

Directors report to the members of Gajanan Securities Services Limited

Your Directors present the Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2012

FINANCIAL RESULTS

During the year under review the Company has a Net Loss of ₹ 399,629/- , which has been carried over to the balance sheet.

DIVIDEND

Due to loss during the year, your directors are unable to propose any dividend.

AUDITORS REPORT

The observation of the Auditors and notes on accounts are self- explanatory and has been suitably dealt with in Notes.

AUDITORS

M/s. P.K.C & Co. of 5, Motisil Street, 4th Floor, Room No. 30, Kolkata - 700 013, were appointed as auditors of the company. They are eligible for re-appointment.

PARTICULARS OF EMPLOYEES

None of the employees of the Company is drawing remuneration in excess of the limit prescribed under section 217(2A) of the Companies Act, 1956 read together with the Companies (Particulars of Employees) amended Rules, 1988 during the year under review.

COMPLIANCE CERTIFICATE

Pursuant to section 38(3A) of the Companies (Amendment) Act, 2000, Compliance Certificate obtained from whole time secretary is enclosed.

DIRECTORS RESPONSIBILITY STATEMENT

Your directors confirm:

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to materials departures.
2. That 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 profit & loss Account of the company for that period.

Directors report to the members of Gajanan Securities Services Limited

3. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records with the provision of the Companies Act, 1956 for safeguarding the assets of the company and for the preventing and detecting fraud and other irregularities.
4. That the annual accounts have been prepared on a going concern basis.

OTHER PARTICULARS

The provisions of the Companies Act, 1956 relating to employees, conservation of resources, foreign exchange and outflows are not applicable to the Company for the period under review.

ACKNOWLEDGEMENT

Your Directors thank and deeply acknowledge the co-operation and assistance received from the Company's Bankers providing their wholehearted co-operation and assistance. The Directors also express their deep appreciation for the dedicated and sincere services rendered by the officers and other employees of the Company.

**Place: 9/12, Lal Bazar Street
3rd Floor, Block - A
Kolkata - 700 001**

On behalf of the Board

Date: 30th May 2012

Director

Corporate Governance Report

In compliance with corporate governance requirement as per the format prescribed by SEBI and incorporated under clause 49 of the Listing Agreement with the Stock Exchanges, the company's policies on Corporate Governance and compliance thereof in respect of specified areas, as applicable for the year ended 31st March, 2012, are set out below for the information of shareholders and investors of the company.

PHILOSOPHY ON CORPORATE GOVERNANCE

Effective Corporate Governance has always been an integral part of Gajanan Securities Services Limited business philosophy. The Company believes in transparency and in the shareholder's right to information. The Company considers important the matter of Corporate Governance, in order to bring in transparency and to increase the stakeholders' wealth.

BOARD OF DIRECTORS

Composition of the Board

The Board of directors of the Company Consist of three Directors including Executive and Non-Executive Directors.

The Composition of the Board of Directors is as Follows:

S.L. No.	Name of Directors	Executive/ Non-Executive	No. Of others		
			Directorship	Committee++ Chairperson	Member
1.	Sri Natwar Lal Bedia	Non- Executive	----	----	----
2.	Smt. Archana Bedia	Non- Executive	----	----	----
3.	Sri Sita Ram Bedia	Non- Executive	----	----	----

+ Excluding Directorship held in Private Limited Companies/ Foreign Companies and Companies incorporated under sec. 25 of the Companies Act, 1956.

++ Represents Chairmanship / Membership of the Shareholder's/ Investors Grievance Committee of other Companies.

Change in the Composition of the Board of Directors since last Annual General Meeting.

No change in the Composition of the Board of Directors Since last Annual General Meeting.

Details of sitting fee, remuneration etc paid to Directors of the Company.

None of the Managing Director/ Directors of the Company withdraws any remuneration during the financial year 2011-2012.

Board Meeting held in the financial year 2011-2012 and attendance of the Directors.

Corporate Governance Report

The Board meets at least once in a quarter to consider the quarterly performance of the Company, financial results and other businesses during the year under review.

Board meeting was held on the following dates: - 12th April 2011, 25th July 2011, 18th October 2011, 10th January 2012, and 28th March 2012.

Attendance of the each Director at Board of Directors Meeting and the last Annual General Meeting.

Director	No. Of Meetings	Attendance at last AGM held
Sri Natwar Lal Bedia	5	Yes
Smt. Archana Bedia	5	Yes
Sri Sita Ram Bedia	5	Yes

Directors interest in the Company

Sri Natwar Lal Bedia, Sri Sita Ram Bedia, Smt. Archana Bedia are related with each other. None of the Director received any Loan and Advances from the Company during the Year.

COMMITTEE OF DIRECTORS

Audit Committee.

The Company has an Audit Committee Comprising of three members. The Chairman of the Committee is Sri Natwar Lal Bedia with Smt. Archana Bedia and Sri Sita Ram Bedia as its members.

Brief Description of the terms of reference:

The functioning and term of reference of the Audit Committee are as prescribed under Section 292A of the Companies Act, 1956 and the Listing Agreement with the Stock Exchange including their role, power and duties, quorum of meeting and frequency of meetings.

- a. To review financial statement.
- b. To advise the Board on the impact of accounting policies, accounting standards and legislation.
- c. To hold periodical discussion with statutory auditors on the scope and content of the audit.
- d. To review the Company's financial and risk management policies.

Four meetings of the Audit Committee were held during the year. All the members attended all the meetings.

Share Transfer and Investors Grievance Committee.

The Board has set up a Committee under the Chairmanship of Non-Executive Director to periodically look into the shareholder issues including share transfer and redressed of Complaints. The Committee has no Complaints pending for redressal.

Corporate Governance Report

The Committee consists of Sri Natwar Lal Bedia, Sri Sita Ram Bedia, and Smt. Archana Bedia.

Committee Remuneration

The Company has no any Managing Director and Directors on the Board, who is withdrawing remuneration during the year. In view of this, no remuneration committee was constituted.

GENERAL BODY MEETING

The last three Annual General Meeting of the Company were held at the registered office of the Company on September 30, 2011, July 12, 2010 and September 26, 2009.

DISCLOSURES

Disclosure on Materially Significant related party transactions.

There were no materially significant related party transactions during the year ended 31st March 2012, having conflicts with the interests of the Company.

Details of Non Compliance by the Company, Penalties and Stricture imposed on the Company by the Stock Exchanges, SEBI or statutory authorities on any matter related to capital market.

The Company has complied with all requirements of the listing agreement with the stock exchanges as well as regulations and guidelines of SEBI.

MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record un-audited financial results within one month of the close of every quarter and announces forthwith the results to stock exchange in the format prescribed by SEBI.

GENERAL SHAREHOLDERS INFORMATION

AGM

Date, Time and Venue: September 29, 2012 at 10 A.M at 9/12, Lal Bazar Street, Mercantile Building, 'A' Block, 3rd floor, Kolkata-700 001.

Financial Calendar

The Company follows April- March as its financial Year.

Date of Book Closure

25th September, 2012 to 29th September 2012. (Both days inclusive)

Corporate Governance Report

Dividend

No dividend was declared during the financial year.

Listing on Stock Exchanges

- The Calcutta Stock Exchange Association Limited
7, Lyons Range,
Kolkata-700 001.
- The Delhi Stock Exchange Association Limited
DSE House, 3/1, Asaf Ali Road
New Delhi-110 002.
- The Stock Exchange, Ahmedabad
Kamdhenu Complex,
Panjara Pole,
Ahmedabad- 380 015.

Stock Code

The Calcutta Stock Exchange: *GAJSEC*

Market Price Data

No transaction has taken place during the year.

Registrar and Transfer Agent

Maheshwari Data Matics Private Limited.
6, Mangoe Lane,
Kolkata-700 001.

Share transfer system

As per SEBI Circular No- D&CC/FITTC/CIR/15/2002, dated 27th December 2002, Maheshwari Data Matics Private Limited, 6 Mangoe Lane, Kolkata-700 001, has been appointed as Registrar for shares held in Physical as well as demat mode.

Corporate Governance Report

Distribution of shareholding as on 31st March 2012.

<u>Range</u>	<u>Shares</u>	<u>Folis</u>	<u>% Shares</u>	<u>% Folis</u>
1- 500	71100	143	2.29	49.82
501- 1000	58900	67	1.90	23.34
1001-3000	20400	10	0.66	3.48
3001-5000	104900	28	3.38	9.76
5001-10000	30000	4	0.97	1.39
10001-50000	603900	21	19.47	7.31
50001-100000	474000	5	15.28	1.75
And above	1738800	9	56.05	3.15

Dematerialization of Shares and Liquidity

ISIN No- INE 868G01019.

The Companies has been admitted for Dematerialization with both the Depository via National Securities & Depository Limited (NSDL) and Central Depository Services Limited (CDSL)

Plant Location

The Company has no Plant of its own.

Investors Correspondence

For Correspondence, Queries and Suggestions, investors can write at the registered office of the company:

GAJANAN SECURITIES SERVICES LTD.

Mercantile Building

9/12, Lal Bazar Street,

3rd floor, Kolkata - 700 001

Place: 9/12, Lal Bazar Street
3rd Floor, Block - A
Kolkata - 700 001

On behalf of the Board

Date: 30th May 2012

Chairman.

Independent auditors' report to the members of Gajanan Securities Services Limited

Report on the financial statements

We have audited the accompanying financial statements of Gajanan Securities Services Limited (the company), which comprise the balance sheet as at 31 March 2012, and the statement of profit and loss 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 principles generally accepted in India, including accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements *subject to Note No. 1(c) regarding valuation of inventories at cost amounting to higher valuation by Rs. 206,894/- and overstating the profit by such amount*, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. In the case of the balance sheet, of the state of affairs of the company as at 31 March 2012,
- 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.

Independent auditors' report to the members of Gajanan Securities Services Limited

Report on other legal and regulatory requirements

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

2. As required by section 227(3) of the Act, we report that:

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

b. In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books.

c. The balance sheet, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account.

d. In our opinion, the balance sheet, statement of profit and loss, and cash flow statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.

e. On the basis of written representations received from the directors as on 31 March 2012, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2012, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For P.K.C & Co.

Firm registration number: 322332E

Chartered Accountants

(CA P K Chuodhary)

Proprietor

Membership no.: 055177

Place: Kolkata

Date: 30th May 2012

Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Gajanan Securities Services Limited (the company)

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

(b) All fixed assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.

(c) There was no disposal of a substantial part of fixed assets during the year.
2. (a) The management has conducted physical verification of inventory at reasonable intervals during the year.

(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.

(c) In our opinion and according to the information given to us, the Company is maintaining proper records of inventory. As per the management during verification, there were no material discrepancies noticed between physical stock and the book records during normal course of business, minor discrepancies observed were duly adjusted in books of accounts.
3. In our opinion and according to the information given to us, the company has not taken/given any loan from/to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase and sales. During the course of our audit, we have not observed any continuing failure or major weakness in internal controls.
5. In our opinion and according to the information and explanations given to us there were no transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956.
6. In our opinion and according to the information and explanation given to us, the company has not accepted any public deposits as per the provisions of Section 58A and 58AA of the Companies (Acceptance of Deposits) Rules, 1976 with regard to the deposits accepted from the public.

Independent auditors' report to the members of Gajanan Securities Services Limited

7. In our opinion, the internal audit functions carried out during the year by the Internal Audit department appointed by the management have been commensurate with the size of the Company and the nature of its business.
8. The provisions of section 209(1)(d) of the Companies Act, 1956 are not applicable to the company.
9. (a) According to the information and explanation given to us, the Company is generally regular in depositing with appropriate authorities the statutory dues including Provident Fund, Investor education and Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise duty, Service Tax, Cess and other Statutory dues applicable to it.

(b) According to the information and explanation given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Custom Duty, Excise Duty, Service Tax and Cess were in arrears, as at 31st March 2012 for a period of more than six months from the date they become payable
10. The accumulated losses of the company are not more than fifty percent of its net worth. The Company has incurred cash losses during the financial year covered by our audit and the financial year immediately preceding such financial year also;
11. In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
12. According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
13. In our opinion, the company is not a chit fund or a nidhi mutual benefit fund / society. Therefore the provisions of clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
14. In respect of dealing or trading in shares, securities, debentures and other investments, proper records have been maintained of the transaction and contracts and timely entries have been made therein. Shares, securities, debentures and other investments are held in the company's name to the extent of the exemption granted under section 49 of the Act.
15. In our opinion, the Company has not given any guarantees for loans taken by others from bank or financial institutions.
16. In our opinion, the Company has not availed term loans.
17. According to the information and explanation given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term

Independent auditors' report to the members of Gajanan Securities Services Limited

basis have been used for long-term assets. No long-term funds have been used to finance short-term assets.

18. According to information and explanation given to us, during the period covered by our audit report, the company has not made preferential allotment of shares to parties and companies covered in the register as maintained under section 301 of the companies Act, 1956.
19. According to the information and explanation given to us the company has not issued any debentures.
20. During the period covered by our audit report the company has not raised funds by way of public issues.
21. To the best of our knowledge and belief and according to the information and explanation given to us, no fraud on or by company has been noticed or reported during the course of our audit.

For P.K.C & Co.

Firm registration number: 322332E

Chartered Accountants

(CA P K Chuodhary)

Proprietor

Membership no.: 055177

Place: Kolkata

Date: 30th May 2012

Auditor's Certificate on Corporate Governance

To the members of Gajanan Securities Services Ltd.

We have examined the compliance of conditions of corporate governance by Gajanan Securities Services Ltd. for the year ended 31st March 2012 as stipulated in Clause 49 of the Listing Agreement of the said company with the stock exchange.

The Compliance of conditions of corporate governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the company to ensure the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement, except non-submissions of the unaudited/audited financial results & compliance results to stock exchange and non-publication of unaudited/audited financial results in newspaper.

Based on the report given by the company's Registrar and Share Transfer Agents to the Shareholders Committee, we state that no investors' grievance matters are pending for a period exceeding one month, against the company.

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

For P.K.C & Co.

Firm registration number: 322332E

Chartered Accountants

(CA P K Choudhary)

Proprietor

Membership no.: 055177

Place: Kolkata

Date: 30th May 2012

Gajanan Securities Services Limited

Statement of Profit and Loss for the year ended 31st March 2012

	Notes	31st March 2012 Rs.	31st March 2011 Rs.
Income			
Revenue from operations	12	2,044,588	8,278,134
Other income	13	22,912	25,114
Total revenue (I)		2,067,500	8,303,248
Expenses			
Purchase of traded goods (Shares & Securities)		961,944	8,546,466
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	14	1,351,265	(508,464)
Employee benefits expense	15	48,000	207,000
Other expenses	16	104,457	184,359
Depreciation	17	1,463	1,830
Total (II)		2,467,129	8,431,191
Profit/(loss) for the year before tax		(399,629)	(127,944)
Tax Expense		-	-
Profit/(loss) for the year after tax		(399,629)	(127,944)

Earnings per equity share [nominal value of share Rs.10(31 March 2011: Rs.10)]

(0.13)

(0.04)

Summary of significant accounting policies and additional notes to accounts

1

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

As per our report of even date

For P.K.C. & Co.

Firm registration number: 322332E

Chartered Accountants

For and on behalf of the board of directors
of Gajanan Securities Services Limited

Sd/-

Sd/-

Sd/-

Natwar Lal Bedia

Archana Bedia

P.K.Choudhary

Proprietor

Membership no.: 055177

Place: Kolkata

Date: 30th May 2012

Gajanan Securities Services Limited

Notes to financial statements for the year ended 31st March 2012

1. Significant accounting policies & additional notes to accounts

a) Accounting Convention:

- The accounts have been prepared on historical cost basis and on the accounting principles of a going concern.
- Accounting policies not specifically referred to otherwise are consistent and in accordance with the generally accepted accounting policies.
- The Company is following mercantile basis consistently.

b) Fixed Assets:

Fixed Assets have been stated at cost less depreciation.

c) Inventories:

Company is engaged in the business of broking/dealing in shares & securities. The inventory includes quoted as well as unquoted shares. The inventory have been valued by the company at cost instead of lower of cost or net realizable value as prescribed by AS 2. The valuation of inventory has been taken, valued and certified by the directors. Due to the above, the valuation of inventory is higher by Rs. 206,894/- and the net profit is overstated by the same amount.

d) Depreciation on Fixed Assets:

Depreciation on Fixed Assets has been provided for on Written Down Value method as per the rates prescribed in Schedule XIV of the Companies Act, 1956.

e) Revenue Recognition:

Income & Expenditures are recognised on accrual basis.

f) Investments:

Non current investments(long term) are stated at cost.

g) Provision for taxation:

The company during the year has suffered losses, so the question of provision for taxation does not arise.

h) Upto the year ended 31st March 2011, the company was using pre-revised Schedule VI to the Companies Act 1956, for preparation of its Financial Statements. For the year ended 31st March 2012, the revised schedule VI notified under the Companies Act 1956, has become applicable to the Company. The Company has reclassified previous year figures to conform to this year's classification.

i) Considering the reasonable certainty required under AS 22 and greater prudence, the recognition of deferred tax has not been done as the company has brought forward of losses and there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

2. Share Capital

	31st March 2012 Rs.	31st March 2011 Rs.
Authorised Shares		
5000000 Equity Shares of Rs. 10/- each.	50,000,000	50,000,000
Issued,Subscribed & Fully Paid up shares		
3102000(31 March 2011:3102000)equity shares of Rs. 10/- each	31,020,000	31,020,000
Less: Calls unpaid	7,697,500	7,697,500
	23,322,500	23,322,500

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	31st March 2012		31st March 2011	
	No.	Rs.	No.	Rs.
At the beginning of the period	3,102,000	31,020,000	3,102,000	31,020,000
Allotted during the year	-	-	-	-
Outstanding at the end of the period	3,102,000	31,020,000	3,102,000	31,020,000

b. Details of shareholders holding more than 5% shares in the company

	31st March 2012		31st March 2011	
	No.	% holding in the class	No.	% holding in the class
Natwar Lal Bedia	400,000	12.89	400,000	12.89
Archana Bedia	300,000	9.67	300,000	9.67
Sitaram Bedia	156,000	5.03	156,000	5.03
Devika Fin-Vest & Stocks Pvt Ltd	182,800	5.89	182,800	5.89
Siddhanth Trade & Finance Pvt Ltd	182,800	5.89	182,800	5.89

Gajanan Securities Services Limited

Notes to financial statements for the year ended 31st March 2012

3. Reserves & Surplus

	31st March 2012	31st March 2011
	Rs.	Rs.
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	(2,512,373)	(2,384,429)
Surplus/(deficit) for the year	(399,629)	(127,944)
Net surplus/(deficit) in the statement of profit and loss	(2,912,002)	(2,512,373)

4. Trade payables

	31st March 2012	31st March 2011
	Rs.	Rs.
Trade payables	17,673	3,309
	17,673	3,309

5. Other current liabilities

	31st March 2012	31st March 2011
	Rs.	Rs.
Subscription payable	50,000	50,000
Filing fees	1,500	-
Advance from Party	70,000	-
	121,500	50,000

6. Tangible assets

	Air	Computers	EPABX	Total
	Conditioner			
Cost or valuation				
At 1 April 2011	25,000	89,587	39,500	154,087
Additions	-	-	-	-
At 31 March 2012	25,000	89,587	39,500	154,087
Depreciation				
At 1 April 2011	21,772	88,942	34,062	144,776
Charge for the year	449	258	756	1,463
At 31 March 2012	22,221	89,200	34,818	146,240
Net Block				
At 31 March 2011	3,228	645	5,438	9,311
At 31 March 2012	2,779	387	4,682	7,847

7. Non-current investments

	31st March 2012	31st March 2011
	Rs.	Rs.
Non-trade investments (valued at cost unless stated otherwise)		
Investment in equity instruments (unquoted)		
ATI plantations Pvt. Ltd.(2500 shares of ₹ 10 each)	100,000	100,000
Deepakar sales Pvt. Ltd.(18000 shares of ₹ 10 each)	720,000	720,000
Jaganath Transport Corp Pvt. Ltd.(4000 shares of ₹ 10 each)	800,000	800,000
Umbrella Tie-up Pvt. Ltd.(17500 shares of ₹ 10 each)	700,204	700,204
Bhawani Fright & Forwarder Pvt. Ltd.(18500 shares of ₹ 10 each)	740,000	740,000
Rajeen Trading Pvt. Ltd.(20000 shares of ₹ 10 each)	800,000	800,000
Rashmi Ispat Pvt. Ltd.(4000 shares of ₹ 10 each)	2,000,000	2,000,000
	5,860,204	5,860,204

8. Long term loans and advances

	31st March 2012	31st March 2011
	Rs.	Rs.
Security Deposit		
Unsecured, considered good	903,000	903,000
	903,000	903,000

Gajanan Securities Services Limited

Notes to financial statements for the year ended 31st March 2012

9. Trade Receivables

31st March 2012	31st March 2011
-----------------	-----------------

	Rs.	Rs.
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	2,179,294	1,532,346
Other receivables		
Unsecured, considered good	1,020,422	620,496
Total	3,199,716	2,152,842

10. Inventories (valued at cost)		
	31st March 2012	31st March 2011
	Rs.	Rs.
Traded shares & securities	10,453,810	11,805,075
	10,453,810	11,805,075

11. Cash and cash equivalents		
	31st March 2012	31st March 2011
	Rs.	Rs.
Balances with banks	42,606	5,912
Cash on hand	82,488	127,093
	125,094	133,005

12. Revenue from operations		
	31st March 2012	31st March 2011
	Rs.	Rs.
Sale of shares	2,043,744	8,210,318
F & O Trading	-	67,816
Speculation Profit	845	-
	2,044,588	8,278,134

13. Other Income		
	31st March 2012	31st March 2011
	Rs.	Rs.
Dividend	22,912	25,114
	22,912	25,114

14. (Increase)/decrease in inventories		
	31st March 2012	31st March 2011
	Rs.	Rs.
Inventories at the end of the year		
Traded shares & securities	10,453,810	11,805,075
	10,453,810	11,805,075
Inventories at the beginning of the year		
Traded shares & securities	11,805,075	11,296,611
	11,805,075	11,296,611
	1,351,265	(508,464)

15. Employee benefit expense		
	31st March 2012	31st March 2011
	Rs.	Rs.
Salaries, wages and bonus	48,000	207,000
	48,000	207,000

Gajanan Securities Services Limited

Notes to financial statements for the year ended 31st March 2012

16. Other expenses		
	31st March 2012	31st March 2011
	Rs.	Rs.
Bank charges	214	383
Demat Expenses	419	-
NSDL Expenses	6,685	-
Office Expenses	21,432	-
Securities Transaction Tax	1,939	-
Rates and taxes	4,450	4,475
Service Tax & Other Charges	376	-
Advertising and sales promotion	487	406
Books & periodicals	10,630	18,570

Travelling and conveyance	16,852	26,920
Communication costs	2,265	4,690
Filing Fees	3,000	1,500
Printing and stationery	9,280	14,414
Legal & professional fees	3,861	5,200
Payment to auditor (as Statutory Auditor)	3,371	3,309
Miscellaneous expenses	19,196	104,492
	104,457	184,359

17. Depreciation and amortization expense

	31st March 2012	31st March 2011
	Rs.	Rs.
Depreciation of tangible assets	1,463	1,830
	1,463	1,830

For P.K.C & Co.

Firm registration number: 322332E
Chartered Accountants

Sd/-

P.K.Choudhary
Proprietor
Membership no.: 055177
Place: Kolkata
Date: 30th May 2012

For and on behalf of the board of directors
of Gajanan Securities Services Limited

Sd/-
Natwar Lal Bedia

Sd/-
Archana Bedia

Gajanan Securities Services Limited

Cash flow statement for the year ended 31st March 2012

	31st March 2012	31st March 2011
	Rs.	Rs.
Cash flow from operating activities		
Profit before tax	(399,629)	(127,944)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation	1,463	1,830
Operating profit before working capital changes	<u>(398,166)</u>	<u>(126,114)</u>
Movements in working capital :		
Increase/(decrease) in trade payables	14,364	-
Increase/(decrease) in other current liabilities	71,500	5,000
Decrease/(increase) in trade receivables	(1,046,874)	(400,496)
Decrease/(increase) in inventories	1,351,265	(508,465)
Net cash flow from/ (used in) operating activities (A)	<u>(7,910)</u>	<u>(1,030,074)</u>
Cash flows from investing activities		
Net cash flow from/(used in) investing activities (B)	<u>-</u>	<u>-</u>
Cash flows from financing activities		
Net cash flow from/(used in) financing activities (C)	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(7,910)	(1,030,074)
Cash and cash equivalents at the beginning of the year	133,005	1,163,079
Cash and cash equivalents at the end of the year	<u>125,094</u>	<u>133,005</u>

Summary of significant accounting policies

1

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

As per our report of even date

For P.K.C. & Co.

Firm registration number: 322332E

Chartered Accountants

For and on behalf of the board of directors
of Gajanan Securities Services Limited

Sd/-

Sd/-

Sd/-

Natwar Lal Bedia

Archana Bedia

P.K.Choudhary

Proprietor

Membership no.: 055177

Place: Kolkata

Date: 30th May 2012