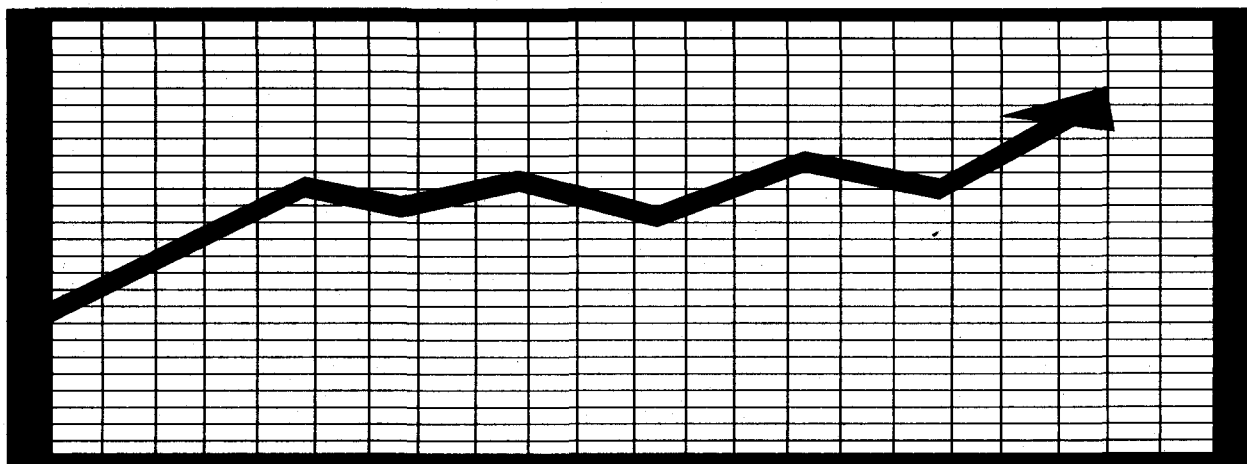


PREM SOMANI

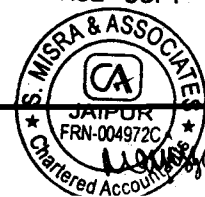
FINANCIAL SERVICES LIMITED

22nd ANNUAL REPORT



2012-2013

Certified to be
TRUE - COPY



BOARD OF DIRECTORS

**SHRI NAWNEET SOMANI
SHRI V. K. MUNDRA
SHRI VIRENDRA KRISHNA
SHRI VIKAS KHATOR
SMT. PREM LATA SOMANI**

AUDITORS

S. MISRA & ASSOCIATES
Chartered Accountants
3C, III Floor,
Tilak Bhawan, Tilak Marg,
Jaipur -302005
Telefax (0141) 5104381/5104382

BANKERS

**HDFC BANK LTD.
ANDHRA BANK LTD.
THE FEDERAL BANK LTD.**

REGISTERED OFFICE

**5A, V FLOOR, TILAK BHAWAN,
TILAK MARG, C-SCHEME,
JAIPUR -302005**

NOTICE

NOTICE is hereby given that the 22nd ANNUAL GENERAL MEETING of M/s PREM SOMANI FINANCIAL SERVICES LIMITED will be held on Wednesday, September 25, 2013 at 10.00 A.M. at 42, JAI JAIWAN COLONY, SCHEME NO. 3, J.L.N. MARG, JAIPUR to transact, with or without modifications, as may be permissible, the following business:

I. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the company as on **March 31, 2013**, Statement of Profit & Loss for the financial year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a director in place of Smt. Prem Lata Somani, she retires by rotation and being eligible offers herself for re-appointment.

To consider and if thought fit, to pass with or without modifications the following resolution as an ordinary resolution

"RESOLVED THAT pursuant to the provisions of Section 256 and other applicable provisions, if any, of the Companies Act, 1956, Smt. Prem Lata Somani, Director, who retires by rotation, be and is hereby re-appointed as a Director, liable to retire by rotation."

3. To appoint a director in place of Shri Vikas Khator, who retires by rotation and being eligible offers himself for re-appointment.

To consider and if thought fit, to pass with or without modifications the following resolution as an ordinary resolution

"RESOLVED THAT pursuant to the provisions of Section 256 and other applicable provisions, if any, of the Companies Act, 1956, Shri Vikas Khator, Director, who retires by rotation, be and is hereby re-appointed as a Director, liable to retire by rotation."


4. To re-appoint M/s S. Misra & Associates., Chartered Accountants, Jaipur as Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to authorise Board of Directors to fix their remuneration.

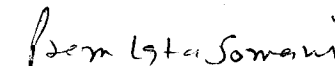
To consider and if thought fit, to pass with or without modifications the following resolution as an ordinary resolution

"RESOLVED THAT M/s S. Misra & Associates, Chartered Accountants be and are hereby appointed as statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors of the Company."

By order of the Board of Directors

FOR PREM SOMANI FINANCIAL SERVICES LIMITED


Navneet Somani
Director


Prem Lata Somani
Director

Place: Jaipur

Dated: August 26, 2013

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company under the companies act, 1956. Proxies in order to be valid must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
2. The Register of member and share transfer books of the company will remain closed from Thursday, September 19, 2013 to Wednesday, September 25, 2013 (both days inclusive) for the purpose of annual closer of register of members and transfer books.
3. Members/proxies are requested to bring their copy of annual report and duly-filled Attendance slips sent herewith to attend the meeting.
4. The register of directors shareholding, maintained u/s 307 of the companies act, 1956, will be available for inspection by the members at the AGM.
5. Members desiring any information as regards to accounts are requested to write to the Company at an early Date so as to enable the management to keep the Information ready.
6. The Proxy form and Attendance Slip are given at the end of this Notice.

By order of the Board of Directors

FOR PREM SOMANI FINANCIAL SERVICES LIMITED


Nawneet Somani
Director


Prem Lata Somani
Director

Place: Jaipur

Dated: August 26, 2013

PREM SOMANI FINANCIAL SERVICES LIMITED**DIRECTOR'S REPORT**

To,
The Members,
PREM SOMANI FINANCIAL SERVICES LIMITED
Jaipur

Dear Shareholders,

Your directors are pleased to present their 22nd Annual Report on the Business and operations of Your Company and its working Results for the year ending **March 31, 2013**.

1. **OPERATIONS**

The Summarised financial highlights are as under:

Sr. No	Particular	As at 31.03.2013	As at 31.03.2012
1	Sales/ Income	6,48,469	8,01,747
2	Rent Received	74,000	61,500
3	Other Income/Excess Prov. W/ back	-	-
	Total Income	7,22,469	8,63,247
4	Total Expenditure	5,25,271	7,75,076
5	Operating Profit/(Loss)	1,97,198	88,171
6	Depreciation	56,025	47,161
7	Profit /(Loss) before Tax	1,41,173	41,010
8	Provision for Taxation	45024	34,930
9	Deferred Tax Assets Created/W/Back*	(10,579)	(8,957)
10	Profit/(Loss) after tax	1,06,728	15,037
11	Balance Carried Forward from last Year	(1,09,68,177)	(1,09,80,207)
12	Balance Carried to Balance Sheet	(1,08,61,449)	(1,09,68,177)

*Deferred tax assets/liabilities has been created to comply with AS-22 issued by the Institute of Chartered Accountants of India

2. **DIVIDEND**

In view of the Carried forward losses and inadequate profit during the year, the directors are unable to declare any dividend for the year.

3. **CAPITAL**

During the Year the Authorised & Issued Subscribed and Paid- up Capital remain unchanged at Rs. 7,00,00,000/- and Rs. 3,30,34,000/- respectively.

4. **DEPOSITS**

In terms of the provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposit) Rules, 1975, The Company has not accepted any fixed deposit during the year under review.

5. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND POLLUTION CONTROL AND FOREIGN EARNINGS AND OUTGO**

The Company has no activity relating to conservation of energy and technology absorption. There were no foreign exchange earnings and outgo during the year.

6. **AUDITORS**

M/s S. Misra and Associates, Chartered Accountants have been reappointed by the Board of Directors to hold office till the conclusion of ensuing Annual General Meeting.

7. AUDIT COMMITTEE:-

Audit Committee consists following directors,

Mr. Virendra Krishna
Mr. Vikas Khator
Mr. Nawneet Somani

Chairman
Member
Member

Meeting of the committee was held during the financial year in accordance with section 292A of the Companies Act, 1956

8. CORPORATE GOVERNANCE

In pursuance of Clause 49 of the Listing Agreement entered into with the recognised Stock Exchanges, a separate section on Corporate Governance has been incorporated in the Annual Report for the information of Shareholders.

Certificate of the Auditors regarding compliance with the conditions of Corporate Governance as stipulated in clause 49 of the Listing agreement is also annexed with this annual report.

9. AUDITOR'S REPORT

The notes to the Accounts referred to in the Auditor's Report are self- explanatory and, therefore, do not call for any further explanation under Section 217(3) of the Companies Act, 1956.

10. DIRECTOR'S RESPONSIBILITY STATEMENT

In term of Section 217 (2AA) of the Companies Act, 1956, the directors would like to State that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affair of the Company as at the end of the financial year under review.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors have prepared the annual accounts on a going concern basis.

11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A Detailed Management Discussion & Analysis report as required under clause 49 (IV) (F) on the Financial Condition and Result of operations of the Company is included in this Annual Report.

12. PERSONNEL

There were no employees whose remuneration was in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956 as per the latest amendment.

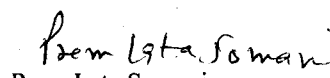
13. ACKNOWLEDGMENT

The Board takes this opportunity to express its sense of gratitude to all the Shareholders, Government Departments, Bankers and other Business Consultants of the Company.

BY ORDER OF THE BOARD

FOR PREM SOMANI FINANCIAL SERVICES LIMITED


Nawneet Somani
Director


Prem Lata Somani
Director

Place: Jaipur

Dated: August 26, 2013

CORPORATE GOVERNANCE REPORT**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance is the combination of voluntary practice and compliance with laws and regulations leading to effective control and management of the organisation. Good Corporate Governance leads to long-term shareholder value and enhance interest of other stockholders. It brings into focus the fiduciary and the trusteeship role of the Board to align and direct the actions of the organisation keeping in mind the interest of the shareholders, stockholders and the society.

2. BOARD OF DIRECTOS

The constitution of the Board is given below :

Directors	Executive/ Non-Execuive Independent	No. of other Directorship in Public Co.	Membership in other Public Company
Smt. Prem Lata Somani	Non Executive	0	0
Shri Nawneet Somani	Non Executive	1	0
Shri V.K. Mundra	Non Executive	0	0
Shri Virendra Krishnia	Non Executive	0	0
Shri Vikas Khator	Non Executive	0	0

Attendance of Directors at Board Meeting and last Annual General Meeting :

The Board of Company met Eight times during the year 01.04.2012 to 31.03.2013 on the following dates :

28.04 2012, 28.07 2012, 26.09 2012, 10.08 2012, 03.10 2012, 27.10 2012, 17.01.13, 30.01.13

The company placed before the Board the annual operating plans, budgets, performance of the Company and various other information, including those specified in the Listing Agreement, from time to time.

The attendance at the Board Meetings and the last Annual General Meeting were as under :

Name of Director	<u>ATTENDANCE</u>	
	Board Meeting	AGM
Smt. Prem Lata Somani	08	Yes
Shri Nawneet Somani	08	Yes
Shri Vishnu K. Mundra	08	Yes
Shri Virendra Krishnia*	08	Yes
Shri Vikas Khator*	08	Yes

3. AUDIT COMMITTEE

The Audit Committee Is One Of The Mandatory Committee As Per Clause 49 Of The Listing Agreement With The Stock Exchanges. The Audit Committee Met Four Times On 28th April 2012, 28th July 2012, 27th Oct. 2012 and 30th Jan, 2013 during the financial year 2012-2013.

The Committee consists of following Directors and the attendance of each member of the Committee is given below

Name	Designation	Committee
Mr. Virendra Krishnia	Chairman	4
Mr. Vikas Khator	Member	3
Mr. Nawneet Somani	Member	4
Mr. Prem Lata Somani	Member	4
Mr. Vishnu Kant Mundra	Member	3

All the meetings of the Audit Committee were attended by the representatives of the statutory auditors of the Company.

Terms of reference of the Audit Committee Include the following :

- a) To oversee the Company's financial information disclosure, review the adequacy of internal control systems.
- b) To hold periodic discussions with the Statutory Auditors of the Company concerning the accounts of the Company, internal control systems and observation of the auditors.
- c) To review the un-audited financial statements before submission to the Board.
- d) To investigate into any matter in relation to items specified in Section 292A of the Companies Act, 1956 or as may be referred to it by the Board and for this purpose to seek any relevant information contained in the records of the company and also seek external professional advice, if necessary.
- e) To have full access to information contained in the records of the company.
- f) The recommendations of the Audit Committee on any matter relating to financial management including the audit report shall be binding on the Board.
- g) To make recommendations to the Board on any matter relating to the financial management of the Company including the Audit Report.

4. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

The Board of the Company has constituted a Shareholders'/Investors' Grievance Committee comprising of Shri Nawneet Somani, Chairman with Shri Virendra Krishnia and Shri Vikas Khator as member.

Terms of reference for the investor Grievance Committee are as below :-

- (a) Investors relations and redressal of Shareholders' grievance in general and relating to non-receipt of dividend's, interest, non-receipt of balance sheet etc. and
- (b) Such other matters as may be from time to time be required by and any statutory, Contractual or other regulatory requirements to be attended to by such committee.

5. CODE OF CONDUCT

The Board of Directors has adopted the code of conduct for Director & Senior Management. The said code has been confirmed.

6. MANAGEMENT DISCUSSION AND ANALYSIS

As required by clause 49 of the Listing Agreement, the Management Discussion and Analysis is provided elsewhere in the Annual Report.

7. CEO/CFO CERTIFICATION

As required by clause 49 of listing agreement, the CEO/CFO Certification is provided elsewhere in the Annual Report.

8. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

As required by clause 49 of the listing agreement, the auditor's certificate is obtained and provided in the Annual Report.

9. GENERAL BODY MEETINGS

The location and time of the Annual General Meeting held during the last 3 years are as follows :

Fin. Year	Date	Time	Venue
2009-2010	22.09.2010	11.30am	42, Jai Jawan Colony, JLN Marg, Jaipur
2010-2011	21.09.2011	11.30am	42, Jai Jawan Colony, JLN Marg, Jaipur
2011-2012	26.09.2012	11.30am	42, Jai Jawan Colony, JLN Marg, Jaipur

10. DISCLOSURES

Related party disclosures as required by AS-18 issued by the institute of Chartered Accountants of India are given in the notes of accounts forming part of this annual report.

11. MEANS OF COMMUNICATION

The annual, half-yearly and quarterly results are regularly submitted to the Stock Exchange and published in newspaper in accordance with the listing Agreement.

12. GENERAL SHAREHOLDER INFORMATION**a) Annual General Meeting**

Day & Date : Wednesday, 25th Sept. 2013

Venue : 42, Jai Jawan Colony, J.L.N. Marg, Jaipur

b) Financial Calendar

Financial reporting for Following Months

Quarter ending June 30, 2013..... July, 2013

Half Year ending Sept. 30, 2013 October, 2013

Quarter ending December 31, 2013 January 2014

For the year ending March, 2014 April 2014

Annual General Meeting for the year ending March, 2014..... Sept. 2014

c) Date of Closure

19.09.2013 to 25.09.2013 (both days inactive)

d) Dividend Payment Date

Not Applicable

e) Registered Office

5A, Tilak Bhawan, 5th Floor, Tilak Marg, C-Scheme, Jaipur-302 005

f) Listing of Stock Exchange

The Stock Exchange, Mumbai Code (530669)

g) Stock Market Date

There was no trading of Company's shares at the exchange during the year.

h) Registrar and Transfer Agent

In House transfer

i) Distribution of Shareholding as on 31st March, 2013

Slab of Shareholding	Shareholders	%	Amount in Rs.	%
0-5000	2075	70.510	5397000/-	16.320
5001-10000	482	16.396	3895000/-	11.791
10001-20000	206	7.007	3085000/-	9.339
20001-100000	156	5.305	6347000/-	19.214
above-100000	23	0.782	14316000/-	43.336
	2942	100	33034000/-	100

Categories of shareholders as on 31st March 2013

Categories	No. of Shares	Amount of Rs.	%
1. Promoter	996000	9960000/-	30.1508
2. Body Corporate	134800	1348000/-	4.0806
3. Mutual funds	150000	1500000/-	4.5408
4. Public-Indian	1999100	19991000/-	60.5164
5. Non Resident Indian	23500	235000/-	0.7114
	3303400	33034000	100

j) Dematerialisation of Shares

As per the notification issued by the Securities and Exchange Board of India (SEBI), Company's shares are under compulsory demat category. For this purpose the Company has started its efforts and will comply with shortly.

k) Share Transfer System

Company has an In-house share transfer system and all the Share Certificates lodged with the Company are duly treated in accordance with the provisions of the Companies Act, 1956

l) Outstanding GDRs/ADRs/Warrants or any convertible Instruments :

NIL

m) Investor Correspondence

Mr. Bajrang Sharma acts as the compliance officer of the company, address for investors correspondence is 5A, Tilak Bhawan, 5th Floor, Tilak Marg, C-Scheme, Jaipur-302 005.

DECLARATION BY CEO

As provided in clause 49 of the Listing Agreement with Stock Exchange the directors and Senior Management personnel have confirmed continuous compliance with code of conduct for the year ended 31.03.2013.

ON BEHALF OF THE BOARD

For **PREM SOMANI FINANCIAL SERVICES LIMITED**

PLACE : JAIPUR
DATED : August 26,2013


(NAWNEET SOMANI)
Director


(PREM LATA SOMANI)
Director

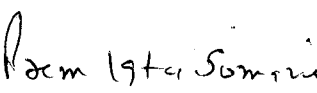
CERTIFICATE UNDER CLAUSE 49(V)

We, Nawneet Somani and Prem Lata Somani, Director of Prem Somani Financial Services Limited, to the best of our knowledge and belief, certify that :

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief :
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting.
- (d) We further certify that :
 - (i) There was no significant change in internal control system during the year;
 - (ii) There was no significant change in accounting policies during the year; and
 - (iii) There was no instance of significant fraud during the year.

For PREM SOMANI FINANCIAL SERVICES LIMITED


(Nawneet Somani)
Director


(Prem Lata Somani)
Director

Place : Jaipur

Dated : August, 26, 2013

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management of Prem Somani Financial Services Limited is pleased to present its report analyzing the Company's operations. The report Contains expectations of the Company's business based on the current market trends.

BUSINESS ORGANIZATION

The Company is into the field of Financial Services, Investments etc.

INDUSTRY STRUCTURE AND DEVELOPMENT IN THE INDUSTRY

Although Financial Services Industry is amongst the oldest industries in India but it is not growing very rapidly. It is an industry, which has evolved into a highly competitive and innovative driven industry, characterized by the presence of various sizes of players varying from solo-operators to small-to-medium sized niche players as well as established big players operating in different spaces in the entire spectrum of services.

OPPORTUNITIES AND THREATS

Revival of stock markets and bullish sentiments appears to be opportunity for the company. Tough competition, slow economic growth and depressed stock markets seems to be the biggest threats to the industry.

PERFORMANCE OF THE COMPANY

During the year under review, Company's performance was not upto the mark, However, The Board of Directors of the Company is determined to show a better performance in the years to come.

OUTLOOK

Looking at good market sentiments steep rise is expected in near future. As a result, stock market will boost up and the Company is expected to show a better performance in the years to come.

RISK & CONCERNS

Tough competition, slow economic growth, rapid changing statues and regulatory framework, etc. are the major risk areas in the Company's business. By using our experience we hope to perform better in the year to come in spite of these risks.

INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The Company had adequate internal control system commensurate with its size and nature of business.

FINANCIAL & OPERATIONAL PERFORMANCE

During the Financial Year 2012-2013, Company earned net Profit of Rs. 106728.00 as compared to Net Profit of Rs. 15037.00 in the Previous financial year. However it should be noted that Profit for current year includes Rs. 10579.00 on account of Provision for Deferred Tax assets.

DEVELOPMENT IN HUMAN RESOURCES

The company has formulated a personnel policy.

Auditor's Certificate on Compliance of Corporate Governance

To,
The Members' of
Prem Somani Financial Services Limited
Jaipur

We have examined the records with respect to the compliance of Corporate Governance by PREM SOMANI FINANCIAL SERVICES LIMITED ("the Company"), for the financial year ended on March 31, 2013, as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement. As per the records of the Company, there were no pending Investor grievances remaining unattended 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 of the efficiency or effectiveness with which the management has conducted the state of affairs of the Company.

FOR S.MISRA & ASSOCIATES

Chartered Accountants
FRN 004972C

CA. MANISH KUMAR

Partner
M. No. 413078

Place: Jaipur

Dated: August 26, 2013

AUDITORS' REPORT TO THE MEMBERS

To,
The Members,
Prem Somani Financial Services Limited

1. Report on the Financial Statements

We have audited the accompanying financial statements of M/s PREM SOMANI FINANCIAL SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss, Cash Flow Statement and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance 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.

3. 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 misstatements.

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

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

4. Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In case of Cash Flow Statement, of the cash flow for the year ended on that date.

5. 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 annex hereto 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 and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet and the Statement of Profit and Loss comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, subject to our observation hereunder:-

During the year, the company has not made provision for diminution in investments as required by AS-13 issued by the ICAI and the investments have been carried at cost. Had the provision for diminution in investment been made, the amount thereof would have been Rs. 11,47,874/- and profit would have been reduced by that amount and consequently the negative balance of Reserves and Surplus would have been increased to Rs. 1,07,74,752/-

- e) On the basis of written representations received from the directors as on March 31, 2013, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For and on behalf of
S. MISRA & ASSOCIATES
Chartered Accountants
FRN-004972C

CA. MANISH KUMAR
Partner
M. No. - 413078

Place: Jaipur
Date: August 26, 2013

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013 OF M/s PREM SOMANI FINANCIAL SERVICES LIMITED

As required by the Companies (Auditor’s Report) Order, 2003 and the Companies (Auditor’s Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we further report that:

- i. **Fixed Assets :-**
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. According to the information & explanations given to us, the management on a sample basis during the year has physically verified the major assets and in our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such verification.
 - c. There has been no substantial disposal of fixed assets during the year, so as to affect the going concern status of the Company.
- ii. **Inventories :-**

In our opinion and according to the information and explanations given to us, the company does not have any kind of inventory.
- iii. **Loans to/from the parties covered in the register maintained under Section 301 of the Act:-**
 - a. The Company has granted unsecured loans to one party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding at any time during the year was Rs. 61,45,706/- (outstanding balance as at March 31, 2013 is 61,28,514/-). The Company has not charged interest on such loan. In our opinion and according to the information and explanations given to us, the terms and conditions of the unsecured loans so granted are not prima facie prejudicial to the interest of the company. There is no irregularity in the recovery of principal which is as per mutual stipulations.
 - b. According to the information and explanations given to us, during the year company has not taken any loan/deposit from the parties covered in the register maintained under section 301 of the Companies Act, 1956.
- iv. **Internal Control System :-**

In our opinion and according to the information and explanations given to us, we observed that there is an adequate internal control system commensurate with the scale of business and the size of the Company.
- v. **Transactions with Related Parties as per Register of Contract u/s 301:-**

In our opinion and according to the information and explanations given to us, during the financial year there were no contracts or arrangements referred to in section 301 of the Act, which needs to be entered in the register maintained under that section.
- vi. **Public Deposits:-**

According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under. Therefore the provisions of clause (vi) of paragraph 4 of the Order are not applicable to the Company.
- vii. **Internal Audit System:-**

In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.

viii. Cost Record:-

According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956, for any of the activities of the Company.

ix. Statutory Dues :-

a. Undisputed statutory dues:- According to the information and explanations given to us and as per the records of the Company, it has generally been regular in depositing undisputed statutory dues, including dues pertaining to Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities.

b. Disputed statutory dues:- According to the information and explanations given to us, there were no disputed dues which have remained outstanding as at the end of the financial year.

x. Sick Industry :-

The accumulated losses of the Company at the end of the financial year 2012-13 are less than 50% of the net worth of the Company. The Company has not incurred cash losses in the financial year 2012-13 as well as during the immediately preceding financial year.

xi. Dues to Financial Institution or Bank or Debenture holders :-

According to the information and explanations given to us and based on the documents and records produced before us, there are no dues to banks and financial institutions. Further, there are no dues to debenture holders as the company not issued debentures.

xii. Loans and Advances granted on the basis of security:-

According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.

xiii. Chit Fund, Nidhi or Mutual Benefit Company:-

In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies.

xiv. Company dealing or trading in shares, securities, debentures and other investments:-

In respect of the shares, securities, debentures and other investments dealt or traded by the Company, proper records have been maintained in respect of the transactions and contracts and timely entries have been made therein. All the shares/securities held by the Company are in its own name.

xv. Guarantees given for loans taken by others from bank or financial institution:-

According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.

xvi. Application of Term loans:-

According to the information and explanations given to us, the company had no loans outstanding at the beginning of the year from and has not applied for any loan during the year.

xvii. Use of short term and long terms investments:-

According to the information and explanations given to us and on an overall examination of the Balance Sheet and other records of the Company, we are of the opinion that, prima facie short-term funds have not been used for long-term investments.

- xviii. **Preferential allotment of shares to parties covered in the register maintained under Section 301:-**
The Company has not made any preferential allotment of shares to the company covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. **Securities and Debentures:-**
The Company did not issue any share or debenture during the year.
- xx. **End use of money raised by public issues:-**
The Company has not raised any money by a public issue, during the year.
- xxi. **Fraud on or by the company-noticed or reported:-**
According to the information and explanations given to us, and to the best of our knowledge and belief, no fraud on or by the Company, has been noticed or reported during the year.

For and on behalf of
S. MISRA & ASSOCIATES
Chartered Accountants
FRN-004972C

CA. MANISH KUMAR
Partner
M. No. - 413078

Place: Jaipur
Date: August 26, 2013

BALANCE SHEET AS ON 31 MARCH 2013

Particulars	Note	Amount in ₹	
		As on March 31, 2013	As on March 31, 2012
I EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	33,034,000	33,034,000
(b) Reserves and Surplus	2	(9,626,878)	(9,733,607)
(c) Money received against share warrants		-	
(2) Share application money pending allotment		-	
(3) Non - Current Liabilities			
(a) Deferred Tax Liabilities (Net)		69,891	80,470
(b) Long term provision	3	2,149,706	2,149,706
(4) Current Liabilities			
(a) Other current liabilities	4	34,531	27,281
(b) Short term provisions	5	45,024	34,931
TOTAL		25,706,274	25,592,781
II ASSETS			
(1) Non - Current Assets			
(a) Fixed Assets			
Tangible assets	6	407,614	463,639
(b) Non - current investments	7	12,061,351	12,076,351
(c) Long term loans and advances	8	12,451,752	12,053,857
(2) Current Assets			
(a) Cash and Cash Equivalents	9	673,922	902,479
(b) Other current assets	10	111,635	96,455
		25,706,274	25,592,781

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

The Notes Attached Form An Integral Part Of The Balance Sheet
In Accordance With Our Report Attached

FOR S. MISRA & ASSOCIATES

Chartered Accountants
FRN 004972C

CA. MANISH KUMAR

Partner
M.No. 413078
Palace: Jaipur
Date: August 26, 2013

1 to 14

FOR AND ON BEHALF OF BOARD OF DIRECTORS


NAWNEET SOMANI
Director


PREM LATA SOMANI
Director

PREM SOMANI FINANCIAL SERVICES LIMITED
STATEMENT PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Note	Amount in ₹	Amount in ₹
		For the Year ending March 31, 2013	For the Year ending March 31, 2012
Revenues:			
I Revenue from Operations	11	640,968	785,915
II Other Income	12	81,501	77,332
III Total revenue (I + II)		722,469	863,247
Expenses:			
Employees Benefit Expenses		270,000	252,000
Depreciation		56,025	47,161
Prior Period Expenses		-	1,014
Other Expenses	13	255,271	522,062
Total Expenses		581,296	822,237
Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		141,173	41,010
Exceptional Items		-	-
Profit/(Loss) before extraordinary items and tax (V-VI)		141,173	41,010
Extraordinary Items		-	-
V Profit before tax (III-IV)		141,173	41,010
VI Tax expenses:			
(1) For Current tax		45,024	34,930
(2) For Deferred tax		(10,579)	(8,957)
(3) For Previous Years		-	-
VII Profit/(Loss) for the period from continuing operations (V-VI)		106,728	15,037
VIII Profit/(loss) from discontinuing operations		-	-
IX Tax expense of discontinuing operations		-	-
X Profit/(loss) from discontinuing operations (after tax) (XII-XIII)		-	-
XI Profit/(Loss) for the period (VII-X)		106,728	15,037
XII Earning per equity share:			
XIII (1) Basic		0.032	0.005
XIV (2) Diluted		0.032	0.005

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

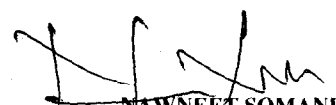
The Notes Attached Form An Integral Part Of The Balance Sheet
In Accordance With Our Report Attached

1 to 14

FOR AND ON BEHALF OF BOARD OF DIRECTORS

FOR S. MISRA & ASSOCIATES
Chartered Accountants
FRN 004972C

CA. MANISH KUMAR
Partner
M.No. 413078
Palace: Jaipur
Date: August 26, 2013


NAWNEET SOMANI
Director


PREM LATA SOMANI
Director

CASH FLOW STATEMENT FOR THE PERIOD ENDED ON MARCH 31, 2013

Amount in ₹

PARTICULARS	For the Period	For the Period	For the Period	For the Period
	31.03.2013	31.03.2013	31.03.2012	31.03.2012
A. Cash Flow From Operating Activities	-	-	-	-
Net Profit before Tax & extra ordinary Items		141,173		41,010
<u>Adjustments for</u>	-	-	-	-
(Profit)/Loss on Sale of Investments	7,371		(8,818)	-
Depreciation	56,025		47,161	
Investments Written Off	-		69,300	-
	-	-	-	-
Operating Profit before Working Capital Charges		204,569		148,653
(Increase)/Decrease in Other Current Assets		(15,180)		49,308
Increase/(Decrease) in Current Liabilities		7,250		(15,522)
Increase/(Decrease) in Short term Provisions		-		(15,592)
Income Tax Paid		(34,931)		(22,047)
Net Cash From Operating Activities		161,708		144,800
B. Cash Flow from Investing Activities	-	-	-	-
Sale of Investments		825,506		125,202
(Purchase) of Investments		(817,877)		
(Purchase)/Sale of Fixed Assets		-		(108,100)
(Increase) Decrease in Long Term Loans and Advances		(397,895)		(19,190)
Net Cash from in Investing Activities	-	(390,266)	-	(2,088)
C. Cash Flow from Financing Activities				
Net Cash Flow from Financing Activities		-		
D. Net Increase (Decrease) in				
Cash & Cash Equivalents (A+B+C)		(228,557)		142,712
Cash & Cash Equivalents At the beginning of the Year		902,479		759,767
Cash & Cash Equivalents At the Closing of the Year		673,922		902,479

AUDITORS CERTIFICATE

We have verified the above Cash Flow Statement of PREM SOMANI FINANCIAL SERVICES LIMITED, derived from the audited statements for the year ended March 31, 2013 and found the same to be drawn in accordance therewith and also with the requirements of Clause 32 of the listing agreement with the Stock Exchange.

As per our attached Report of even date

FOR S. MISRA & ASSOCIATES

Chartered Accountants

FRN-004792C

CA. MANISH KUMAR

Partner

Membership No. 413078

Place: Jaipur

Date: August 26, 2013

PREM SOMANI FINANCIAL SERVICES LIMITED

NOTE I

NOTES TO BALANCE SHEET AS ON MARCH 31, 2013 (Amount in Rs.)

Share Capital	As on March 31, 2013	As on March 31, 2012
Authorized: 70,00,000 Equity shares of Rs. 10/-	70,000,000	70,000,000
	70,000,000	70,000,000
Issued, subscribed and fully paid up: 33,03,400 Equity shares of Rs. 10/- each	33,034,000	33,034,000
	33,034,000	33,034,000

Note II

Reconcillation of Shares	As at March 31, 2013		As at March 31, 2012	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Shares outstanding at the beginning of the year	3,303,400	33,034,000	3,303,400	33,034,000
Add: Shares issued during the year	-	-	-	-
Add: Bonus issue during the year	-	-	-	-
Less: Shares Bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,303,400	33,034,000	3,303,400	33,034,000

Note IB

Sr. No.	Name of Shareholder	As at March 31, 2013		As at March 31, 2012	
		No. of Share held	% of Holding	No. of Shares held	% of Holding
1.	Prem Lata Somani	766,100	23.19%	766,100	23.19%

- 1) The company has only one class of equity shares having par value of Rs. 10 per share. Each share holder is entitled to one vote per share.
- 2) Company have not declared dividend during the year ended March 31, 2013.
- 3) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. Company doesn't have any preferential amounts in the Balance Sheet.

Note 2

Reserves & Surplus	As at March 31, 2013	As at March 31, 2012
(a) Share Premium Account		
Opening Balance	750,000	750,000
Add: Share premium credited on Issue of Shares	-	-
Less: Premium Utilised for issuing Bonus Shares	-	-
Closing Balance	750,000	750,000
(b) Special Reserves		
Opening Balance	484,570	481,563
Add: Transfer during Current Year	-	3,007
Less: Written Back during Current Year	-	-
Closing Balance	484,570	484,570
(c) Surplus		
Opening balance	(10,968,177)	(10,980,207)
Add: Net Profit/(Loss) for the year	106,728	15,037
Add: Transfer from Reserves	-	-
Less: Proposed Dividends	-	-
Less: Interim Dividends	-	-
Less: Transfer to Special Reserves	-	3,007
Closing Balance	(10,861,449)	(10,968,177)
Total (a+b+c)	(9,626,878)	(9,733,607)

NOTE 3

Long term Provisions	As on March 31, 2013	As on March 31, 2012
Others		
-Provision For Diminution in Investments	2,149,706	2,149,706
-Provision For Sub. Std. Assets	-	-
Total	2,149,706	2,149,706

NOTE 4

Other current liabilities	As on March 31, 2013	As on March 31, 2012
i) Advance Rent Received	9,250	-
ii) Other Payables- <i>Legal & Professional Fees Payable</i>		2,000
Audit Fees Payable	25,281	25,281
Total	34,531	27,281

NOTE 5

Short Term Provisions	As on March 31, 2013	As on March 31, 2012
Provision of Tax	45,025	34,931
Total	45,025	34,931

NOTE 8

Long term loans and advances	As on March 31, 2013	As on March 31, 2012
(Unsecured Considered Good)		
i) Security Deposits	7,500	7,500
ii) Loans and advances to related parties	6,128,514	5,686,707
iii) Other Loans and advances	6,315,739	6,359,651
Total	12,451,752	12,053,857

NOTE 8A

Above loans and advances to related parties are given to a company in which director is a director

NOTE 9

Cash and Cash Equivalents	As on March 31, 2013	As on March 31, 2012
i) Balances with banks		
-Andhra Bank	13,212	53,471
-Federal Bank	56,382	26,696
-HDFC Bank	537,471	745,886
ii) Cash in hand	66,857	76,426
Total	673,922	902,479

NOTE 10

Other Current Assets	As on March 31, 2013	As on March 31, 2012
Interest Receivables	64,000	40,000
TDS Receivable (A.Y. 2013-14)	26,110	-
TDS Receivable (A.Y. 2012-13)	21,525	56,455
Total	111,635	96,455

NOTE 11

Revenue from Operation	For the Year ending March 31, 2013	For the Year ending March 31, 2012
Interest Income	640,968	785,915
Total	640,968	785,915

NOTE 12

Other Income	For the Year ending March 31, 2013	For the Year ending March 31, 2012
Rent Received	74,000	61,500
Interest Received on Refund	-	6,814
Long Term Capital Gain	7,501	8,818
Miscellaneous Receipt	-	200
Total	81,501	77,332

NOTE 13

Other Expenses	For the Period ending March 31, 2013	For the Period ending March 31, 2012
Auditor's Remuneration		
- For Company Law Matters	15,730	15,730
- For Taxation Matters	3,933	3,933
Advertisement Expenses	1,996	1,742
AGM Expenses	18,639	17,257
Conveyance Expenses	9,600	8,400
Demat Charges	300	3,153
Electricity Expenses	6,256	8,469
Investment written off	-	69,300
Internal Audit Fees	5,618	5,618
Legal & Professional Expenses	3,500	16,515
Loss on sale Shares/Securities	14,872	-
Bad Debts	-	184,860
Listing Fees	17,004	16,545
Miscellaneous Expenses	2,569	575
Office Expenses	9,752	9,712
Courier & Postage Expenses	25,002	27,378
Printing and Stationary	52,500	44,140
Rent	60,000	60,000
Repair & Maintenance	8,000	28,735
Total	255,271	522,062

PREM SOMANI FINANCIAL SERVICES LIMITED
'SCHEDULE OF FIXED ASSETS AS AT MARCH 31, 2013 AND DEPRECIATION FOR THE YEAR ENDED ON MARCH 31, 2013 AS PER SCHEDULE XIV
OF THE COMPANIES ACT, 1956

Note-6

PARTICULARS	Rate of Dep. (%)	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As On 01.04.12	Addition	Deduction	As On 31.03.13	As On 31.03.12	During the year	Adjustment	As at 31.03.13	As On 31.03.13	As On 31.03.12
Tangible Assets											
Air Conditioner	13.91	158,554	-	-	158,554	89,625	9,588	-	99,213	59,341	68,929
Building	10.00	900,000	-	-	900,000	586,193	31,381	-	617,574	282,426	313,807
Computer	40.00	115,010	-	-	115,010	110,396	1,845	-	112,242	2,768	4,614
Fax Machine	13.91	48,460	-	-	48,460	45,219	451	-	45,670	2,790	3,241
Furniture & Fixtures	18.10	203,923	-	-	203,923	141,896	11,227	-	153,123	50,800	62,026
Mobile Phone	13.91	11,500	-	-	11,500	478	1,533	-	2,011	9,489	11,022
TOTAL		1,437,447	-	-	1,437,447	973,808	56,025	-	1,029,833	407,614	463,639

Notes to Accounts & Significant Accounting Policies**PREM SOMANI FINANCIAL SERVICES LIMITED**Registered Office: 5A, TILAK BHAWAN, 5th FLOOR, TILAK MARG, C-SCHEME, JAIPUR**BACKGROUND**

1. Prem Somani Financial Services Limited (the Company) was incorporated as the Public limited company on September 25, 1991. The company is registered as a Non-Banking Finance Company with the Reserve Bank of India.

2. **SIGNIFICANT ACCOUNTING POLICIES**

- 2.1 **Basis of Preparation of Financial Statements:**

The Financial Statements are consistently prepared under the historical cost convention, on the accrual basis of accounting and comply with the accounting standard issued by the Institute of Chartered Accountants of India (to the extent applicable) and in accordance with the generally accepted accounting principles, the accounting standard specified in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government and other provision of the Companies Act, 1956.

- 2.2 **Use of Estimates:**

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognized in the period in which the results are known/ materialized.

- 2.3 **Revenue recognition:**

- a) Interest income is recognized on accrual basis.
 - b) Dividend income is recognized when the right to receive the payment is established.

- 2.4 **Fixed assets and Depreciation:**

Fixed Assets are stated at cost less accumulated depreciation thereon. The cost of fixed assets comprises cost of acquisition and any attributable cost of bringing the asset to its working condition for its intended use. The company provides pro-rata depreciation from the date on which assets is acquired / put to use. In respect of assets sold, pro-rata depreciation is provided upto the date on which assets is sold.

On all assets except below depreciation has been provided on Written down value Method as prescribed in Schedule XIV to the Companies Act, 1956.

- a) Assets costing Rs. 5000/- or less are fully depreciated in the year of purchase
 - b) Improvements to leased assets are depreciated over the period of lease.

2.5 Investments:

The investments are made to enhance the company business interest. All investments held by the Company are classified as short term or long term, based on management intention at the time of purchase. Long-term investments are carried on the cost.

2.6 Income in respect of Non Performing Assets:

Income is not recognized in respect of non-performing Assets as per the guidelines on prudential norms prescribed by the RBI. The Company has made provision against NPA as per the guidelines on prudential norms prescribed by RBI.

2.7 Impairment of Assets:

Management periodically assesses using, external, and internal sources, whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above. During the year under consideration, there was no indication, either internal or external as to the impairment of any of the assets.

2.8 Taxation:

Income Tax expenses comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law), deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period) and fringe benefit tax.

Current Tax:

Provision for current tax is made on the basis of estimated taxable income for the accounting year in accordance with the Income Tax Act, 1961.

Deferred Tax:

Deferred Tax, as required in AS-22 issued by ICAI is recognized subject to consideration of prudence in respect of deferred tax assets, on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

2.9 Provision for Contingencies:

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset, and related income are recognized in the period in which the change occurs.

2.10 Earning per share:

The company reports earning per share in accordance with Accounting Standard AS-20 issued by The Institute of Chartered Accountants of India (ICAI). It has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year.

2.11 Cash Flow Statement:

Cash flow are reported using the indirect method, thereby profit before tax is adjusted for the effects of transactions of a non- cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating financing and investing activities of the company are segregated.

3. NOTES TO ACCOUNTS:

3.1 Auditor's Remuneration:-

PARTICULARS	2012-13	2011-12
For Company Law Matters	15,730/-	15,730/-
For Taxation Matters	3,933/-	3,933/-
Total	19,663/-	19,663/-

3.2 Earning Per Share:-

Particulars	31.03.2013	31.03.2012
Net Profit/(Loss) attributable to equity Shareholders (A) Rs.	1,06,728/-	2,62,828/-
No. of Equity Shares	33,03,400	33,03,400
Basic earning per share	0.032	0.005

3.3 Previous year figures have been regrouped and rearranged wherever necessary.

3.4 There were no employee whose remuneration was in excess of the limits prescribed under section 217 (2A) of the Companies Act, 1956

3.5 The Balance of Trade receivables, Loans & Advances, Current Liabilities and secured loans are subject to confirmation and reconciliation from such parties, The classification of Trade Receivables in terms of realization has been done on the basis of information and explanations provided by the management.

3.6 The classification of assets and liabilities into long term or short term as required under revised schedule VI of companies act, 1956 has been done on the basis of information, explanations and the estimates given by the management.

3.7 In opinion of the Board of Directors, the aggregate value of current assets, loans & advances on realisation in ordinary course of business shall not be less than the amount at which these are stated in the Balance Sheet.

- 3.8 Segment Reporting as defined in AS-17, is not applicable to the company as the company has determined only one business segment i.e. Financial Services and only one geographic segment i.e. India However, for the current year the Company had Rental Income on Building.
- 3.9 The company has not made provision for diminution in investments and the provision as standing in the books of A/c at the beginning of the year has taken into consideration.
- 3.10 Deferred Tax Assets/ (Liability) for the year comprise timing differences on account of:

S. No.	PARTICULARS	AMOUNT
1	Deferred Tax Liabilities as on 31.03.2012 Due to difference in rate of Depreciation	80,470/-
	Total (A)	80,470/-
2	Deferred Tax Assets during the year i) Due to unabsorbed Depreciation as per the Income Tax Act, 1961	10,579/-
	Total (B)	10,579/-
3	Net Deferred Tax Liability/ (Asset) as on 31.03.2013 [(A) – (B)]	69,891/-

- 3.11 Related Party Disclosures as required by AS-18 are as under:

(A) **List of Related Parties :**

- | | | | |
|----|-------------------------------------|---|----------------------------|
| 1. | Prem Somani & Associates | - | Director's Proprietor Firm |
| 2. | Prem Somani Share Brokers Pvt. Ltd. | - | Associate Company |
| 3. | Somani Securities Ltd. | - | Associate Company |

(B) **Transaction with related parties:**

Name of the Related Party	Name of Transaction during the year/year end Balance	Volume of Transaction	O/s as on 31.03.2013
Prem Somani & Associates	Rent Paid	60,000/-	Nil
Prem Somani Share Brokers Pvt. Ltd.	Unsecured Loan Given	10,46,807/-	61,28,514/-
Prem Somani Share Brokers Pvt. Ltd.	Unsecured Loan Recovered	5,50,000/-	61,28,514/-

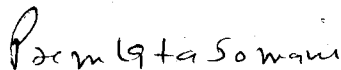
- 3.11 On the basis of information available, there are no outstanding dues to SSI undertakings.

- 3.12 There was no employee of the company during the year drawing remuneration at the rate of Rs. 24,00,000/- p. a. or more if employed for whole of the year of Rs. 2,00,000 p.m. or more if employed for part of the year.
- 3.13 Foreign Exchange Earning : Nil
Foreign Exchange Outgo : Nil
(incurred for Foreign Travel)

**FOR PREM SOMANI FINANCIAL
SERVICES LIMITED**



NAWNEET SOMANI
Director



PREM LATA SOMANI
Director

Place: Jaipur

Dated: August 26, 2013

In terms of our audit Report of even date
FOR S. MISRA & ASSOCIATES
Chartered Accountants,
FRN 004972C

CA. MANISH KUMAR
Partner
M. No. 413078

Prem Somani Financial Services Limited

Registered Office : 5A, Tilak Bhawan, 5th Floor, Tilak marg, C-Scheme, Jaipur-302 005

Regd. Folio No.

No. of Shares Held

FORM OF PROXYI/We.....
.....of a member/members of the above
namedCompany here by
appoint.....of or, failing
him/her.....of as my/our Proxy to attend and vote for me/us and on
my/ourbehalf to the 22nd Annual General Meeting of the Company to be held on Wednesday the 25th Sep. 2013. at 10:00 a.m. and at
any adjournment thereof.

signed this day of 2013

Notes : The form in order to be effective, should be duly stamped, completed and signed and must be
deposited at the Registered Office of the Company, not less than 48 hours before the meeting.(Please affix
revenue
stamp)

Signature

.....(tear here).....

Prem Somani Financial Services Limited

Registered Office : 5A, Tilak Bhawan, 5th Floor, Tilak marg, C-Scheme, Jaipur-302 005

Regd. Folio No.

No. of Shares Held

ATTENDANCE SLIPI Certify that I am registered shareholder / proxy for the registered shareholder of the Company.
I hereby record my presence at the 22nd Annual General Meeting of the Company at 42,
Jai Jawan Colony, Scheme No. 3, J.L.N. Marg, Jaipur, on Wednesday, 25th Sep. 2013 at 10:00 a.m.

Members / Proxy name in BLOCK Letters

Signature of the Proxy

Notes : 1. Please fill up this attendance slip and hand this over at the entrance of the meeting hall.
2. Members are requested to bring their copies of the Annual Report to the meeting.

Book - Post

If undelivered Please Return to :

PREM SOMANI FINANCIAL SERVICES LTD.

5A, Tilak Bhawan, 5th Floor, Tilak Marg, C-Scheme,
Jaipur – 302005

Tel. 0141-5115886

E-mail : prem_somani_jaipur@yahoo.com