

**20<sup>th</sup>**  
**ANNUAL REPORT**  
**2013-14**

**GAJANAN SECURITIES**  
**SERVICES LIMITED**

## COMPANY INFORMATION

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### BOARD OF DIRECTORS

Mrs. Archana Bedia  
Mr. Natwar Lal Bedia  
Mr. Pankaj Rajgaria  
Mr. Mohan Lal Bajaj

Managing Director & CEO  
Director  
Independent Director  
Independent Director

### CHIEF FINANCIAL OFFICER

Mr. Ritesh Khaitan

### COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Khusboo Agarwal

### STATUTORY AUDITORS

M/s P.K.C. & Co.  
Chartered Accountants  
5, Motisil Street,  
4<sup>th</sup> Floor, Room No. 30,  
Kolkata- 700 013.

### BANKERS

United Bank of India  
Royal Exchange Branch  
10, Netaji Subash Road  
Kolkata- 700 001

IDBI Bank  
Mookerjee House,  
17, Brabourne Road,  
Kolkata- 700 001

### REGISTERED OFFICE

Mercantile Buildings  
9/12, Lal Bazar Street,  
Block- A, 3<sup>rd</sup> Floor,  
Kolkata- 700 001.

### REGISTRAR AND SHARE TRANSFER AGENTS

M/s Maheshwari Datamatics Private Limited  
6, Mangoe Lane, Kolkata - 700 001  
Tel.: +91 33 2248 2248 / +91 33 2243 5809  
Email: mdpldc@yahoo.com

## **NOTICE**

**NOTICE** is hereby given that the 20<sup>th</sup> Annual General Meeting of the Members of M/s. Gajanan Securities Services Limited will be held on Wednesday, May 28, 2014 at 12.00 noon at 9/12, Lal Bazar Street, 3<sup>rd</sup> Floor, Block- A, Kolkata- 700 001 to transact the following business :

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2014 and the Profit and Loss of the company for the year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Natwar Lal Bedia, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s P.K.C. & Co., Chartered Accountants (firm Registration No. 322322E), as Auditors of the Company and to fix their remuneration.

### **SPECIAL BUSINESS:**

4. **Appointment of M/s P.K.C. & Co., Chartered Accountants**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

**“ RESOLVED THAT** pursuant to Section 139 of the Companies Act, 2013 and rules made thereunder, M/s P.K.C. & Co., Chartered Accountants be and is hereby appointed as Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of fourth Annual General Meeting of the Company subject to ratification by the members at every Annual General Meeting commencing from next Annual General Meeting of the Company.”

5. **Appointment of Mr. Pankaj Rajgaria as an Independent Director**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

**“ RESOLVED THAT** pursuant to Section 149(10) & 149(13) of the Companies Act, 1956, Mr. Pankaj Rajgaria be and is hereby appointed as an Independent Director of the Company for a period of 5 years w.e.f. 30<sup>th</sup> April, 2014 and shall not be liable to retirement by rotation.”

6. **Appointment of Mr. Mohan Lal Bajaj as an Independent Director**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

“ **RESOLVED THAT** pursuant to Section 149(10) & 149(13) of the Companies Act, 1956, Mr. Mohan Lal Bajaj be and is hereby appointed as an Independent Director of the Company for a period of 5 years w.e.f. 30<sup>th</sup> April, 2014 and shall not be liable to retirement by rotation.”

7. **APPOINTMENT OF MS. ARCHANA BEDIA AS MANAGING. DIRECTOR & CEO**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

“ **RESOLVED THAT** pursuant to the provisions of the Articles of Association of the Company and Sections 196, 197, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and such other consents, permissions and approvals of the Central Government or other authorities as may be necessary, Mrs. Archana Bedia, be and is hereby appointed as a Managing. Director & CEO of the Company for a period of 5 (Five) years with effect from 30.04.2014, on the terms and conditions, including payment of remuneration as recommended by nomination & Remuneration Committee and approved by the Board of Directors and as detailed in the Explanatory Statement to the notice convening this meeting.

**RESOLVED FURTHER THAT** as a Managing. Director & CEO of the Company, Mrs. Bedia shall be responsible for operation and other functions of the Company and shall be accountable to the Board, subject to the overall superintendence, direction and control of the Board.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to alter and vary any of the terms and conditions of appointment of Mrs. Archana Bedia, including the remuneration, as may be agreed between the Board of Directors and Mrs. Archana Bedia and/or in such manner and to such extent as may be permitted or authorised in accordance with Articles of Association of the Company and the provisions of the Act for the time being in force.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to take all steps as may be necessary, proper and expedient to give effect to this resolution.”

Place: Kolkata

Date: 30/04/2014

By order of the Board of Directors  
For Gajanan Securities Services Limited

Sd/- Khusboo Agarwal  
Company Secretary

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The instrument appointing a proxy in order to be effective must be deposited at the Registered Office of the Company not less than 48(Forty Eight) hours before the commencement of the twentieth Annual General Meeting of the Company.
3. The Explanatory Statement as required under the provisions of the Companies Act, 2013 is annexed hereto.
4. The register of Members and Share Transfer Books of the Company shall remain closed from 24<sup>th</sup> May, 2014 to 28<sup>th</sup> May, 2014(both days inclusive).

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**

**Item No. 4**

M/s. PKC & Co, Chartered Accountants and Auditors of the Company are holding office of Auditors of the Company for more than 8(eight) years. As per the provisions of Section 139 and the rules made there under M/s. PKC & Co. can further hold the office of Auditors for a Block of 3 more years from the conclusion of this Annual General Meeting subject to ratification by the Members of the Company in all the subsequent Annual General Meetings. The Board of Directors has accordingly proposed to appoint them for next 3 years subject to your approval and ratification as aforesaid. The Company has received requisite confirmation from the Auditors for their appointment.

Your approval is sought for the appointment.

None of the Directors or Key Managerial Personnel and their relatives are in any way concerned or interested, financial or otherwise in the aforesaid Resolution as set out in the Notice.

**Item No. 5 & 6**

Mr. Pankaj Rajgaria and Mr. Mohan Lal Bajaj were appointed as Independent Directors by the Board in its meeting held on 30.4.2014 with immediate effect in compliance of provisions of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchanges. Being Additional Directors, as per provisions of the said Act, they can hold the office of Directors till the conclusion of the forthcoming Annual General Meeting unless appointed by the Members of the Company. Brief particulars of both the Directors are annexed. A Member of the Company has proposed their appointment and has deposited requisite sum as required under the Act.

Your approval is sought for the appointment.

Except Mr. Pankaj Rajgaria and Mr. Mohan Lal Bajaj, no other Directors or Key Managerial Personnel and their relatives are in any way concerned or interested, financial or otherwise in the aforesaid Resolutions as set out in the Notice.

**Item No. 7**

Mrs. Archana Bedia has been appointed as a Managing Director & CEO of the Company for a period of 5 (Five) years w.e.f. 30th April, 2014 at a remuneration and on the other terms & conditions, as detailed herein below, subject to your approval. Her terms of appointment was recommended by Remuneration & Nomination Committee and approved by the Board of Directors of the Company at its meeting held on 30<sup>th</sup> April, 2014.

**Remuneration :**

- **Salary :** Rs. 20,000/- per month and revision / increment as may be approved by the Board from time to time and permissible under Schedule – V of the Companies Act, 2013 or any amendment thereof.
- **Other Benefits / terms :**
  - i. She shall be entitled to reimbursement of traveling, entertainment and all other expenses actually and properly incurred for legitimate business need of the Company but subject to rules of the Company framed from time to time.
  - ii. She shall be reimbursed out of pocket expenses as may be incurred by him in the course of discharging his duties in the capacity of Managing Director & CEO.
  - iii. Mrs. Archana Bedia, so long as she functions as a Managing Director, shall not be paid any sitting fee for attending meeting of the Board of Directors or committees thereof.

**Minimum Remuneration:** In the absence or inadequacy of profit of the Company in any financial year, Mrs. Archana Bedia will be entitled to receive the aforesaid remuneration as Minimum Remuneration.

Either party may terminate the agreement by giving 3 (Three) months notice in writing or remuneration in lieu thereof without showing any reason.

Your approval is sought for the appointment.

Except Mr. Natwar Lal Bedia and Mrs. Archana Bedia, no other Directors or Key Managerial Personnel and their relatives are in any way concerned or interested, financial or otherwise in the aforesaid Resolution as set out in the Notice.

A copy of the Appointment Letter issued to Mrs. Archana Bedia is open for inspection on any working day during Business hours.

### ***Brief Details of newly appointed Directors***

#### **Mr. Pankaj Rajgaria**

Mr. Pankaj Rajgaria aged about 47 years is a Commerce Graduate and is also a fellow member of Institute of Chartered Accountants of India. He has been appointed as Non-executive Independent Director of the Company w.e.f 30.04.2014.

He does not hold any share of the Company.

#### **Mr. Mohan Lal Bajaj**

Mr. Mohan Lal aged about 72 years is a Commerce Graduate and is having experience of 40 years in infrastructure projects and transportation business. He has been appointed as Non-executive Independent Director of the Company w.e.f 30.04.2014.

He does not hold any share of the Company

## DIRECTORS' REPORT

Your Directors hereby present the 20<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2014.

### FINANCIAL RESULTS

Particulars	2013-14	2012-13
	Current Year	Previous Year
Total Income		
Revenue from operations	1,202,784	207,878
Other income	38,182	9,214
<b>Total Revenue (I)</b>	<b>1,240,966</b>	<b>217,092</b>
Total Expenditure		
a. Purchase of traded goods (Shares & Securities)	32,836	125,288
b. Increase/(Decrease) in Stock	272,362	90,006
c. Employee benefit expense	123,000	48,000
d. Other expenses	208,782	52,987
e. Depreciation	60,510	9,234
<b>Total Expenditure (II)</b>	<b>697,490</b>	<b>325,515</b>
<b>Profit/(loss) for the year before tax</b>	<b>543,476</b>	<b>(108,423)</b>
Tax Expense	72,254	-
<b>Profit/(loss) for the year after tax</b>	<b>471,222</b>	<b>(108,423)</b>
Earnings per equity share [nominal value of share ₹10	<b>0.15</b>	<b>(0.03)</b>

### DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirements under section 217 (2 AA) of the Companies Act, 1956 with respect to the Directors Responsibility Statement, it is hereby confirmed:

1. That in the preparation of the Accounts for the Financial Year ended 31<sup>st</sup> March, 2014 the applicable accounting standards had been followed along with proper explanation relating to material 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 of the company for that period.
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 and applicable provisions of companies Act, 2013 for safeguarding the assets of the company and for the preventing and detecting fraud and other irregularities.



## Gajanan Securities Services Limited

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4. That the Directors have prepared Accounts for the financial year ended 31<sup>st</sup> March, 2014 on a going concern basis.

### **DIRECTORS :**

The Company has received notice along with requisite deposit from a Shareholder u/s. 160 of the Companies Act, 2013 proposing Mr. Pankaj Rajgaria and Mr. Mohan Lal Bajaj as Directors of the Company.

### **AUDITORS:**

M/s. P.K.C & Co., Chartered Accountants, Auditors of the Company retires and being eligible offer themselves for re-appointment. Necessary certificate under section 141 of The Companies Act, 2013 read with Companies' (Audit & Auditors) Rules 2014 has been received from the retiring confirming their eligibility.

Auditor's Observations are self- explanatory read with notes on accounts and need no further explanation.

### **PARTICULARS OF EMPLOYEES:**

As none of the employees of the Company was in receipt of remuneration in excess of the limits prescribed, information as per section 217(2A) of the companies Act, 1956 and applicable provision of companies Act, 2013 during the Financial Year under review, particulars of the employees pursuant to said provisions are not required to be given.

### **COMPLIANCE CERTIFICATE:**

In Accordance with the provisions of Section 383A of the Companies Act, 1956 and Companies (Compliance) Rules, 2001 the company has obtained a Compliance certificate from Practicing Company Secretary and a copy of the same is annexed which forms part of his report.

### **OTHER PARTICULARS**

The provisions of the Companies Act, 1956 and applicable provisions of Companies Act, 2013 relating to employees, conservation of resources, foreign exchange and outflows are not applicable to the Company for the period under review.

### **CORPORATE GOVERNANCE**

As required in the Clause 49 of the Listing Agreement with the Stock Exchanges, a report on Corporate Governance along with a certificate from P.K.C & Co., Chartered Accountants, regarding Compliance of Conditions of Corporate Governance, Management Discussion & Analysis Report and Certification by CEO and CFO are given as Annexure- A, B, C and D which form part of this Report.

## **Gajanan Securities Services Limited**

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### **CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

In terms of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, your Company has adopted in the Code of Conduct for Prevention of Insider Trading.

### **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  
3<sup>rd</sup> Floor, Block - A  
Kolkata – 700 001**

**On behalf of the Board**

**Sd/- Archana Bedia**

**Archana Bedia**

**Date: 30<sup>th</sup> April, 2014**

**Managing Director & CEO**

**Sd/- Natwar Lal Bedia**

**Natwar Lal Bedia**

**Director**

## ANNEXURE 'A' TO THE DIRECTORS' REPORT

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### **CORPORATE GOVERNANCE**

The Company in terms of Clause 49 of the Listing Agreement with the Stock Exchanges, the Company has adopted practice of Corporate Governance for ensuring and protecting the rights of its shareholders by means of transparency, integrity, accountability and checks at the different levels of the management 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**

#### **(a) Composition of the Board**

The Board of Directors of the Company consists of four Directors including Executive and Non-Executive Directors.

The Composition of the Board of Directors is as follows:

<b>Category</b>	<b>Name of Directors</b>
Executive- Managing Director and CEO- Promoter	Mrs. Archana Bedia*
Non- Executive Director- Promoter	Mr. Natwar Lal Bedia
Non- Executive Director- Independent	Mr. Pankaj Rajgaria**
Non- Executive Director- Independent	Mr. Mohan Lal Bajaj**
Non- Executive Director	Mr.Sitaram Bedia***

\* Appointed as Managing Director & CEO w.e.f. 30.04.2014

\*\* Appointed on 30.04.2014

\*\*\* Resigned on 30.04.2014

## ANNEXURE 'A' TO THE DIRECTORS' REPORT

### (b) Attendance of each Director at the Annual General Meeting and Number of other Directorship and Chairmanship/ Membership of Committee of each Director in various Companies:

Name of the Director	Attendance Particulars		Number of other Directorship and Committee membership/ Chairmanship		
	Board Meetings	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
Mrs. Archana Bedia	5	Present	---	---	---
Mr. Natwar Lal Bedia	5	Present	---	---	---
Mr. Sitaram Bedia	5	Present	---	---	---

During the year 2013-14, 5(Five) Board Meetings were held on 24<sup>th</sup> April 2013, 28<sup>th</sup> May 2013, 23<sup>rd</sup> July 2013, 9<sup>th</sup> October 2013, and 13<sup>th</sup> January 2014.

### CODE OF CONDUCT

The Company has framed Code of Conduct for the Directors and Senior Management of the Company. The Code of Conduct is displayed on the Website of the Company, [www.gajanansec.com](http://www.gajanansec.com). The Directors and Senior Management have affirmed compliance of the said Code of Conduct as on 31<sup>st</sup> March, 2014.

### AUDIT COMMITTEE

The Audit Committee is entrusted with review of quarterly and annually financial statements before submission to the Board, review of observation of Auditors and to ensure compliance of internal control system authority for investigation and access for full information and external professional advice for discharge of the functions delegated to the Committee by the Board. All the members of the Committee are financially literate.

The scope of Audit Committee, inter alia includes:

- Review of company financial reporting process, the financial statements (quarterly and yearly) and financials/ risk management policies;
- Review of adequacy of the internal control systems and finance;
- Discussion with the management and the external auditors, the audit plan for the financial year and joint post-audit and review of the same.

During the period under review, 5 (five) Audit Committee meetings were held on 24<sup>th</sup> April 2013, 28<sup>th</sup> May 2013, 23<sup>rd</sup> July 2013, 9<sup>th</sup> October 2013, and 13<sup>th</sup> January 2014.

Constitution	No. of Meetings held	Attended
Mrs. Archana Bedia- Non-Executive	5	5
Mr. Natwar Lal Bedia- Non-Executive	5	5
Mr. Sitaram Bedia- Non-Executive	5	5

The Audit Committee meetings are usually held at the Company's registered office and attended by the members of the Committee. The representatives of the Statutory Auditors are also invited to the same as required.

## ANNEXURE 'A' TO THE DIRECTORS' REPORT

### **TRANSFER COMMITTEE**

The Share Transfer Committee comprises of Mrs. Archana Bedia, Mr. Natwar Lal Bedia and Mr. Sitaram Bedia. Mr. Natwar Lal Bedia is acting as Chairman of the Committee, Mrs. Archana Bedia is acting as Compliance Officer of the Company during the year. The Share Transfer Committee meets as and when required and is entrusted with Transfer/ Transmission of Shares, issue of duplicate Share Certificates, change of name/ status, Transposition of Names, subdivision/ consolidation of Share Certificates, dematerialization/ re-materialization of shares, etc.

### **SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE**

Shareholders'/ Investors' Grievance Committee comprises of three non-executive members viz., Mr. N L Bedia, Mrs. Archana Bedia and Mr. Sitaram Bedia to look into redressing of shareholders' and investors grievances like non transfer of shares, non-receipt of Balance Sheet, etc. Mrs. Archana Bedia, Non- Executive Director is the Chairperson of the Committee.

No complaint/query was received during the period under review and no complaints/ queries were pending as on 31<sup>st</sup> March, 2014. No request for transfer was pending for more than 30 days as on 31<sup>st</sup> March, 2014.

### **SHARES HELD BY NON-EXECUTIVE DIRECTORS**

Sl. No.	Name	No. of Shares
1.	Mr. Natwar Lal Bedia	400,000
2.	Mrs. Archana Bedia	300,000
3.	Mr. Sitaram Bedia	126,000

### **GENERAL BODY MEETINGS**

Location and time of Annual General Meeting held in last three years:

Year	Type	Date	Venue	Time
2012-13	A.G.M.	12.08.2013	Mercantile Buildings, 9/12, Lal Bazar Street, Block- A, 3 <sup>rd</sup> Floor, Kolkata- 700 001	12 noon
2011-12	A.G.M.	29.09.2012	Mercantile Buildings, 9/12, Lal Bazar Street, Block- A, 3 <sup>rd</sup> Floor, Kolkata- 700 001	12 noon
2010-11	A.G.M.	30.09.2011	Mercantile Buildings, 9/12, Lal Bazar Street, Block- A, 3 <sup>rd</sup> Floor, Kolkata- 700 001	12 noon

#### **Notes:**

1. All resolutions were moved at the Annual General Meeting were passed by show of hands unanimously by all the members present at the meeting.
2. No business proposed to be transacted at the Last AGM was required to be passed by postal ballot in terms of Company's (Passing of the resolution by Postal Ballot) Rules, 2011.

## ANNEXURE 'A' TO THE DIRECTORS' REPORT

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### **DISCLOSURES**

- a. **Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, the Directors or the management, or relatives, etc. that may have potential conflict with the interest of the Company at large:**

None of the transactions with any of the related parties were in conflict with the interest of the Company.

- b. **Accounting Treatment in preparation of Financial Statements**

The Company has followed the guidelines of accounting standards as prescribed by the Institute of Chartered Accountants of India in preparation of Financial Statements.

- c. **Subsidiary Company**

The Company does not have any material non-listed Indian Subsidiary company as defined in the Clause 49 of the Listing Agreement.

- d. **Risk Management**

The Company has identified risk involved in respect to its trading activities and services. It has also adopted the procedures/ policies to minimize risks and the same are reviewed and revised as per the needs to minimize and control the risk.

- e. **CEO/ CFO Certification**

The CEO/ CFO certification as required under Clause 49 is annexed hereto which forms part of this report.

- f. **Management Discussion and Analysis Report**

The Management Discussion and Analysis Report as required under Clause 49 is annexed hereto which forms part of this report.

### **DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT**

#### **Mr. Natwar Lal Bedia**

Mr. Natwar Lal Bedia aged about 54 years is a Commerce and Law Graduate and is also fellow member of Institute of Chartered Accountants of India. He is Non-executive director of the Company. He is also director in M/s Siddhant Trade and Finance Private Limited, PLB Trade and Finance Private Limited, Gajanan Stock Broking Services Private Limited and Lumbini Vyapar Private Limited. He holds 400,000 equity shares of the Company.

#### **Mrs. Archana Bedia**

Mrs. Archana Bedia aged about 52 years is a Home Science Graduate and has also passed examinations conducted by Indian Institute of Insurance. She has been appointed Managing Director

## ANNEXURE 'A' TO THE DIRECTORS' REPORT

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and CEO of the Company w.e.f 30.04.2014 subject to the approval of the shareholders at Annual General Meeting to be held on 28<sup>th</sup> May, 2014.

She holds 300,000 equity shares of the Company.

### **Mr. Pankaj Rajgaria**

Mr. Pankaj Rajgaria aged about 47 years is a Commerce Graduate and is also a fellow member of Institute of Chartered Accountants of India. He has been appointed as Non-executive Independent Director of the Company w.e.f 30.04.2014.

He does not hold any share of the Company.

### **Mr. Mohan Lal Bajaj**

Mr. Mohan Lal aged about 72 years is a Commerce Graduate and is having experience of 40 years in infrastructure projects and transportation business. He has been appointed as Non-executive Independent Director of the Company w.e.f 30.04.2014.

He does not hold any share of the Company.

### **MEANS OF COMMUNICATION**

Un-audited financial results on quarterly basis and limited review by the auditors in the prescribed format are taken on record by the Board of Directors at its meeting within the prescribed time of the close of every quarter and the same are furnished to all the Stock Exchanges where the Company's shares are listed. The Company has also set up a website named [www.gajanansec.com](http://www.gajanansec.com) where the financial results of the Company are being uploaded.

### **LISTING**

Shares of your Company are listed on The Calcutta Stock Exchange Association Ltd., Kolkata, Ahmedabad Stock Exchange and Delhi Stock Exchange. The name and address of the respective Stock Exchanges and the Company's Scrip Code are given below:

1. The Calcutta Stock exchange Limited. 7, Lyons range, Kolkata – 700 001.  
CSE Scrip Code: 17094
2. The Ahmedabad Stock Exchange Limited, Kamdhenu Complex, Opp Sahajanand College, Panjarapole, Ahmedabad – 380 015  
ASE Scrip Code: 17964
3. The Delhi Stock Exchange Limited, DSE House, 3/1, Asaf Ali Road, New Delhi – 110 002.  
DSE Scrip Code: 8791

## ANNEXURE 'A' TO THE DIRECTORS' REPORT

### GENERAL INFORMATION OF MEMBERS

- a) Annual General Meeting:** 28<sup>th</sup> day of May, 2014 at 12 noon.  
**(Date, Time and Venue)** Mercantile Buildings, 9/12 Lal Bazar Street, Kolkata – 700 001.
- b) Dividend payment:** Directors have not recommended any dividend on equity shares for the financial year ended 2013-14.
- c) Date of Book Closure:** 24<sup>th</sup> May, 2014 to 28<sup>th</sup> May, 2014(both days inclusive).
- d) Financial Year:** April-March.
- e) Market Price Data:** Monthly High/ Low price during the last Financial Year at the Calcutta Stock Exchange depicting liquidity of the Equity Shares is given hereunder:

Months	Share Price		Months	Share Price	
	High	Low		High	Low
April,2013	N.T.		Oct,2013	N.T.	
May,2013	N.T.		Nov,2013	N.T.	
June,2013	N.T.		Dec,2013	N.T.	
July,2013	N.T.		Jan,2014	N.T.	
August,2013	N.T.		Feb,2014	N.T.	
September,2013	N.T.		Mar,2014	N.T.	

N.T. denotes 'No Trading' in any of the Stock exchanges where shares are listed.

- f) Performance in comparison to broad based indices:** No comparison to broad based indices such as BSE Sensex/ CRISIL Index, etc could be drawn since there is no trading at the Calcutta Stock Exchange during the year 2013-14.

- g) Registrar and Share Transfer Agents:** M/s Maheswari Datamatics Private Limited.  
6 Mangoe Lane  
Kolkata – 700 001.  
Tel.: +91 33 2248 2248 / +91 33 2243 5809  
Email: mdpldc@yahoo.com

- h) Share Transfer System:** Share Transfer System is entrusted to the Registrar and Share Transfer Agents. Transfer Committee is empowered to approved the Share Transfers. Transfer Committee Meeting is generally held once in a month. The Share Transfer, Issue of duplicate Certificate is endorsed by Directors/ Officers as may be authorized by the Transfer Committee. Grievances received from members and miscellaneous correspondences are processed by the Registrars within 30/ 15 days as applicable.



## ANNEXURE 'A' TO THE DIRECTORS' REPORT

### i) Distribution of shareholding as on 31<sup>st</sup> March 2014

<u>Number of equity shares held</u>	<u>Shares</u>	<u>No. of shareholders</u>	<u>% Shares</u>	<u>% of share holders</u>
1- 500	21600	48	0.70%	41%
501- 1000	14400	16	0.46%	14%
1001-3000	21100	10	0.68%	9%
3001-5000	25900	7	0.83%	6%
5001-10000	6300	1	0.20%	1%
10001-50000	574900	18	18.53%	15%
50001-100000	462800	5	14.92%	4%
100001 and above	1975000	12	63.67%	10%
	<b>3102000</b>	<b>117</b>	<b>100.00%</b>	<b>100%</b>

### j) Shareholding pattern as on 31<sup>st</sup> March, 2014

<u>Sl. No.</u>	<u>Category</u>	<u>No. of Equity Shares of face value of Rs. 10 each held</u>	<u>Percentage of share holding</u>
1)	Promoters/ Directors/ Associates	882800	28.46%
2)	Private Corporate Bodies	1256000	40.49%
3)	Indian Public	963200	31.05%
	<b>TOTAL</b>	<b>3102000</b>	<b>100.00%</b>

### k) 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).

### l) Plant Location:

The Company has no plant of its own

### m) Address for Correspondence:

Mercantile Buildings.  
9/12, Lal Bazar Street,  
Block- A, 3<sup>rd</sup> Floor,  
Kolkata – 700 001.

Place: 9/12, Lal Bazar Street  
3<sup>rd</sup> Floor, Block – A  
Kolkata – 700 001

On behalf of the Board

Sd/- Archana Bedia  
Managing Director & CEO

Date: 30<sup>th</sup> April 2014

Sd/- Natwar Lal Bedia  
Director

# ANNEXURE 'B' TO THE DIRECTORS' REPORT

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## **9 MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report have been prepared in compliance with the requirements of Listing Agreements and contain expectations and projections about the strategy for growth. Certain statements in the Management Discussion and Analysis Report are forward looking statements which involve a number of risks and uncertainties that could differ from actual results performance or achievements which such forward looking statements on the basis of any subsequent developments, information or events for which the Company do not bear any responsibility.

## **ECONOMY AND CAPITAL MARKET OVERVIEW**

Growth Indicators for the Indian Economy are showing signs of stabilization but the macroeconomic environment still remains challenging particularly with regards to inflation. Government projects under implementation and real estate activity indicators picked up during the year but the macro environment still remains stretched.

Despite sluggishness in the Capital Market, during the year 2013-14 the benchmark indices have moved up by above 26% but the investors are looking forward to more stable times in future. There is a general expectation of favourable policy initiatives by the Government and regulators like RBI and SEBI. It is also expected that corporate earning performance in 2014-15 will improve and this will keep up the momentum of the financial markets.

## **BUSINESS REVIEW**

The Company has one reportable segment i.e. trading in shares, securities and derivatives. The company is also a member dealer of OTC Exchange of India. Though the original trading platform of this exchange has not met with success hence there has not been any activity on this exchange by the company. There is a sizable fall in the volume of trading in the market due to slowdown in Indian Economy and political uncertainty. There is a general expectation of stable government being formed in coming elections and if it happens there would be opportunity in the financial markets

## **OPPORTUNITIES AND THREATS**

At present the country is going through high inflationary phase of the economy and this is perhaps due to lower growth in the economy and lack of bold policy initiatives by the Government. If the economic conditions improve there would be opportunities in the financial markets.

But if there is no control on the inflation and the interest rates prevails at a higher level, there would be fewer opportunities in the financial markets.

## **OUTLOOK**

The outlook of the main financial market is bright as the FII's are investing considerable amount of money in the Indian Financial Market and domestic Insurance Companies are also investing prudently in the markets particularly in PSU shares which are heavily depressed at present. The benefits of stable

## ANNEXURE 'B' TO THE DIRECTORS' REPORT

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government at Centre will accrue to the markets as there will be policy initiatives by the stable government in the changed political environment. Indian Corporate has shown resilience in their operations even in difficult times.

### **RISKS AND CONCERNS**

The Company is operating in domestic financial markets. Any adverse changes in the interest rates, inflation and other economic parameters would highly influence the operation of a company.

# ANNEXURE 'C' TO THE DIRECTORS' REPORT

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## Certification by CEO and Chief Financial Officer of the Company

### The Board of Directors

Gajanan Securities Services Limited.

9/12 Lal Bazar Street,

Kolkata- 700 001.

Dear Sirs.

In terms of Clause 49 of the Standard Listing Agreement, we, Mrs. Archana Bedia, Managing Director & CEO and Mr. Ritesh Khaitan, Chief Financial Officer, Certify that:

1. We have reviewed financial statements and the cash flow statements for the financial year 2013-14 and to our best of knowledge, belief and information-
  - i. These statements do not contain any materially untrue statements or omit any material fact or contain statement that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affair and are in compliance with existing standards, applicable laws and regulations.
2. To our best of knowledge, belief and information, no transaction entered into by the Company during the financial year 2013-14 are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal control which we are aware and we have taken and propose to take requisite steps to rectify the deficiencies, if any.
4. We have indicated to the Auditors and the Audit Committee:
  - i. Significant changes in internal control during the financial year 2013-14.
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
5. We have not come across any instances of significant fraud committed by the management or an employee having significant role in the Company's internal control system.

We further declare that all the Board Members and senior management personnel have affirmed compliance of Code of Conduct for the year 2013-14.

Sd/ -Archana Bedia

Sd/- Ritesh Khaitan

Place: Kolkata

Archana Bedia

Ritesh Khaitan

Date: 30.04.2014

CEO

Chief Financial Officer

## ANNEXURE 'D' TO THE DIRECTORS' REPORT

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### **Declaration for Compliance with the Code of Conduct of the Company as per Clause 49(I)(D)(ii) of the Listing Agreement**

I, Archana Bedia, Managing Director & CEO of Gajanan Securities Service Limited declare that as of 31<sup>st</sup> March, 2014 all the Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company.

For **Gajanan Securities Services Limited**

Place: Kolkata  
Date: 30.04.2014

Sd/- Archana Bedia  
Archana Bedia  
Managing Director & CEO

### **CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE AS REQUIRED UNDER THE LISTING AGREEMENT WITH STOCK EXCHANGES**

#### **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 31<sup>st</sup> March 2014 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.

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

Sd/- P K Choudhary  
(CA P K Choudhary)  
Proprietor  
Membership no.: 055177  
Place: Kolkata  
Date: 30<sup>th</sup> April, 2014

## ANNEXURE 'E' TO THE DIRECTORS' REPORT

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MANJULA PODDAR  
COMPANY SECRETARY

MERCANTILE BUILDING  
9, LAL BAZAR STREET,  
BLOCK -B, ROOM NO. 3084  
3<sup>RD</sup> FLOOR  
KOLKATA 700001

### COMPLIANCE CERTIFICATE

Registration No. of the Company : 21-063477  
Nominal Capital : Rs.5000000/-

To  
The Members,  
Gajanan Securities Services Limited  
9/12, Lal Bazar Street, 3<sup>rd</sup> Floor, Block A  
Kolkata- 700001

I have examined the registers, records, books and papers of GAJANAN SECURITIES SERVICES LIMITED (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March, 2014 (financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year.

1. The Company has kept and maintained all registers as per the provisions of the Act and the rules made thereunder and all the entries therein have been duly recorded.
2. The Company has duly filed the forms and returns with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder except as otherwise stated.
3. The Company being a public limited company, comments are not required.
4. The Board of Directors duly met FIVE times respectively on 24.04.13, 28.05.13, 23.07.13, 09.10.13 and 13.01.14 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has not closed its Register of Members during the financial year.
6. The Annual General Meeting of the financial year ended on 31<sup>st</sup> March, 2013 was held on 12<sup>th</sup> August, 2013, after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No extra-ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or Companies referred to under Section 295 of the Act.

## ANNEXURE 'E' TO THE DIRECTORS' REPORT

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9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Board of Directors has approved the issue of duplicate share certificates.
13.
  - i. There was no allotment/transfer/transmission of securities during the financial year.
  - ii. The Company has not deposited any amount in separate bank account as no dividend was declared during the financial year.
  - iii. The Company was not required to post warrants to any member of the Companies as no dividend was declared during the financial year.
  - iv. There is no amount lying in unpaid dividend account, application money due for refund and there are no deposits, debentures etc. as on 31<sup>st</sup> March, 2014.
  - v. The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of the Directors of the Company is duly constituted. There was no appointment of directors, additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/ or such authorities prescribed under the various provisions of the Act during the Financial year.
18. The Directors have disclosed their interest in the other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued shares/debentures/other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any Preference Shares or debentures.
22. There were no transactions necessitating the Company to keep in abeyance any rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.

## ANNEXURE 'E' TO THE DIRECTORS' REPORT

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24. The Company has not made any borrowings during the financial year ended 31<sup>st</sup> March, 2014.
25. The Company has made loans and investments without complying with the provisions of the Act and has not made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect of situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company, during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not deducted any Contribution towards Provident Fund during the financial year.

**PLACE :** KOLKATA

**DATED :** 6<sup>th</sup> May, 2014

**Signature :** S/D Manjula Poddar

**Name of the :MANJULA PODDAR  
Company Secretary**

**C.P.No : 11252**



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

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### 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 2014, and the statement of profit and loss for the year then ended, and a summary of significant accounting policies and other explanatory information and cash flow statement.

### 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 ₹ 41,516/- 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 2014,
- b. In the case of the statement of profit and loss, of the profit 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

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### 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 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

### For P.K.C & Co.

Firm registration number: 322332E

Chartered Accountants

Sd/- P K Choudhary

(CA P K Choudhary)

Proprietor

Membership no.: 055177

Place: Kolkata

Date: 30<sup>th</sup> April 2014

**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

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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 31<sup>st</sup> March 2014 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 immediately preceding financial year.
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

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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

Sd/- P K Choudhary  
(CA P K Choudhary)  
Proprietor  
Membership no.: 055177  
Place: Kolkata  
Date: 30<sup>th</sup> April 2014

**Gajanan Securities Services Limited**

Balance Sheet as at 31st March 2014

	Notes	31st March 2014 ₹	31st March 2013 ₹
<b>Equity and Liabilities</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	30,914,000	23,322,500
Reserves & Surplus	3	(2,550,198)	(3,020,424)
		<b>28,363,802</b>	<b>20,302,076</b>
<b>Current Liabilities</b>			
Trade Payables	4	8,989	6,742
Other current liabilities	5	177,979	121,500
Short Term Provisions	6	72,020	-
		<b>258,988</b>	<b>128,242</b>
<b>Total</b>		<b>28,622,790</b>	<b>20,430,318</b>
<b>Assets</b>			
<b>Non-current Assets</b>			
Fixed Assets			
Tangible Assets	7	275,004	335,514
Non-current investments	8	5,860,204	5,860,204
Long-term loans & Advances	9	8,279,431	903,000
		<b>14,414,639</b>	<b>7,098,718</b>
<b>Current Assets</b>			
Trade Receivables	10	2,185,020	2,559,716
Other Current Assets	11	2,937	-
Inventories	12	10,091,442	10,363,804
Cash and Cash Equivalents	13	1,928,752	408,080
		<b>14,208,151</b>	<b>13,331,600</b>
<b>Total</b>		<b>28,622,790</b>	<b>20,430,318</b>
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.**

Chartered Accountants  
Firm Regn. No. 322332E

For and on behalf of the board of directors

Sd/- P K Choudhary  
**P.K.Choudhary**  
Proprietor  
M. No. 055177

Sd/- Archana Bedia  
**Archana Bedia**  
Managing Director & CEO

Sd/- Natwar Lal Bedia  
**Natwar Lal Bedia**  
Director

Sd/- Ritesh Khaitan  
**Ritesh Khaitan**  
Chief Financial Officer

Sd/- Khushboo Agarwal  
**Khushboo Agarwal**  
Company Secretary

Place: Kolkata  
Date: 30/04/2014

**Gajanan Securities Services Limited****Statement of Profit and Loss for the year ended 31st March 2014**

	Notes	31st March 2014 ₹	31st March 2013 ₹
<b>Income</b>			
Revenue from operations	14	1,201,554	207,878
Other income	15	38,182	9,214
<b>Total revenue (I)</b>		<b>1,239,736</b>	<b>217,092</b>
<b>Expenses</b>			
Purchase of traded goods (Shares & Securities)		32,836	125,288
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	16	272,362	90,006
Employee benefit expense	17	123,000	48,000
Other expenses	18	208,782	52,987
Depreciation	19	60,510	9,234
<b>Total (II)</b>		<b>697,490</b>	<b>325,515</b>
<b>Profit/(loss) for the year before tax</b>		<b>542,246</b>	<b>(108,423)</b>
Tax Expense		72,020	-
<b>Profit/(loss) for the year after tax</b>		<b>470,226</b>	<b>(108,423)</b>

Earnings per equity share [nominal value of share ₹ 10(31 March 2013: ₹ 10)]

0.15

(0.03)

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.**

Chartered Accountants  
Firm Regn. No. 322332E

For and on behalf of the board of directors

Sd/- P K Choudhary  
**P.K.Choudhary**  
Proprietor  
M. No. 055177

Sd/- Archana Bedia  
**Archana Bedia**  
Managing Director & CEO

Sd/- Natwar Lal Bedia  
**Natwar Lal Bedia**  
Director

Place: Kolkata  
Date: 30/04/2014

Sd/- Ritesh Khaitan  
**Ritesh Khaitan**  
Chief Financial Officer

Sd/- Khushboo Agarwal  
**Khusboo Agarwal**  
Company Secretary

**Gajanan Securities Services Limited**

Notes to financial statements for the year ended 31st March 2014

**1. Significant accounting policies & additional notes to accounts**

a) Accounting Convention:

1. The accounts have been prepared on historical cost basis and on the accounting principles of a going concern.
2. Accounting policies not specifically referred to otherwise are consistent and in accordance with the generally accepted accounting policies.
3. 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 ₹ 41516/- 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 provided current tax as computed under the provisions of the Income Tax Act, 1961.

h) 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.

i) Previous year figures have been regrouped and rearranged to make them comparable with the current year figures.

**2. Share Capital**

	31st March 2014 ₹	31st March 2013 ₹
<b>Authorised Shares</b>		
50,00,000 Equity Shares of ₹ 10/- each	50,000,000	50,000,000
<b>Issued,Subscribed &amp; Fully Paid up shares</b>		
3102000(31 March 2013:31,02,000)equity shares of ₹ 10/- each	31,020,000	31,020,000
Less: Calls in arrears	106,000	7,697,500
	<b>30,914,000</b>	<b>23,322,500</b>

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

Equity shares

	31st March 2014		31st March 2013	
	No.	₹	No.	₹
At the beginning of the period	3,102,000	31,020,000	3,102,000	31,020,000
Allotted during the year	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>3,102,000</b>	<b>31,020,000</b>	<b>3,102,000</b>	<b>31,020,000</b>

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

	31st March 2014		31st March 2013	
	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	-	0.00%	156,000	5.03%
Devika Fin-Vest & Stocks Pvt Ltd	-	0.00%	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 2014

<b>3. Reserves &amp; Surplus</b>	<b>31st March 2014</b>	<b>31st March 2013</b>
	₹	₹
<b>Surplus/(deficit) in the statement of profit and loss</b>		
Balance as per last financial statements	(3,020,424)	(2,912,001)
Surplus/(deficit) for the year	470,226	(108,423)
<b>Net surplus/(deficit) in the statement of profit and loss</b>	<b>(2,550,198)</b>	<b>(3,020,424)</b>

<b>4. Trade payables</b>	<b>31st March 2014</b>	<b>31st March 2013</b>
	₹	₹
Trade payables	8,989	6,742
	<b>8,989</b>	<b>6,742</b>

<b>5. Other current liabilities</b>	<b>31st March 2014</b>	<b>31st March 2013</b>
	₹	₹
Subscription payable	50,000	50,000
Listing Fees Payable	101,457	-
Custodian Charges Payable	25,022	-
Filing fees	1,500	1,500
Advance from Party	-	70,000
	<b>177,979</b>	<b>121,500</b>

<b>6. Short term provisions</b>	<b>31st March 2014</b>	<b>31st March 2013</b>
	₹	₹
Provision for tax	72,020	-
	<b>72,020</b>	<b>-</b>

<b>7. Tangible assets</b>	(₹)				
	Furniture & Fixtures	Air Conditioner	Computers	EPABX	Total
<b>Cost or valuation</b>					
At 1 April 2013	336,900	25,000	89,587	39,500	490,987
Additions	-	-	-	-	-
<b>At 31 March 2014</b>	<b>336,900</b>	<b>25,000</b>	<b>89,587</b>	<b>39,500</b>	<b>490,987</b>
<b>Depreciation</b>					
At 1 April 2013	8,041	22,608	89,355	35,469	155,473
Charge for the year	59,523	333	93	561	60,510
<b>At 31 March 2014</b>	<b>67,564</b>	<b>22,941</b>	<b>89,448</b>	<b>36,030</b>	<b>215,983</b>
<b>Net Block</b>					
<b>At 31 March 2013</b>	<b>328,859</b>	<b>2,392</b>	<b>232</b>	<b>4,031</b>	<b>335,514</b>
<b>At 31 March 2014</b>	<b>269,336</b>	<b>2,059</b>	<b>139</b>	<b>3,470</b>	<b>275,004</b>

<b>8. Non-current investments</b>	<b>31st March 2014</b>	<b>31st March 2013</b>
	₹	₹
<b>Non-trade investments (valued at cost unless stated otherwise)</b>		
<b>Investment in equity instruments (unquoted)</b>		
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
	<b>5,860,204</b>	<b>5,860,204</b>

<b>9. Long term loans and advances</b>	<b>31st March 2014</b>	<b>31st March 2013</b>
	₹	₹
<b>Security Deposit</b>		
Unsecured, considered good	903,000	903,000
	<b>903,000</b>	<b>903,000</b>
<b>Loans &amp; Advances</b>		
Unsecured, considered good	7,376,431	-
	<b>7,376,431</b>	<b>-</b>
<b>Total</b>	<b>8,279,431</b>	<b>903,000</b>

<b>10. Trade Receivables</b>		
	31st March 2014	31st March 2013
	₹	₹
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Unsecured, considered good	2,185,020	2,559,716
<b>Other receivables</b>		
Unsecured, considered good	-	-
<b>Total</b>	<b>2,185,020</b>	<b>2,559,716</b>

<b>11. Other Current Assets</b>		
	31st March 2014	31st March 2013
	₹	₹
TDS receivable	2,937	-
	<b>2,937</b>	<b>-</b>

<b>12. Inventories (valued at cost)</b>		
	31st March 2014	31st March 2013
	₹	₹
Traded shares & securities	10,091,442	10,363,804
	<b>10,091,442</b>	<b>10,363,804</b>

<b>13. Cash and cash equivalents</b>		
	31st March 2014	31st March 2013
	₹	₹
Balances with banks	1,474,800	67,301
Cash on hand	453,952	340,779
	<b>1,928,752</b>	<b>408,080</b>

<b>14. Revenue from operations</b>		
	31st March 2014	31st March 2013
	₹	₹
Sale of shares & Profit from Derivatives	1,201,554	208,012
Speculation Profit/(Loss)	-	(134)
	<b>1,201,554</b>	<b>207,878</b>

<b>15. Other Income</b>		
	31st March 2014	31st March 2013
	₹	₹
Commission & Brokerage	-	1,864
Dividend	8,814	7,350
Interest on Loans	29,368	-
	<b>38,182</b>	<b>9,214</b>

<b>16. (Increase)/decrease in inventories</b>		
	31st March 2014	31st March 2013
	₹	₹
<b>Inventories at the end of the year</b>		
Traded shares & securities	10,091,442	10,363,804
	<b>10,091,442</b>	<b>10,363,804</b>
<b>Inventories at the beginning of the year</b>		
Traded shares & securities	10,363,804	10,453,810
	<b>10,363,804</b>	<b>10,453,810</b>
	<b>272,362</b>	<b>90,006</b>

<b>17. Employee benefit expense</b>		
	31st March 2014	31st March 2013
	₹	₹
Salaries, wages and bonus	123,000	48,000
	<b>123,000</b>	<b>48,000</b>

<b>18. Other expenses</b>		
	31st March 2014	31st March 2013
	₹	₹
Bank charges	595	148
Demat Expenses	2,268	1,276
NSDL Expenses	15,440	-
Office Expenses	14,290	12,885
STT & Other Charges	319	383
Listing Fees	101,457	-

CDSL Expenses	25,022	-
Books & periodicals	3,780	6,351
Travelling and conveyance	9,101	10,666
Communication costs	3,185	1,652
Filing Fees	4,500	1,500
Printing and stationery	3,827	5,188
Legal & professional fees	2,500	-
Payment to auditor (as Statutory Auditor)	5,618	3,371
Miscellaneous expenses	16,880	9,567
	<b>208,782</b>	<b>52,987</b>

**19. Depreciation and amortization expense**

	31st March 2014	31st March 2013
	₹	₹
Depreciation of tangible assets	60,510	9,234
	<b>60,510</b>	<b>9,234</b>

**For P.K.C & Co.**

Firm registration number: 322332E  
Chartered Accountants

Sd/- P K Choudhary

**P.K.Choudhary**

Proprietor

Membership no.: 055177

Place: Kolkata

Date: 30/04/2014

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

Sd/- Archana Bedia

**Archana Bedia**

Managing Director & CEO

Sd/- Natwar Lal Bedia

**Natwar Lal Bedia**

Director

Sd/- Ritesh Khaitan

**Ritesh Khaitan**

Chief Financial Officer

Sd/- Khushboo Agarwal

**Khushboo Agarwal**

Company Secretary

**Gajanan Securities Services Limited****Cash flow statement for the year ended 31st March 2014**

	31st March 2014 ₹	31st March 2013 ₹
<b>Cash flow from operating activities</b>		
Profit before tax	542,246	(108,423)
Non-cash adjustment to reconcile profit before tax to net cash flow:		
Depreciation	60,510	9,234
Operating profit before working capital changes	<b>602,756</b>	<b>(99,189)</b>
Movements in working capital :		
Increase/(decrease) in trade payables	2,247	(10,931)
Increase/(decrease) in other current liabilities	56,479	-
Decrease/(increase) in trade receivables	374,696	640,000
Decrease/(increase) in other current assets	(2,937)	-
Decrease/(increase) in inventories	272,362	90,006
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>1,305,603</b>	<b>619,886</b>
<b>Cash flows from investing activities</b>		
Purchase of Furnitures & Fixtures	-	(336,900)
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>-</b>	<b>(336,900)</b>
<b>Cash flows from financing activities</b>		
Calls-in-arrear	7,591,500	-
Loans given	(7,376,431)	-
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>215,069</b>	<b>-</b>
Net increase/(decrease) in cash and cash equivalents (A + B + C)	1,520,672	282,986
Cash and cash equivalents at the beginning of the year	408,080	125,094
<b>Cash and cash equivalents at the end of the year</b>	<b>1,928,752</b>	<b>408,080</b>

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

Sd/- P K Choudhary

**P.K.Choudhary**

Proprietor

Membership no.: 055177

Place: Kolkata

Date: 30/04/2014

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

Sd/- Archana Bedia

**Archana Bedia**

Managing Director &amp; CEO

Sd/- Natwar Lal Bedia

**Natwar Lal Bedia**

Director

Sd/- Ritesh Khaitan

**Ritesh Khaitan**

Chief Financial Officer

Sd/- Khushboo Agarwal

**Khushboo Agarwal**

Company Secretary

**Gajanan Securities Services Limited**  
**Registered Office: 9/12, Lal Bazar Street, Kolkata- 711101**

**PROXY FORM**

<b>Regd. Folio No.</b>	
<b>No. of Equity Shares held</b>	

<b>* DP ID:</b>	
<b>* Client ID:</b>	

I/We.....  
of..... being a member/ members of **Gajanan Securities Services Limited** hereby appoint.....  
of.....or failing him.....  
of.....as my/our proxy to attend and vote for me/us and on my/our behalf at the 20<sup>th</sup> Annual General Meeting of the Members of the Company to be held on Wednesday, 28<sup>th</sup> May, 2014 at 12 noon at Mercantile Buildings , 9/12, Lal Bazar Street, Kolkata- 700 001, West Bengal.  
Signed this.....day of.....2014

Please Affix Re 1/- Revenue Stamp and sign across
---

**Note:** (1) The proxy need not be a member of the company.  
(2) The Proxy 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 time for holding the aforesaid meeting.

\*Applicable for investors holding shares in Electronic Form.

**Gajanan Securities Services Limited**  
**Registered Office: 9/12, Lal Bazar Street, Kolkata- 711101**

**ATTENDANCE SLIP**

**20<sup>th</sup> Annual General Meeting, 28<sup>th</sup> May, 2014 at 12 noon**

<b>Regd. Folio No.</b>		<b>* DP ID:</b>	
<b>No. of Equity Shares held</b>		<b>* Client ID:</b>	

<b>Name of Shareholder</b>	
<b>Name of Proxy</b>	

I/We hereby record my/ our presence at the 20<sup>th</sup> Annual General Meeting of the members of the Company held on Wednesday, the 28<sup>th</sup> day of May, 2014 at 12 noon at Mercantile Buildings, 9/12, Lal Bazar Street, Kolkata- 700 001, West Bengal.]

**SIGNATURE OF THE MEMBER OR THE PROXY ATTENDING THE MEETING**

\_\_\_\_\_  
**If Member, Please sign here**

\_\_\_\_\_  
**If Proxy, Please sign here**

**Note:** This form should be signed and handed over at the Meeting Venue.

\*Applicable for investors holding shares in electronic form