories. Thus paragraph 3(ii) of the order is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not given any loans, guarantee, security or made investments. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148 of the Act for any of the services rendered by the Company.
- (vii) (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, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities.  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears as at 31<sup>st</sup> March 2021 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited with the appropriate authorities on account of any disputes.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable

## LUDHIANA COMMODITIES TRADING SERVICES LIMITED

- (x) According to the information and explanations given to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not paid any managerial remuneration during the year. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, the transactions entered by the company with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with them during the year.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Bhakoo & Associates  
Chartered Accountants**

**PLACE : LUDHIANA  
DATE : 26-08-2021  
UDIN: 21502011AAAACJ1736**

**Sd/-  
(Amit Bansal)  
(Partner)  
Membership No. : 502011  
FRN: 014391N**

**Annexure - B to the Auditors' Report**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Ludhiana Commodities Trading Services Limited** ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute.

**PLACE : LUDHIANA**  
**DATE : 26-08-2021**  
**UDIN: 21502011AAAACJ1736**

**For Bhakoo & Associates**  
**Chartered Accountants**

**Sd/-**  
**(Amit Bansal)**  
**(Partner)**  
**Membership No. : 502011**  
**FRN: 014391N**

**BALANCE SHEET AS AT 31st MARCH, 2021**

		Amount in Rs.	
PARTICULARS	NOTE NO.	AS AT 31.03.2021	AS AT 31.03.2020
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	21192750.00	21192750.00
(b) Reserves and Surplus	4	12479469.50	12251581.18
		33672219.50	33444331.18
<b>(2) Current Liabilities</b>			
(a) Trade payables	5	357129898.84	352537352.41
(b) Other current liabilities	6	301750.17	328676.96
(c) Short-term provisions	7	459080.00	286543.32
		357890729.01	353152572.69
<b>TOTAL</b>		<b>391562948.51</b>	<b>386596903.87</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	8		
(i) Tangible assets		281811.98	185581.35
(ii) Intangible assets		58470.60	377564.59
		340282.58	563145.94
(b) Other non-current assets	9	9364145.17	26119544.10
(c) Deferred tax asset (net)		51256.00	113459.00
<b>(2) Current assets</b>			
a) Trade receivables	10	314343162.70	314664518.08
(b) Cash and bank balances	11	38948226.54	17381969.15
(c) Short-term loans and advances	12	28467547.52	27745309.60
(d) Other Current assets	13	48328.00	8958.00
		381807264.76	359800754.83
Notes forming part of the Financial Statements	1-32		
<b>TOTAL</b>		<b>391562948.51</b>	<b>386596903.87</b>

SUBJECT TO OUR SEPARATE AUDIT REPORT OF EVEN DATE

FOR BHAKOO & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN-014391N

Sd/-  
(AMIT BANSAL)  
(PARTNER)  
(M.No. 502011)

PLACE : LUDHIANA  
DATE : 26-08-2021  
UDIN: 21502011AAAACJ1736

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-  
TRIBHAWAN SINGH THAPAR  
CHAIRMAN  
DIN: 00494576

Sd/-  
DHEERAJ GHAI  
VICE-CHAIRMAN  
DIN: 02832228

Sd/-  
JASWINDER SINGH  
ACCOUNTS EXECUTIVE

**LUDHIANA COMMODITIES TRADING SERVICES LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021**

PARTICULARS	NOTE NO.	Amount in Rs.	
		AS AT 31.03.2021	AS AT 31.03.2020
I. Revenue from operations	14	4500850.92	6476718.96
II. Other Incomes	15	2644819.00	2318209.00
<b>Total Revenue (I+II)</b>		<b>7145669.92</b>	<b>8794927.96</b>
<b>III. Expenses :</b>			
Cost of services rendered	16	3381386.26	4903889.88
Employee benefit expense	17	991251.09	1506828.00
Financial costs	18	118.00	1667.00
Depreciation and amortization expenses		394863.36	375674.16
Administrative & General expenses	19	1291602.19	1388109.94
<b>Total Expenses</b>		<b>6059220.90</b>	<b>8176168.98</b>
<b>IV. Profit before exceptional and extraordinary items and tax (III - IV)</b>		<b>1086449.02</b>	<b>618758.98</b>
<b>V. Exceptional Items</b>		<b>0.00</b>	<b>0.00</b>
<b>VI. Profit before extraordinary items and tax (V - VI)</b>		<b>1086449.02</b>	<b>618758.98</b>
<b>VII. Extraordinary Items</b>		<b>0.00</b>	<b>0.00</b>
<b>VIII. Profit before tax (VII - VIII)</b>		<b>1086449.02</b>	<b>618758.98</b>
<b>IX. Tax Expense</b>			
(1) Current tax (Provision)		365000.00	225000.00
(2) Deferred tax		62203.00	(40592.00)
(3) Earlier Year		7502.70	(23144.71)
<b>X. Profit(Loss) from the period from continuing operations (XI-X)</b>		<b>651743.32</b>	<b>457495.69</b>
<b>XI. Profit/(Loss) from discontinuing operations</b>		<b>N.A</b>	<b>N.A</b>
<b>XII. Tax expense of discounting operations</b>		<b>N.A</b>	<b>N.A</b>
<b>XIII. Profit/(Loss) from Discontinuing operations (XII - XIII)</b>		<b>N.A</b>	<b>N.A</b>
<b>XIV. Profit/(Loss) for the period (XI + XIV)</b>		<b>651743.32</b>	<b>457495.69</b>
<b>Weighted Average No. of Equity Shares of Rs. 10 each</b>		<b>2119275.00</b>	<b>2119275.00</b>
<b>XV. Earning per equity share:</b>			
(1) Basic		0.31	0.22

**SUBJECT TO OUR SEPARATE AUDIT REPORT OF EVEN DATE**

**FOR BHAKOO & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN-014391N**

**Sd/-  
(AMIT BANSAL)  
(PARTNER)  
(M.No. 502011)**

**PLACE : LUDHIANA  
DATE : 26-08-2021  
UDIN: 21502011AAAACJ1736**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-  
TRIBHAWAN SINGH THAPAR  
CHAIRMAN  
DIN: 00494576**

**Sd/-  
DHEERAJ GHAI  
VICE-CHAIRMAN  
DIN: 02832228**

**Sd/-  
JASWINDER SINGH  
ACCOUNTS EXECUTIVE**

**LUDHIANA COMMODITIES TRADING SERVICES LIMITED**

**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2021**

PARTICULARS	Amount in Rs.	
	Year ended March 31,2021	Year ended March 31,2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	1086449.02	618758.98
Add Depreciation	394863.36	375674.16
	<b>1481312.38</b>	<b>994433.14</b>
Less : Interest on FDR	(2644819.00)	(2318209.00)
<b>Operating profit before working capital changes</b>	<b>(1163506.62)</b>	<b>(1323775.86)</b>
Add : <b>Working Capital Changes</b>		
(Increase)/Decrease in Trade receivables	321355.38	2625373.92
(Increase)/Decrease in Short term Loans and Advances	(722237.92)	41733816.90
(Increase)/Decrease in Other Current Assets	(39370.00)	44243.00
Increase/(Decrease) in Trade payables	4592546.43	(39378030.98)
Increase/(Decrease) in Current Liabilities	(26926.79)	(272866.65)
	<b>4125367.10</b>	<b>4752536.19</b>
Add : <b>Changes in Provision</b>		
Increase / (Decrease) in Provision of Gratuity	32536.68	(19,806.00)
	<b>32536.68</b>	<b>(19,806.00)</b>
Cash generated from operations	2994397.16	3408954.33
Less : Direct Taxes paid	(232502.70)	(653855.29)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>2761894.46</b>	<b>2755099.04</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(172000.00)	(150000.00)
Long Term Deposit with Landlord	-	(5000.00)
Investment in FDR	15500000.00	7250000.00
Proceeds From Interest Accrued on FDR	1255398.93	(1029366.85)
Interest Received From FDRs	2644819.00	2318209.00
<b>NET CASH / (USED) IN INVESTING ACTIVITIES (B)</b>	<b>19228217.93</b>	<b>8383842.15</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payment of Dividend (including tax thereon)	(423855.00)	(766499.50)
<b>NET CASH / (USED) IN FINANCING ACTIVITIES (C)</b>	<b>(423855.00)</b>	<b>(766499.50)</b>
Add : Increase/(Decrease) in Cash & Cash equivalents	21566257.39	10372441.69
<b>Cash &amp; Cash equivalents at the beginning of the year</b>	<b>17381969.15</b>	<b>7009527.46</b>
<b>Cash &amp; cash equivalents at the end of the year</b>	<b>38948226.54</b>	<b>17381969.15</b>

FOR BHAKOO & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN-014391N

Sd/-  
(AMIT BANSAL)  
(PARTNER)  
(M.No. 502011)

PLACE : LUDHIANA  
DATE : 26-08-2021  
UDIN: 21502011AAAACJ1736

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-  
TRIBHAWAN SINGH THAPAR  
CHAIRMAN  
DIN: 00494576

Sd/-  
DHEERAJ GHAI  
VICE-CHAIRMAN  
DIN: 02832228

Sd/-  
JASWINDER SINGH  
ACCOUNTS EXECUTIVE

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**1. Corporate information**

The Ludhiana Commodities Trading Services Limited was established in 2003, to fulfill the need of investors, traders of having a platform for trading, hedging and investment. The company was established by Ludhiana Stock Exchange which was one of the leading Regional Stock Exchanges. Since its incorporation, the Company has grown considerably. Now the Company has the membership of MCX. The Company has played an important role in wealth creation by providing investment, trading and hedging opportunities to every investor, trader and consumer. The Company has utilized its expertise to provide better services to the investors and traders.

**2. Significant accounting policies**

The accounts are prepared on accrual basis under the historical cost convention in accordance with the mandatory standards referred to in sub section (3C) of Section 133 of the Companies Act, 2013 and other relevant provisions of the said Act. The significant accounting policies followed by the Company are as stated below:

**i) Revenue Recognition**

The Company follows accrual system of accounting and recognizes income and expenditure accordingly.

**ii) Assets**

Fixed assets are stated at historical cost less accumulated depreciation. Intangible assets are stated at cost less accumulated amount of amortization.

**iii) Depreciation**

Depreciation is provided on written down value method on all the assets of the Company. Depreciation for the year is provided in accordance with and in the manner specified in the schedule II of the Company Act, 2013.

**iv) Employee benefits**

**(a) Short Term employee benefits**

Short term employee benefits comprising of wages and salaries, bonus and leave pay is accounted as expenditure in the period in which employees have rendered services in exchange of these benefits.

**(b) Post employment benefits**

These are classified under following two categories:-

**(i) Defined contribution plans**

Contributions to defined contribution plans covering Provident Fund is recognized as an expenditure and charged to Profit & Loss account in the period

**(ii) Defined benefit plans**

The liability of gratuity is provided on the basis of actuarial valuation carried out by an independent actuary at the balance sheet date using projected unit credit method. The present value of the company's obligation is determined on the basis of actuarial valuation at the year end and the fair value of plan assets is reduced from the gross obligations under the gratuity scheme to recognize the obligation on a net basis. Actuarial gain or loss is recognized immediately in the statement of profit or loss.



**v) Accounting for Taxes on Income Tax**

Provision for tax on income comprises of current tax and deferred tax. Current tax is tax payable as per Income Tax Act, 1961. Deferred tax is the tax effect of timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

**vi) Impairment of Assets**

At each Balance Sheet date an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e. amount by which the carrying amounts of an asset exceed its recoverable amount is provided for in books of accounts.

**vii) Provisions and Contingent Liabilities**

- 1) Provisions are recognized for liabilities that can be measured by using a substantial Degree of estimation, if:-
  - (i) The company has a present obligation as a result of past events;
  - (ii) A probable outflow of resources embodying economic benefits is expected to Settle the obligation: and
  - (iii) The amount of the obligation can be reliably estimated.
- 2) Contingent liability is disclosed in the case of :
  - (i) A present obligation arising from a past event when it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligation; or
  - (ii) A possible obligation, unless the probability of outflow in settlement is remote.

**SCHEDULE TO THE ACCOUNTS FOR THE PERIOD ENDED ON 31st MARCH, 2021**

**3. SHARE CAPITAL**

Particulars	As At 31.03.2021	AS AT 31.03.2020
<b>3.1 Authorised Capital</b>		
25,00,000 Equity Shares of Rs. 10/- each	25000000.00	25000000.00
(Previous year :- 25,00,000 Equity Shares of Rs. 10/- each)		
<b>3.2 Issued, Subscribed &amp; Paid up Capital</b>	21192750.00	21192750.00
21,19,275 Equity Shares of Rs. 10/- each fully paid up		
(Pr. Yr:- 21,19,275 Equity Shares of Rs. 10/- each fully paid up)		
<b>TOTAL</b>	<b>21192750.00</b>	<b>21192750.00</b>

**3.3 Reconciliation of number of shares**

Particulars	As At 31.03.2021		As At 31.03.2020	
	No. of shares	Amount	No. of shares	Amount
<b>Equity Shares</b>				
Opening Balance	2119275.00	21192750.00	2119275.00	21192750.00
Add: Changes during the year	0.00	0.00	0.00	0.00
Closing Balance	<b>2119275.00</b>	<b>21192750.00</b>	<b>2119275.00</b>	<b>21192750.00</b>

**3.4 Rights, preferences and restrictions attached to shares**

The company has one class of equity shares having a par value of Rs. 10 each. Each Shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of the preferential amounts, in proportion to their shareholding.

The Board of Director have proposed dividend @ 2.25% amount to Rs. 476836.00 which shall be subject to approval in Annual General Meeting.

**3.5 Detail of Shares held by Shareholders holding more than 5% of the aggregate shares in the company**

There is no shareholders holding more than 5% of aggregate shares in the company.

# LUDHIANA COMMODITIES TRADING SERVICES LIMITED

## 4. RESERVES & SURPLUS

Reserves & Surplus consists of the following reserves :

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
<b>4.1 Securities Premium Account</b>		
Opening Balance	3000.00	3000.00
Add: Addition during the year	0.00	0.00
Less: Utilisation during the year	0.00	0.00
	3000.00	3000.00
<b>4.2 General Reserve</b>		
Opening Balance	1400000.00	1400000.00
Add: Addition during the year	0.00	0.00
Less: Utilisation during the year	0.00	0.00
	1400000.00	1400000.00
<b>4.3 Surplus in statement of Profit &amp; Loss</b>		
Opening Balance	10848581.18	11157584.99
Add: Profit for the year	651743.32	457495.69
Less: Appropriations		
(i) Proposed Dividend	423855.00	635782.50
(ii) Corporate Dividend Tax	0.00	130717.00
	11076469.50	10848581.18
<b>TOTAL</b>	<b>12479469.50</b>	<b>12251581.18</b>

## 5. TRADE PAYABLE

Trade payable consist of the following :-

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
(a) Total outstanding dues of micro enterprises and small enterprises	0.00	0.00
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Advance Payin/Payout - MCX	163243.52	75361.83
- Advance Payin/Payout - NSEL*	116172946.57	116172946.57
- Amount Payable for Pay-in (Exchanges) MCX	230484.00	313869.00
- Amount Payable for Pay-out (Members)	927298.00	1207160.00
- Amount Payable for Pay-out (Members) NSEL*	189289212.12	189289212.12
- Amount payable to NSEL*	289345.97	289345.97
- Brokerage Refundable to members	148879.70	18324.70
- Commodity Transaction Tax	28038.00	3927.00
- D P charges	0.00	625.00
- GST,Service Tax, SBC, KKC on discount of Transaction charges	2.11	0.00
- SEBI Turnover Fees	3619.92	4520.85
- Transaction & Other Charges	222217.59	143139.26
- VAT Payout (Members)*	7041863.62	7041863.62
- Other trade payables	618397.30	587213.00
-Interest refundable to brokers	199208.54	0.00
-Stamp Duty payable to Exchanges	5008.46	0.00

# LUDHIANA COMMODITIES TRADING SERVICES LIMITED

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
<b>Margins From Members</b>		
Additional Base Capital (FDR) - MCX	21076227.00	18337855.00
Additional Base Capital - MCX	19997000.00	16295000.00
Additional Base Capital (Share Pledge)- MCX	716906.42	1108876.81
Additional Base Capital- Mutual Fund	0.00	1648111.68
<b>TOTAL</b>	<b>357129898.84</b>	<b>352537352.41</b>

\* Refer Pt No. 23 in Notes to Accounts

## 6. Other Current Liabilities

Other current liabilities consist of the following :-

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
6.1 Other Payables :-		
6.1.1 Statutory Liabilities :-		
Provident Fund	13804.00	20417.00
T.D.S.	46736.00	46671.00
6.1.2 Cheques Issued but not Presented	185246.17	197727.96
6.1.3 Amount refundable to members (TDS)	55964.00	63861.00
<b>TOTAL</b>	<b>301750.17</b>	<b>328676.96</b>

## 7. Short Term Provisions

Short-term provisions consist of the following :-

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
<b>7.1 Provision for employee benefits</b>		
- Fair value of present obligation of gratuity (Net of Planned Assets)	94080.00	61543.32
<b>7.2 Others</b>		
- Provision for Income Tax	365000.00	225000.00
<b>TOTAL</b>	<b>459080.00</b>	<b>286543.32</b>

Amount (in Rs.)

8. PROPERTY, PLANT & EQUIPMENT

Description	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	Opening Balance As On 01.04.2020	Additions during the Period	Sales/ Transfer/ Write off	Closing Balance As On 31.03.2021	Opening Balance As On 01.04.2020	For the Period during the year	Closing Balance As On 31.03.2021	As On 31.03.2021	AS ON 31.03.2020
<b>(i). Tangible Assets</b>									
Plant & Machinery	319638.00	0.00	0.00	319638.00	295075.72	2829.84	297905.56	21732.44	24562.28
Computers	1820081.14	172000.00	0.00	1992081.14	1723929.43	55157.10	1779086.53	212994.61	96151.71
Furniture & Fixtures	305737.00	0.00	0.00	305737.00	247405.11	14957.94	262363.05	43373.95	58331.89
Office Equipment	35110.16	0.00	0.00	35110.16	28574.69	2824.49	31399.18	3710.98	6535.47
<b>TOTAL</b>	<b>2480566.30</b>	<b>172000.00</b>	<b>0.00</b>	<b>2652566.30</b>	<b>2294984.95</b>	<b>75769.37</b>	<b>2370754.32</b>	<b>281811.98</b>	<b>185581.35</b>
<b>PREVIOUS YEAR</b>	<b>2480566.30</b>	<b>0.00</b>	<b>0.00</b>	<b>2480566.30</b>	<b>2212235.95</b>	<b>82749.00</b>	<b>2294984.95</b>	<b>185581.35</b>	<b>268330.35</b>
<b>(ii). Intangible Assets</b>									
Software	603531.00	0.00	0.00	603531.00	475966.41	69093.99	545060.40	58470.60	127564.59
Membership Rights	500000.00	0.00	0.00	500000.00	250000.00	250000.00	500000.00	0.00	250000.00
<b>TOTAL</b>	<b>1103531.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1103531.00</b>	<b>725966.41</b>	<b>319093.99</b>	<b>1045060.40</b>	<b>58470.60</b>	<b>377564.59</b>
<b>PREVIOUS YEAR</b>	<b>953531.00</b>	<b>150000.00</b>	<b>0.00</b>	<b>1103531.00</b>	<b>433041.25</b>	<b>292925.16</b>	<b>725966.41</b>	<b>377564.59</b>	<b>520489.75</b>
<b>GRAND TOTAL</b>	<b>3584097.30</b>	<b>172000.00</b>	<b>0.00</b>	<b>3756097.30</b>	<b>3020951.36</b>	<b>394863.36</b>	<b>3415814.72</b>	<b>340282.58</b>	<b>563145.94</b>
<b>PREVIOUS YEAR</b>	<b>3434097.30</b>	<b>150000.00</b>	<b>0.00</b>	<b>3584097.30</b>	<b>2645277.20</b>	<b>375674.16</b>	<b>3020951.36</b>	<b>563145.94</b>	<b>788820.10</b>



# LUDHIANA COMMODITIES TRADING SERVICES LIMITED

## 9. Other Non Current Assets

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
9.1 Security Deposits (Unsecured, Considered Good)		
Security deposit with CDSL	10000.00	10000.00
Security deposit with Landlord	5000.00	5000.00
9.2 Bank Balance in deposit with maturity of more than twelve months (refer Annexure 11) *	9250000.00	24750000.00
9.3 Interest accrued on fixed deposits	99145.17	1354544.10
<b>Total</b>	<b>9364145.17</b>	<b>26119544.10</b>

\* Out of above Rs. 92,50,000 given as security to MCX.  
(Prev Year:- Rs. 2,47,50,000 given as security to MCX)

## 10. Trade Receivables

Trade receivables consist of the following :-

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
10.1 Unsecured, considered good unless otherwise stated Amount receivable from exchanges and members		
Outstanding for a period exceeding six months	312980851.92	312980851.92
Others	1362310.78	1683666.16
<b>TOTAL</b>	<b>314343162.70</b>	<b>314664518.08</b>

## 11. Cash & Bank Balances

Cash & bank balances consist of the following :-

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
11.1 Cash and cash equivalents		
11.1.1. Balances with banks		
(a) In Current Accounts		
- Regular Bank accounts	4737376.57	12755689.85
(b) In Deposits Accounts with original maturity less than 3 months		
FDRs given as security to MCX	10000000.00	0.00
11.1.2 Cash in Hand	6829.00	9566.00
	<b>14744205.57</b>	<b>12765255.85</b>

# LUDHIANA COMMODITIES TRADING SERVICES LIMITED

## 11.2 Other Bank balances

### 11.2.1 In deposits accounts with original maturity more than 3 months but upto 12 months

FDRs given as security to MCX	20000000.00	0.00
FDRs given as margin for base minimum capital MCX	750000.00	0.00
FDRs (Pledged for Overdraft facility)*	0.00	4250000.00

<b>20750000.00</b>	<b>4250000.00</b>
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### 11.2.2 In deposits accounts with original maturity more than 12 months

FDRs given as security to MCX	5000000.00	24000000.00
FDRs given as margin for base minimum capital MCX	0.00	750000.00
FDRs (Pledged for Overdraft facility)*	4250000.00	0.00

<b>9250000.00</b>	<b>24750000.00</b>
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<b>Less: Amount disclosed as non-current assets (refer Annexure 9)</b>	<b>9250000.00</b>	<b>24750000.00</b>
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<b>11.2.3 Interest accrued on fixed deposits</b>	<b>3454020.97</b>	<b>366713.30</b>
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<b>TOTAL</b>	<b>38948226.54</b>	<b>17381969.15</b>
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## 12. Short-Term Loans & Advances

Short-term loans & advances consist of the following :-

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
-------------	---------------------	---------------------

### Unsecured, considered good

#### 12.1 Security/Margins with Commodity Exchanges/Depository

Cash Margin collected by MCX	5000000.74	5000000.74
Base Minimum Capital (Cash) MCX	250000.00	250000.00
Security with MCX - FDR (Members)	21076227.00	18337855.00
Security with MCX - Members (Share Pledge)	716906.42	1108876.81
Security with MCX - Mutual Fund	0.00	1648111.68

#### 12.2 Prepaid and recoverable taxes

Income Tax Refundable (A.Y. 2008 -09)	38110.00	38110.00
Income Tax Refundable (A.Y. 2011 -12)	44560.00	44560.00
Income Tax Refundable (A.Y. 2012 -13)	7990.00	7990.00
Income Tax Refundable (A.Y. 2013 -14)	286640.00	286640.00
Income Tax Refundable (A.Y. 2014 -15)	361870.00	361870.00
Income Tax Refundable (A.Y. 2018 -19)	76490.00	76490.00
Income Tax Refundable (A.Y. 2020 -21)	266250.00	0.00
GST Cash ledger	7574.00	22129.00
TDS Receivable (A.Y. 2021-22)	310330.69	498752.70

<b>12.3 Prepaid expenses</b>	<b>24598.67</b>	<b>63923.67</b>
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<b>TOTAL</b>	<b>28467547.52</b>	<b>27745309.60</b>
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# LUDHIANA COMMODITIES TRADING SERVICES LIMITED

## 13. Other current assets

Other current assets consist of the following :-

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Stock of KYC Forms	8328.00	8958.00
Other Advances	40000.00	0.00
<b>TOTAL</b>	<b>48328.00</b>	<b>8958.00</b>

## 14. Revenue from operations

Revenue from operation consist of revenues from :-

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
<b>14.1 Sale of Services</b>		
Transaction Charges Received	4472100.32	6472038.96
<b>14.2 Other Operating Revenues</b>		
CTCL AMC	18000.00	0.00
Sale of KYC forms	750.60	660.00
Share Transfer Fee	10000.00	0.00
SMS Charges	0.00	4020.00
<b>TOTAL</b>	<b>4500850.92</b>	<b>6476718.96</b>

## 15. Other Income

Other income consist of the following :-

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Interest on Deposits(Gross) [TDS :- Rs. 198361.69 Previous Year TDS Rs. 229935.70] (Refer Note 20)	2644819.00	2318209.00
<b>TOTAL</b>	<b>2644819.00</b>	<b>2318209.00</b>

## 16. Cost of Services rendered

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
DP Charges	2875.00	5577.44
KRA Charges	35.00	0.00
Lease line Charges	381813.04	384162.04
Processing Fees	500.00	0.00
Software Maintenance Expenses	217990.00	159899.00
Subscription Charges	279.00	40060.30
Transaction Charges	2777894.22	4314191.10
<b>TOTAL</b>	<b>3381386.26</b>	<b>4903889.88</b>

# LUDHIANA COMMODITIES TRADING SERVICES LIMITED

## 17. Employee Benefit Expense

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Bonus	43680.00	65240.00
Contribution to Provident Fund	56764.00	122237.00
Gratuity	96213.00	-19806.00
Group Insurance	15780.09	22708.00
Leave With Wages	12274.00	44939.00
Salaries - Basic, DA, HRA & Others	758056.00	1125188.00
Salaries - Conveyance Reimbursement	8484.00	99875.00
Salaries - Medical Allowance	0.00	46447.00
<b>TOTAL</b>	<b>991251.09</b>	<b>1506828.00</b>

## 18. Financial Costs

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Bank Charges	118.00	1667.00
<b>TOTAL</b>	<b>118.00</b>	<b>1667.00</b>

## 19. Administrative & General Expenses

Particulars	AS AT 31.03.2021	AS AT 31.03.2020
Advertisement Expenses	0.00	38140.00
Annual Digital Signature Charges	0.00	10000.00
Annual Fees	125000.00	125000.00
<u>Statutory Auditor's Remuneration :-</u>		
- Audit Fees	27000.00	27000.00
Taxation Matters	4000.00	4000.00
Conveyance/ Travelling Charges	22654.00	10168.00
Computer Repair	19264.18	3966.00
Entertainment	7713.00	8986.00
Festival Expenses	9000.00	15550.00
Fees and taxes	5400.00	24648.00
General Expenses	49863.55	21954.50
<u>Internal Audit Expenses</u>		
- Fees	60000.00	100000.00
- Reimbursement of Expenses	3700.00	5800.00
Insurance charges	4721.00	3060.00
Interest on FDR to members	225390.00	0.00
Interest On Tds, Service Tax	0.00	1.00
Legal & Professional charges	410592.00	614180.00
Meeting Expenses	15745.00	58315.00
Postage & Telegram	4563.01	6087.47
Printing & Stationary Expenses	18260.70	27177.80
Rent, Rates & Taxes	233080.00	233090.00
Repair & Maintenance	11000.00	11000.00
Telephone Charges	34655.75	39986.17
<b>TOTAL</b>	<b>1291602.19</b>	<b>1388109.94</b>

# LUDHIANA COMMODITIES TRADING SERVICES LIMITED

## 5(a) Brokerage Refundable as on 31.03.2021

PARTICULARS	AMOUNT
Anand Commodities Services Pvt Ltd	24231.00
Anita Rani	353.70
Krishna Rani	11247.00
Pka Commodities	1736.00
Rj Broking House	1364.00
Sandhya Sood	10124.00
Tejpal Singh Nagpal	67.00
Shree Krishna Commodity Services	99757.00
<b>TOTAL</b>	<b>148879.70</b>

## 5(b) Other Trade Payables as on 31.03.2021

PARTICULARS	AMOUNT
63 Moon Technologies Ltd	113412.00
Bhakoo & Associates	28675.00
Bharti Airtel Ltd	386.00
Bonus Payable	43680.00
CdSI Vetures Ltd	41.30
Leave With Wages Payable	41715.00
Lease line charges Payable	69000.00
S.C. Vasudeva & Co	22753.00
S.C.V & Co LLP	298500.00
Vodafone Limited	235.00
<b>TOTAL</b>	<b>618397.30</b>

## 10. Trade Receivables as on 31.03.2021

PARTICULARS	TOTAL AMOUNT	LESS THAN 6 MONTHS	FOR A PERIOD EXCEEDING 6 MONTHS
<b>10.1 Unsecured, considered good</b>			
<b>Amount receivable from exchanges and members</b>			
Amit Dhir	1145.00	0.00	1145.00
Amount Receivable For Pay-in (Members)	230484.00	230484.00	0.00
Amount Receivable For Pay-out (Exchanges)	927298.00	927298.00	0.00
Amount Receivable For Pay-out (Members) NSEL*	302695430.68	0.00	302695430.68
Commodity Transaction Tax recoverable	28038.00	28038.00	0.00
Delivery Charges Receivable*	289345.97	0.00	289345.97
MCX India Ltd	21065.00	21065.00	0.00
NLM Capital Services Ltd	1145.00	0.00	1145.00
Satish Bansal As Karta Satish Bansal Huf	1145.00	0.00	1145.00
Security/ TDS Receivable- NSEL *	181801.44	0.00	181801.44
Transaction & Other Charges Recoverable from Members	155425.78	155425.78	0.00
Vanit Sakuja & Shubh Lata Sakuja	2247.20	0.00	2247.20
Vat - Pay Out NSEL *	9808591.63	0.00	9808591.63
<b>TOTAL</b>	<b>314343162.70</b>	<b>1362310.78</b>	<b>312980851.92</b>

\*Refer Note 23

**10.2 Transaction & Other Charges Recoverable from Members as on 31.03.2021**

<b>PARTICULARS</b>	<b>AMOUNT</b>
CGST Recoverable from Members	3163.81
Transaction Charges Recoverable (MCX)	35153.28
SGST Recoverable from Members	3163.81
SEBI Turnover fees Recoverable	265.42
Processing Fees Recoverable	2000.00
ODIN CTCL AMC Receivable from Members	76636.00
DIET CTCL Charges Receivable	30000.00
KRA charges Receivable	35.00
Stamp Duty Recoverable from Members	5008.46
<b>TOTAL</b>	<b>155425.78</b>

**12.3 Prepaid Expenses as on 31.03.2021**

<b>PARTICULARS</b>	<b>AMOUNT</b>
Prepaid Employee group insurance	2431.00
Prepaid Expenses	14307.00
Prepaid insurance charges	1194.00
Prepaid Leaseline Charges	6666.67
<b>TOTAL</b>	<b>24598.67</b>



**20. Interest on Fixed Deposits (FDRs)**

The company has deposited Fixed Deposits (FDRs) with Commodity Exchanges as Security Deposit. Interest on these FDRs have been booked as Income on accrual basis.

The company also receives FDRs from members towards Margins. These FDRs are made in name of the company and are submitted to Commodity exchanges as security. Since these FDRs are in name of company, the interest is received by company and shown as income by the income in Schedule of Other Income. The company pays the interest received to the AP/Clients. The interest paid to AP/Clients has been shown as an expense in Schedule of Administration & General Expenses. During the year the interest related to FDRs of AP/Clients amounts to Rs. 225390.00. The company has also deducted TDS of Rs. 16904.00 on the interest paid to the AP/ Clients.

**21. Current Assets and Loans and Advances**

- |      |  |     |
|------|--|-----|
| (i)  | Debts due from directors and officers of the company   | NIL |
| (ii) | Debts due from firms and private companies in which any of the Director is partner or director or member | NIL |

**22.** In the opinion of Board of Directors, the current assets, loans and advances have value on realization in ordinary course of business at least equal to the amount at which they are stated except as stated in para 23.

**23. National Spot Exchange Ltd (NSEL) related balances**

The balances related to NSEL are categorized in two types:-

**(a) Accounts in relation to trade carried out by brokers**

The members of exchange in their ordinary course of business traded with NSEL with LCTSL (M/s Ludhiana Commodities Trading Services Ltd.) acting as intermediary LCTSL facilities payments as per regular payouts and maintains separate ledger accounts for amount receivable/due to exchanges and corresponding amounts receivable/due to members. NSEL has failed to meet its contractual obligations of regular payouts, has ceased trading operations and the matter is being investigated by government. As a result, there is amount recoverable from exchange and corresponding amount is payable to members wherein LCTSL has merely acted as an intermediary. Since these receivables from NSEL are actually dues of members from NSEL with LCTSL acting as intermediary only, no provision is required to made by LCTSL on such receivable from NSEL.

**(b) Accounts in relation to other sums recoverable/payable by LCTSL on its own account**

LCTSL has given a sum of Rs. 2,50,000 as security and Rs. 10,50,000 as cash margin (Against Rs. 9,26,300 collected from members) to NSEL. Another sum of Rs. 34,694.57 is receivable from NSEL on account of TDS deducted on transaction charges. A sum of Rs. 2,26,593.13 on account of C & F charges is payable to NSEL. Therefore after inter adjustment, of these amounts, an amount of Rs. 1,81,801.44 remains recoverable from NSEL which is shown in Balance Sheet under Trade Receivables.

**24. Information pursuant to Micro, Small or Medium Enterprises Development Act, 2006**

There is no principal and interest unpaid to Micro, Small and Medium Enterprises registered under the Act as on Balance Sheet date. All the payments to these enterprises have been made within the appointed date and there is no interest due and unpaid to these enterprises under the provisions of said Act.

**25. Disclosures pursuant to Accounting Standards AS-18 i.e. Related Party Disclosures**

- |      |  |
|------|--|
| (i)  | Key Management Personnel   |
|      | Transactions with key management personnel are as under:- NIL (Previous Year :- NIL)   |
| (ii) | Relative of Key Management Personnel (KMP)/Enterprise over which key management personnel and their relatives are able to exercise significant influence and with which transactions have occurred during the year: - NIL (Previous year: NIL) |

## LUDHIANA COMMODITIES TRADING SERVICES LIMITED

26. The Basic Earning Per Share as per AS- 20 issued by Institute of Chartered Accountants of India is as under:-

S. No	PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
1.	Weighted Average Number of Equity Shares of Rs. 10 each outstanding during the year (No.)	2119275.00	2119275.00
2.	Profit/(Loss) for the year attributable to equity shareholders (Rs)	651743.32	457495.69
3.	Earning per share (Basic) in Rs.	0.31	0.22

27. The details of Deferred Tax in accordance with Accounting Standard –22 issued by Institute of Chartered Accountants of India are as under:-

S. No	PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
1.	Deferred Tax Asset/ (Liability) on account of timing differences due to depreciation as per Income Tax Act, 1961 and Companies Act, 2013.	30406.00	55038.00
2.	Deferred Tax Asset/ (Liability) on account of timing differences due to allowability of bonus and leave with wages u/s 43B Income Tax Act, 1961.	8696.00	33185.00
3.	Deferred Tax Asset/ (Liability) on account of timing differences due to allowability of gratuity u/s 40A(7) Income Tax Act, 1961.	12154.00	25236.00
	<b>Total</b>	<b>51256.00</b>	<b>113459.00</b>

28. The company has made assessment regarding impairment of assets as on Balance Sheet date based on indications and information available and in accordance with AS-28 issued by Institute of Chartered Accountants of India. Based on such assessment, it has been ascertained that no potential loss is present and therefore formal estimate of recoverable amount has not been made. Accordingly, no impairment has been provided for in books of accounts.

29. Information pursuant to Schedule III of Companies Act, 2013

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
CIF Value of Imports	Nil	Nil
Expenditure in Foreign Currency on account of royalty, know how, professional consultation fees, interest and other matters	Nil	Nil
Value of all raw material, spare parts and components consumed during the year:	Nil	Nil
(i) Imported		
(ii) Indigenous		
Amount remitted on account of dividends	Nil	Nil
Earnings in Foreign Exchange	Nil	Nil

# LUDHIANA COMMODITIES TRADING SERVICES LIMITED

## 30. Employee Benefits

The summarized position of post-employment benefits and long term employee benefits recognized in the statement of profit and loss and balance sheet as required in accordance with Accounting Standard-15 Employee Benefits are under:-

### Gratuity

#### (a) Changes in the present value of obligations:

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Present value obligation as at the beginning of the year	283658.00	288442.00
Interest Cost	19856.00	21633.00
Current Service Cost	33290.00	38789.00
Benefits Paid	(137446.00)	NIL
Actual Loss/(Gain) on obligations	53298.00	(65206.00)
Present Value obligation as at close of the year	252656.00	283658.00

#### (b) Changes in Present Value of Plan Asset:

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Fair Value of Plan Asset as at the beginning of the year	222114.30	207092.68
Expected return on Plan Assets	10230.36	15021.60
Contributions	63677.54	Nil
Withdrawals/Benefits paid	(137446.00)	Nil
Actual Loss/(Gain) on Plan Assets	Nil	Nil
Fair Value of Plan Assets as at close of the year	158576.00	222114.30

#### (c) Amount recognized in Balance Sheet

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Present Value obligation as at close of the year	252656.00	207092.68
Fair Value of Plan Assets as at close of the year	158576.00	222114.30
Funded Status	(94080.00)	(61543.70)
Net Assets/(Liability) recognized in Balance Sheet	(94080.00)	(61543.70)

#### (d) Expenses Recognized in Statement of Profit and Loss:

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Current Service Cost	33290.00	38789.00
Interest Cost	19856.00	21633.00
Expected return on Plan Assets	(10230.36)	(15021.60)
Net Actuarial Loss/(gain) recognized in the year	53298.00	(65206.00)
Expenses recognized in Statement of profit and loss	96213.00	(19806.00)

#### (e) Principal actuarial assumptions:

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Discount Rate (per annum)	7.25 %	7.25 %
Rate of increase in compensation levels (per annum)	7.00 %	7.00 %
Rate of return on plan assets (per annum)	7.93 %	7.93 %
Expected Average remaining working lives of employees (years)	21.67 years	22.67 years
Method used	Projected Unit Credit Method	Projected Unit Credit Method

## LUDHIANA COMMODITIES TRADING SERVICES LIMITED

- (f) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in employee market.
- (h) The plan assets are maintained with Life Insurance Corporation of India (LIC). The details of Investments maintained by LIC have not been furnished to the company. The same have therefore not been disclosed

### EPF

- (g) During the year, the company has recognized an expense of Rs. 56764.00 (previous year Rs. 122237.00) in respect of contribution to Employee Provident Fund.
31. The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 1956/ Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.
32. Previous year figures have been regrouped wherever required to bring them in uniformity with current year figures.

### SUBJECT TO OUR SEPARATE AUDIT REPORT OF EVEN DATE

FOR BHAKOO & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN-014391N

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-  
(AMIT BANSAL)  
(PARTNER)  
(M.No. 502011)

Sd/-  
TRIBHAWAN SINGH THAPAR  
CHAIRMAN  
DIN: 00494576

Sd/-  
DHEERAJ GHAI  
VICE-CHAIRMAN  
DIN: 02832228

PLACE : LUDHIANA  
DATE : 26-08-2021  
UDIN: 21502011AAAACJ1736

Sd/-  
(JASWINDER SINGH)  
ACCOUNTS EXECUTIVE

# LUDHIANA COMMODITIES TRADING SERVICES LIMITED

CIN- U74999CH2003PLC026455

Registered office:- SCO 142-143, 4th Floor, Cabin No . 111, Sector 34-A, Chandigarh - 160022.

Corporate Office: - First Floor, LSE Building , Feroze Gandhi Market , Ludhiana - 141001

Tel:- 0172-5065459, Email:- lsecommodities@gmail.com

Website:- www.ludhianacommodities.com

## ATTENDANCE SLIP

**18th Annual General Meeting, Friday, 24th September, 2021 at 5.00 p.m**

Name and Address of the Shareholder : \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Name of the Joint Shareholder ( s) if any : \_\_\_\_\_

Regd. Folio No . \_\_\_\_\_ DP ID . \_\_\_\_\_ Client ID . \_\_\_\_\_

No. of Shares held : \_\_\_\_\_

Name of Proxy/ Representative, if any : \_\_\_\_\_

I/We hereby record my/our presence at the 18<sup>th</sup> Annual General Meeting held on **Friday, the 24<sup>th</sup> day of September, 2021 at 5.00 p.m** at Registered Office of the Company at SCO 142-143, 4th Floor, Cabin No. 111, Sector 34A, Chandigarh-160022

\_\_\_\_\_  
Member's / Proxy's Name  
( Block Letters)

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

### Notes:

- i) Members/Proxy holders are requested to produce the attendance slip duly signed for admission to the meeting hall.
- ii) Members are requested to bring their copy of Annual Report.





**Form No. MGT-11**  
**PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the  
Companies (Management and Administration) Rules 2014)

**LUDHIANA COMMODITIES TRADING SERVICES LIMITED**

**CIN-U74999CH2003PLC026455**

Registered Office : SCO 142-143, 4th Floor, Cabin No. 111, Sector 34-A, Chandigarh - 160 002

Name of the member(s):	E-mail Id:
Registered Address:	Folio No/ DP and Client ID:

I/We, being the member(s) of **LUDHIANA COMMODITIES TRADING SERVICES LIMITED**, hereby appoint:

1. Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail id \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

2. Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail id \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

3. Name \_\_\_\_\_

Address \_\_\_\_\_

E-mail id \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

as my/our proxy to attend and vote for me/us on my/our behalf at the **18<sup>th</sup> Annual General Meeting of the Company to be held on Friday, the 24th day of September, 2021 at 5.00 p.m at Registered Office of the Company at SCO 142-143, 4th Floor, Cabin No. 111, Sector 34A, Chandigarh-160022**, and at any adjournment thereof in respect of below mentioned resolutions.

I/We wish my/our above proxy to vote in the manner as indicated in the box below:

Sr. No.	Ordinary Resolution	For	Against
1.	To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31.03.2021 together with Reports of the Board and Auditors of the Company thereon.		
2.	To Declare Dividend on Equity Shares.		
3.	To appoint a Director in place of Sh. Arjan Dass Goyal (DIN: 00467327) who retires by rotation and being eligible, offers himself for re-appointment.		
4.	To appoint a Director in place of Sh. Rajan Bedi (DIN: 02834734) who retires by rotation and being eligible, offers himself for re- appointment.		
5.	To appoint a Director in place of Sh. Hari Krishan Punni (DIN: 01478782) who retires by rotation and being eligible, offers himself for re- appointment.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

Affix  
Revenue  
Stamp

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of Proxy Holder (s)

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Appointing a proxy does not prevent a member from attending the meeting in person.
4. This is optional. Please put a '✓' in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in any manner as he/she thinks appropriate.

# **NOTES**

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