



30th ANNUAL REPORT

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MCA CIRCULAR

Dear Shareholder,

The ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by Companies vide its circular No. 17 dated April 21, 2011 stating that a company would have complied with section 53 of the Act, if the service of document has been made through electronic mode. In such case, the company is required to obtain email addresses of its members for sending the notice / documents through email by giving an advance opportunity to every shareholder to register his / her email address and changes therein, if any, from time to time with the company and Circular No. 18 Dated 29th April, 2011 relating to dispatch of Annual Report and other Notices etc.

GSB Finance Limited (GSBFL) is committed to be an Environment friendly company in all its areas of activities, products and services. The Company invites its shareholders to participate in the Green Initiatives to affirm its commitment towards future generations.

Keeping in vire the above, we are proposing to provide an option to shareholders for receiving all communications / documents like AGM notice, audited financial statements, directors' report, auditors' report etc. via electronic form / email. In case you are holding the shares in electronic form please provide your email-id to your Depository Participant (DP) at the earliest preferably by 20/09/2012 to enable us to send the Annual Report & other documents of GSBFL to your email address.

In case you are holding shares in physical form, please provide the details of your valid email-id at the earliest preferably by 20/09/2012 to the Registered Office at the following address to enable us to send the Annual Report & other documents of GSBFL to your email-id:

It may be noted that you will be entitled to be furnished, free of cost, with a copy, of Annual Report and all other documents required by law upon receipt of a requisition from you, any time, as a member of the Company.

We solicit your support to join in this initiative in reducing the impact on the environment and receive all communications electronically.

Thanking you,

Yours faithfully,

For and on behalf of the Board
For GSB FINANCE LTD

Sd/-
G. S. BIYANI
Chairman

Date : 27th May, 2013
Place : Mumbai - 400 001.

**GSB FINANCE LIMITED**

Registered Office : 815, Stock Exchange Tower, 8th Floor,
Dalal Street, Mumbai - 400 001.

ATTENDANCE SLIP

(Please complete the Attendance Slip and hand it over at the entrance of the Meeting Hall)

I / We hereby record my/our presence at 78/80, Alli Chambers, Tamarind Lane, Fort, Mumbai - 400 001.
on Friday, the 27th September, 2013 at 4.00 p.m.

Name of the Shareholder _____
(in block letters)

Folio No. _____ No. of shares hold _____

Affix
Rs. 1.00
Revenue
Stamp

Signature of the Share Holder / Proxy

Note : The Proxy duly completed must be deposited at the Registered Office of the Company not less than 48 hours before time for holding the meeting.

Name of Shareholder(s)	Folio No.	No. of Shares
DP-ID No.	Client - ID No.	

GSB FINANCE LIMITED

Registered Office : 815, Stock Exchange Tower, 8th Floor,
Dalal Street, Mumbai - 400 001.

ATTENDANCE SLIP

NAME AND ADDRESS OF SHAREHOLDER	FOLIO NO.
	DP - ID NO.
No. of Shares :	Client ID No.

I / We hereby record my / our attendance at the Annual General Meeting to be held at 4.00 P.M. on
Friday, the 27th September, 2013 at 78/80, Alli Chambers, Tamarind Lane, Fort, Mumbai - 400 001.



BOARD OF DIRECTORS

SHRI G. S. BIYANI
Chairman

SHRI R. S. BIYANI
Managing Director

RITIKA S. GUPTA
MANISH ZANVAR
SAJJAN KUMAR PODDAR
YOGESH PATEL
PARASRAM KABRA

AUDITORS

S. K. RATHI & CO.
Chartered Accountants.

REGISTERED OFFICE

815, Stock Exchange Tower,
8th Floor, Dalal Street,
MUMBAI - 400 001

BANKERS

BANK OF INDIA
ICICI BANK LTD.
THE SOUTH INDIA BANK.

TRANSFER AGENT

System Support Services
209, Copper Chimney Building,
Shivalik Industrial Estate,
Next to Park Davis,
Andheri-Kurla Road, Andheri (East),
Mumbai - 400 059
Tel.: 022-28500835



NOTICE TO THE MEMBERS

Notice is hereby given that the 30th Annual General Meeting of the members of GSB Finance Ltd. will be held at the Corporate Office of the Company at 78/80, Alli Chambers, Tamarind Lane, Fort, Mumbai - 400 001 on Friday 27th September, 2013 at 4.00 P.M. to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2013 together with the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Yogesh Patel who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mrs. Ritika Gupta who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company, And to fix their remuneration.

Registered Office:
815, Stock Exchange Tower,
8th Floor, Dalal Street,
Mumbai - 400 001.

Date : 27th May, 2013
Place : Mumbai - 400 001.

For and on behalf of the Board
For GSB FINANCE LTD

Sd/-
G. S. BIYANI
Chairman

NOTES

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member of the Company.
2. The instrument appointing a proxy, in order to be effective, should reach the Registered Office of the Company not less than 48 hours before the meeting.
3. The Register of the members and Share Transfer Books of the Company shall remain closed from 23/09/2013 to 26/09/2013 (both days inclusive)
4. Members desiring any information on the accounts of the Company are requested to write to the Company at least 10 days in advance, so as to enable the Company to keep the information ready.
5. Members are requested to notify changes in mailing addresses, if any.

Registered Office:
815, Stock Exchange Tower,
8th Floor, Dalal Street,
Mumbai - 400 001.

Date : 27th May, 2013
Place : MUMBAI.

For and on behalf of the Board
For GSB FINANCE LTD

Sd/-
G. S. BIYANI
Chairman



DIRECTORS' REPORT

The Members,

Your Directors' have pleasure in presenting the 30th Annual Reports together with Audited Statement of Accounts for the year ended 31st March 2013

FINANCIAL RESULTS:

The financial performance of the Company, for the year ended March 31, 2013 is summarized below:

	(Rs. in Lacs)	
	2012-13	2011-12
Profit /(Loss) before Depreciation & Tax	109.61	(0.26)
Depreciation	2.48	1.85
Provision for Taxation	22.58	0.00
Differed Tax Expenses	0.33	(0.12)
Deferred Tax Debit / (Credit)	14.25	19.31
Profit / (Loss) after Tax Available for Appropriation	69.97	(21.31)
Less:- Transfer to Special Investment Reserve	17.00	0.00
Transfer to General Reserve	30.00	0.00
Add:- Balance brought forward from Previous Year	61.88	83.19
<u>Balance Carried Forward</u>	<u>84.85</u>	<u>61.88</u>

PERFORMANCE:

During the year company has achieved a turnover of Rs.11358.09 Lacs as against the in the previous year at Rs. Rs.2721.99 Lacs. However, as the market was very volatile, therefore, trading in security , equity , mutual fund investment , equity derivatives were affected and Directors are of the view that in spite of various constrain company has fared reasonably good. Profit Margin was under Pressure as market conditions were not favorable to equity trading.

ECONOMIC OUTLOOK:

FY 2012-13 was a challenging year. The global economy, barely a year after recession, witnessed lower economic growth, resulting primarily from the Euro Zone debt crisis and high oil prices, which were fuelled by uncertainties of supply. The European economies stagnated and the US witnessed a downgrade in its credit rating, while the growth engines of the global economy, China and India were forced to tighten liquidity to tame rising inflation.

DIVIDEND:

The Board, for the year ended 31st March, 2013 in view of profit is to be re invested in business hence regret there in ability to declare any dividend for the year.

DIRECTORS:

Shri Yogesh Patel and Smt. Ritika Gupta retire by rotation, being Directors of the Company retires by rotation at the forth coming Annual General Meeting under the provisions of Articles of Association of the Company and being eligible and offers themselves for re-appointment.

DEPOSITS

The Company has not accepted and/or renewed any public deposit during the year.



AUDITORS:

M/S. S. K. Rathi & Co., Chartered Accountants who are the Auditors of the Company hold the Office till the conclusion of ensuing Annual General Meeting and express inability to continue to be appointed as Auditors for the next financial year, therefore Board of Director has recommended the appointment of M/s S. K. Rathi & Co., Chartered Accountants. The Company has received consent from the Auditors pursuant to Section 224 (1B) of the Companies Act, 1956.

AUDIT REPORT:

Report of the auditors read with the notes on accounts is self-explanatory and need no elaboration.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, your Directors hereby state:

- (a) That in preparation of the annual accounts for the financial year ended 31st March 2013, the applicable accounting standards had been followed with proper explanations relating to material departures;
- (b) That we have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent, so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- (c) That we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting the fraud and other irregularities;
- (d) That we have prepared the annual accounts for the financial year ended 31st March 2013 on a "going concern" basis.

CORPORATE GOVERNANCE:

The Company has complied with the requirements regarding Corporate Governance as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, where the Company's shares are listed. A report on the Corporate Governance in this regard is made as a part of this Annual Report and a Certificate from the Auditors of the Company regarding compliance of the conditions of the Corporate Governance is attached to this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

PARTICULARS OF EMPLOYEES:

The Company has no employee employed during the year drawing salaries in excess of the limits prescribed u/s 217(2A) of the Companies Act, 1956.



CONSERVATION OF ENERGY:

The Company is engaged in the business of trading and dealings in shares and securities and consequently various disclosures required u/s 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Report of the Directors) Rules, 1988 are not applicable to this Company.

FOREIGN EXCHANGE EARNINGS & OUTGO:

During the year under review	-	Earnings	-	Nil (P.Y. Nil)
	-	Outgo	-	Nil (P.Y. Nil)

ACKNOWLEDGEMENT:

Your Directors wish to express their gratitude to the officials of the Stock Broking Houses, Stock Exchanges, company's bankers and shareholders who have extended their valuable support to the Company. Directors are also grateful to the staff and employees of the Company for their devotion and relentless services.

Registered Office:

815, Stock Exchange Tower,
8th Floor, Dalal Street,
Mumbai - 400 001.

Date : 27th May, 2013

Place : Mumbai

For and on behalf of the Board
For GSB FINANCE LTD

Sd/-
G. S. BIYANI
Chairman



CEO / CFO CERTIFICATION

The Board of Directors,
GSB Finance Limited,
815, Stock Exchange Tower,
8th Floor, Dalal Street, Fort,
Mumbai - 400023.

We hereby certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2013 and that to the best of our knowledge and belief;
 - 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - 2) 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) No transaction is entered into by the company during the year which is 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 we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
 - 1) Significant changes in internal control over financial reporting during the year.
 - 2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- 3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board
For GSB Finance Limited
Sd/-
Girdharilal S. Biyani
Chairman / CEO

Date : 27th May, 2013
Place : MUMBAI.

COMPLIANCE CERTIFICATE

To,

The Members of
GSB Finance Limited,

It is hereby certificate and examined that as provided in clause 49 I (D) of the listing agreement with the stock exchanges, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2013.

Registered Office :
815, Stock Exchange Tower,
8th Floor, Dalal Street, Fort, Mumbai - 400 023.

Date : 27th May, 2013
Place : MUMBAI.

For and on behalf of the Board
For GSB Finance Limited
Sd/-
Girdharilal S. Biyani
Chairman / CEO



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

FORWARD LOOKING STATEMENTS

This report contains forward-looking statement, which may be identified by their use of words like "expects", "will" or other words of similar meaning. Forward-looking statement is based on certain assumptions and expectations of future events and the Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publicly amend or revise the forward-looking statements or any loss to the investors in the shares of the Company making investments relying on such forward-looking statements.

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

The last year (2012-2013) has been the most eventful period for the Indian securities market during which it took major strides to carve a niche for itself in the global securities markets. The major developments which hastened this incredible journey can broadly be observed under three categories, viz. improved market microstructure, introduction of new products and progressive changes in the regulatory framework.

2. OPPORTUNITY AND THREATS

Opportunities

GSB Finance Limited is engaged into financial services. Apart of the fast growing economy of India and the demand for Issues coming from ever increasing size of securities market, a key opportunity is the launch of SME Exchanges by BSE and NSE . Your company is considering being a first mover in these exchanges and taking advantage of the huge potential market size of this segment.

Threats

The financial sector throws open various avenues to the Indian Corporate for raising of funds are not only dependent on the IPO's and Rights Issues but they are looking for other avenues for mobilizations of funds and finance requirements. This poses a threat to our Business. Also, the increased uncertainty in the global economic environment could affect the pace of decisions from corporate and hence delay fund raising plans.

3. SEGMENTWISE PERFORMANCE

The market was very volatile, therefore, trading in security, equity, mutual fund investment, equity derivatives were affected and Directors are of the view that in spite of various constrain company has fared reasonably good. Profit Margin was under Pressure as market conditions were not favorable to equity trading.

4. OUTLOOK

The growing economy and ever increasing capital market provides a good scope of expansion of financial service sector. Your Company is very well prepared to grab the opportunities. The management is very optimistic about the future of the Company.

5. RISKS AND CONCERNS

The global economy, barely a year after recession, witnessed lower economic growth, resulting primarily from the Euro Zone debt crisis and high oil prices, which were fuelled by uncertainties of supply. The European economies stagnated and the US witnessed a downgrade in its credit rating, while the growth engines of the global economy, China and India were forced to tighten liquidity to tame rising inflation.



6. INTERNAL CONTROL SYSTEMS

The Company has an adequate system of internal controls that ensure that all assets are protected against loss from unauthorized use or disposition and all transactions are recorded and reported in conformity with generally accepted accounting policies.

7. FINANCIAL PERFORMANCE

During the year company has achieved a turnover of Rs. 11358.09 Lacs as against the in the previous year at Rs. 2721.99 Lacs. However, as the market was very volatile, therefore, trading in security , equity , mutual fund investment, equity derivatives were affected and Directors are of the view that in spite of various constrain company has fared reasonably good. Profit Margin was under Pressure as market conditions were not favorable to equity trading.

8. HUMAN RESOURCE AND INDUSTRIAL RELATIONS

The industrial relations (with various financial intermediaries) remained cordial during the year under review.

9. CAUTIONARY STATEMENT

Statements in this report on management discussion and analysis describing the company's objectives, projections, estimates, expectations and prediction are based on certain assumption and expectation of future events. Actual result could differ materially from those expressed or implied. The Company assumes no responsibility to amend, modify or revise any of the statements on the basis of subsequent developments, information or events.

For and on behalf of the Board
For GSB Finance Limited

Sd/-

Date : 27th May, 2013
Place : MUMBAI.

Girdharilal S. Biyani
Chairman / CEO



REPORT ON CORPORATE GOVERNANCE

1. GSB FINANCE LIMITED'S PHILOSOPHY ON CODE OF GOVERNANCE :

The Company has incorporated the sound Corporate Governance practices. Further the Board lays emphasis on transparency, accountability and integrity in all its operations and dealings with outsiders. Your Company has adopted some of the best practices in corporate governance much before the Code was formulated. The following are the detailed practices on Corporate Governance in your Company:

2. BOARD OF DIRECTORS

(a) Composition of the Board : (for the financial year 2012-2013)

Director	No. of Meetings attended	*No. of outside Directorship held	Total No. of Membership / Chairmanship of Committees across all Companies	
			Member	Chairman
Mr. Girdhari S. Biyani	5	2	-	2
Mr. Ramakant S. Biyani	5	3	2	-
Ms. Ritika S. Gupta	5	-	-	-
Mr. Manish Zanvar	-	-	1	-
Mr. Yogesh Patel	3	-	2	-
Mr. Parasram R. Kabra	5	-	3	1
Mr. Sajjan Kumar Poddar	-	-	-	1

(Excluding Alternate Directorship and Directorship in private limited companies, foreign companies and Section 25 Companies.)

Five Board Meeting were held during the financial year 2012-2013. The dates on which the meetings were held are given below:

15.06.2012, 30.07.2012, 27.09.2012, 30.10.2012 and 14.02.2013

3. AUDIT COMMITTEE:

a) Terms of Reference:

Terms of Reference of Audit Committee include amongst other things mainly:

- * Overseeing financial reporting process;
- * Recommending the appointment of Statutory and Internal Auditors;
- * Reviewing with management the quarterly, half yearly and annual financial statements on;
 - any change in accounting policies and practices
 - compliance with accounting standards
 - complying with Stock Exchange and other legal requirements concerning the financial Statements.
 - any related party transactions



- * Reviewing the adequacy of internal control systems and periodic audit reports;
- * Discussing with the Statutory Auditors about the nature and scope of audit;
- * Reviewing the financial statements and investments made by the unlisted subsidiary companies;
- * Analysis of the effects of alternative generally accepted accounting principles on the financial statements;
- * Review of annual Management Discussion and Analysis of financial condition and results of operations and the Directors' Responsibility Statement;
- * Disclosures made under the CEO and CFO certification to the Board;
- * Reviewing the effectiveness of the system for monitoring compliance with laws and regulations;
- * Ensure good financial practices throughout in the Company.

Name of the Director	Designation	No. of Meetings Attended
Shri. Sajjan Kumar Poddar	Chairman	4
Parasram Kabra	Director	4
Yogesh Patel	Director	4

Four Audit Committee Meeting were held during the financial year 2012-2013. The dates on which the meetings were held are given below.

15.06.2012, 30.07.12, 30.10.2012 and 14.02.2013

4. REMUNERATION OF DIRECTORS:

The following Directors are the members of the Remuneration Committee:

1. Parasram Kabra Chairman of the Committee
2. Yogesh Patel Director

Other than sitting fees, the Company pays the remuneration to Directors as following:

1. Shri Girdharilal Biyani Chairman Rs. 8,50,000/- p.a.
2. Shri Ramakant Biyani Managing Director Rs. 7,70,000/- p.a.

Only one committee meeting was held 05/01/2013.

5. SHAREHOLDERS COMMITTEE:

a) Share Transfer Committee

The Committee is comprised of an Executive Director and a Non-Executive Independent Director. Shri Girdhari Sagarmal Biyani is the Chairman and Shri Ramakant S. Biyani & Mr. Parasram Kabra are the other members of the Committee. The Committee looks into the issues relating to Shareholders, including transfer, transmission and transposition of shares, issue of duplicate share certificates and other related matters. The Committee meets to consider and approve these matters from time to time.



b) Shareholders' Grievance Committee

The Committee presently consists of three Non-Executive Independent Directors and an Executive Director. This Committee specifically looks into the redressal of shareholders' and investors' complaints such as transfer of Credit of shares to their demat account, Non-receipt of Dividend/ Notices/ Annual Report etc. with a primary objective to improve investor relations. The Committee met four times during the financial year 2012-13 viz.

21st May, 2012, 9th July, 2012, 18th October, 2012, 15th January, 2013.

Composition of the committee and attendance of each Director at these meetings are as follows:

Name of the Director	Designation	No. of Meetings Attended
Mr. Girdharilal Sagarmal Biyani	Chairman	4
Mr. Ramakant S. Biyani	Member	4
Mr. Parasram Kabra	Member	4

c) Compliance officer

Shri Ramasre Pandey, Company Secretary is the Compliance Officer pursuant to clause 47 (a) of the Listing Agreement with Stock Exchange.

d) Details of complaints/correspondences received and resolved during the year

Number of correspondences received from Share holders	0
Number of correspondences redressed	0
Number of complaints/correspondences not resolved	0

6. GENERAL BODY MEETINGS:

Annual General Meeting :

AGMs	Date AGMs	Location	Time
AGM (27th)	29th September, 2010	Mumbai	4.00 P.M.
AGM (28th)	30th September, 2011	Mumbai	4.00 P.M.
AGM (29th)	29th September, 2012	Mumbai	4.00 P.M.

7. Means of Communication :

The quarterly results are published in the newspapers viz., Financial Express and Lok Sakta. The Company currently does not have a website. Official news releases and presentations made to analysts are sent to the Stock Exchanges, where the Company's shares are listed.

8. Disclosure of Non-mandatory requirement:

Quarterly results are published in the newspapers and released to the Stock Exchanges immediately after the Board Meeting and are not sent to the shareholders.

9. Shareholder Information:

i) Annual General Meeting

Date : 27.09.2013

Time : 4.00 P.M.

Venue : 78/80, Alli Chambers, Tamrind Lane, Fort, Mumbai-400 023



- ii) Financial Calendar
 Financial reporting for
 Quarter ending June 30, 2013 : End of July 2013
 Quarter ending Sept. 30, 2013 : End of October 2013
 Quarter ending Dec. 31, 2013 : End of January, 2013
 Quarter ending March 31, 2014 : End of May, 2014
 Annual General Meeting for the
 Year ended March 31, 2014 : End of September 2014
- i) Dates of Book Closure : 23.09.2013 to 26.09.2013 (both days inclusive)
- ii) Dividend payment date : --
- v) Listing on Stock Exchanges at :
 1. The Stock Exchange, Mumbai
 2. The Calcutta Stock Exchange Association Ltd
 3. Uttar Pradesh Stock Exchange Association Limited
 4. Jaipur Stock Exchange
- vi) Demat ISIN Number in NSDL and CDSL : INE 777C01011
- vii) Stock Market Data : (in Rupees)

Month	GSB Finance Ltd.		BSE Sensex	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2012	6.05	4.19	17,664.10	17,010.16
May 2012	8.08	5.49	17,432.33	15,809.71
June 2012	8.47	7.95	17,448.48	15,748.98
July 2012	7.56	6.45	17,631.19	16,598.48
August 2012	6.15	6.13	17,972.54	17,026.97
September 2012	6.43	5.56	18,869.94	17,250.80
October 2012	6.72	5.30	19,137.29	18,393.42
November 2012	6.50	5.31	19,372.70	18,255.69
December 2012	6.88	4.95	19,612.18	19,149.03
January 2013	8.64	5.68	20,203.66	19,508.93
February 2013	9.05	7.16	18,793.97	18,861.54
March 2013	8.27	5.14	19,754.66	18,568.43

- viii) Registrar and Share Transfer Agents
System Support Services
 209, Copper Chimney Building, Shivalik Industrial Estate, Next to Park Davis,
 Andheri-Kurla Road, Andheri (East), Mumbai - 400 059. Tel.: 022-28500835

ix) Share Transfer System

Share Transfers are registered and returned within a period of 30 days from the date of receipt, if the documents are clear in all respects. The power to approve transfer of securities has been delegated by the Board to the Shareholders / Investors Grievance and Share Transfer Committee, which meets once in a fortnight. Share transfer requests are processed within an average of 15 days from the date of receipt. Letters are sent to the shareholders after transfer of shares in their names giving an option for dematerialisation of shares of the physical shares. Physical shares are dematerialised and electronic credit is given to those shareholders, who opt for dematerialisation, share certificates are dispatched by Registered Posts.



x) (a) Distribution of Shareholding (as on 31.03.2013)

	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 - 500	12307	96.405	1486528	24.775
501 - 1000	254	1.990	212524	3.542
1001 - 2000	104	0.815	157847	2.631
2001 - 3000	34	0.266	88205	1.470
3001 - 4000	11	0.086	37571	0.626
4001 - 5000	12	0.094	56231	0.937
5001 - 10000	21	0.164	153077	2.551
10001 & above	23	0.180	3808017	63.467
TOTAL	12766	100	6000000	100

(b) Categories of Shareholders (as on 31.03.2013)

Category	No. of Shares Held	% of Shares Held
Promoters & Associates		
Individual	1798859	29.98
Corporate	1594110	26.57
Non Institutions	2600219	43.33
NRI/OCBs	6812	0.11
Banks	--	--
In Transit (Demat Shares)	--	--
Total	6000000	100

The stock code on BSE is 511543

xi) Dematerialisation of shares and Liquidity:

The number of shares demated as on 31st March, 2013.

Category	No. of Shares	% of Paid Up Capital
NSDL	4320756	6.73
CDSL	403751	72.01
Physical	1275493	21.26
Total	6000000	100

The shares of the Company are listed in Mumbai, Calcutta, Jaipur and Uttar Pradesh Stock Exchanges and hence facilitates liquidity.

(xii) Address for Correspondence : GSB Finance Limited
78/80, Alli Chambers,
Tamarind Lane, Fort,
Mumbai - 400 023

Registered Office:

815, Stock Exchange Tower, 8th Floor,
Dalal Street, Mumbai - 400 001.

For and on behalf of the Board
For GSB FINANCE LTD

Date : 27th May, 2013
Place : MUMBAI.

sd/-
(Girdharilal Biyani)
Chairman



INDEPENDENT AUDITOR'S REPORT

To the Members of GSB FINANCE LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of GSB FINANCE LTD. ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 "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. 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 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 Profit and Loss Account, 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.

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 [and proper returns adequate for the purposes of our audit have been received from branches not visited by us];
 - 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 subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2013, and 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 Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For S. K. Rathi & Co.
Chartered Accountants
Firm Registration No.: 108724W

sd/-
(Surendra Kumar Rathi)
(Proprietor)
Membership No. 031071

Date : 27th May, 2013
Place : MUMBAI.



ANNEXURE TO AUDITOR'S REPORT

Re: GSB Finance Limited

Referred to in Paragraph 3 of our report of even date

1. In respect of its Fixed Assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodic manner, which in our opinion is reasonable, having regard to the size of Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its Inventories:
 - a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations 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) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.
3. In respect of the Loans, secured or unsecured, granted or taken by the Company to/ from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956:
 - a) The Company has no Subsidiary.
 - b) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions of the loan given by the Company, are not prima facie prejudicial to the interest of the Company, However, during the year no loans has been given.
 - c) The principal amounts are repayable on demand and loans are mainly in the form of current loan accounts, while the interest is payable annually at the discretion of the Company.
 - d) In respect of the said loans and interest thereon, there are no overdue amounts.
 - e) The Company has not taken any loan during the year from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements of Clauses (iii) (f) and (iii) (g) of paragraph 4 of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and Nature of its business for the purchases of security , derivatives in equity and option trading and fixed assets and for the sale of security , derivatives in equity and option trading and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:



- a) In our opinion and according to the information and explanation given to us, the transactions made in the pursuance of contracts or arrangements that need to be entered in the Register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion and according to the information and explanation given to us, the transactions made in the pursuance of contracts / arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rs 5,00,000/- in respect of each party during the year have been made at prices which appears reasonable as per information available with the Company.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
 7. In our opinion, the Company has no internal audit system commensurate with the size and the nature of its business.
 8. Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
 9. In respect of the statutory dues:
 - a) According to the records of the Company, undisputed statutory dues including Income-Tax, Sales Tax, Service Tax, and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2013 for a period of more than six months from the date of becoming payable.
 - b) The disputed Income Tax demand for A.Y. 2008-09 aggregating Rs 10,20,390/- have been deposited on account of disputed matters pending before ITAT appellate Authorities.
 10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and however, it has incurred cash loss in the immediately preceding financial year.
 11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks.
 12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
 13. In our opinion, the company is not a chit fund/ nidhi / mutual benefit fund/ society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
 14. The Company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities and other investments, and timely entries have been made therein. All shares, securities and other investments have been held by the Company in its own name.
 15. According to the information and explanations given to us, and the representations made by the



Management, the Company has not given any guarantee for loans taken by others from any bank of financial institution;

16. According to the information and explanations given to us, and the representations made by the Management, the Company has applied for term loans for purchase of Motor car to H D FC Bank Ltd. And the installments and interest is being paid regularly;
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital;
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. On the basis of the records and documents examined by us, the Company has not issued any debentures nor created any securities in respect of debenture issue;
20. The Company has not raised any money by public issue, during the year.
21. According to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the course of our audit;

For S. K. Rathi & Co.
Chartered Accountants

sd/-
(CA. S.K. Rathi)
Prop.

Membership No. 031071
FRN:108724W

Date : 27th May, 2013
Place : MUMBAI.



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
GSB Finance Ltd.,
Mumbai.

We have examined the records concerning the company's compliance of the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement entered into by the Company with the Stock Exchange of India for the financial year ended on March 31, 2013.

The objective of our examinations is to give our opinion on whether the Company has complied with the conditions of Corporate Governance as stipulated in the provisions of Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchange of India.

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

We have conducted our examination on the basis of the relevant records and documents maintained by the company and furnished to us for examination and the information and explanations given to us by the Company.

On the basis of the records maintained by the 'Shareholders / Investor Grievance Committee' of the Company, we state that there were no investor grievances pending against the Company for the period exceeding one month.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement of the Stock Exchange of India.

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

For **S. K. Rathi & Co.**
Chartered Accountants

Sd/-
(CA. S.K. Rathi)
Prop.

Membership No.31071
FRN: 108724W

Date : 27th May, 2013
Place : MUMBAI.



BALANCE SHEET AS AT 31st MARCH, 2013

Particulars	Note No	At 31-03-2013 Amount (Rs.)	At 31-03-2012 Amount (Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	59,734,210.00	59,734,210.00
(b) Reserves and Surplus	2	40,314,681.05	33,318,681.59
(2) Non-Current Liabilities			
(a) Long-term borrowings	3(a)	24,941,176.72	22,990,456.04
(3) Current Liabilities			
(a) Trade payables	4	1,689,071.73	6,099,726.21
(b) Other current liabilities	5	824,314.00	883,441.00
(c) Short-term provisions	6	2,258,780.00	-
	Total	129,762,233.50	123,026,514.84
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	7	1,540,610.00	1,789,019.00
(b) Non-current investments	8	184,100.00	184,100.00
(c) Deferred tax assets (net)	9	541,478.00	1,999,578.00
(d) Other Non- Current Assets	10	1,000.00	1,000.00
(2) Current assets			
(a) Inventories	11	13,943,354.35	19,794,182.12
(b) Trade receivables	12	2,931,108.44	6,838,900.03
(c) Cash and cash equivalents	13	857,975.71	1,051,616.69
(d) Short-term loans and advances	14	109,762,607.00	91,368,119.00
(e) Other current assets		-	-
	Total	129,762,233.50	123,026,514.84

Significant Accounting Policies and Notes on Accounts 23

AS PER OUR REPORT OF EVEN DATED

For **S. K. RATHI & CO.**
Chartered Accountants

For and on behalf of the Board,
For **GSB Finance Ltd.**

Sd/-
(CA S. K. Rathi)
Prop.
M. No. 031071
FRN: 108124W

Sd/-
(Girdharilal Biyani)
Chairman

Sd/-
(Ramakant Biyani)
Mg. Director

Place : Mumbai
Date : 27th May, 2013

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2013**

Particulars	Note No	At 31-03-2013 Amount (Rs.)	At 31-03-2012 Amount (Rs.)
I. Revenue from operations	15	1,135,809,837.74	272,199,840.70
II. Other Income	16	8,594,659.50	9,168,428.21
III. Total Revenue (I +II)		1,144,404,497.24	281,368,268.91
IV. Expenses:			
Purchase of Stock-in-Trade	17	1,120,771,492.59	253,763,435.95
Changes in Stock-in-Trade	18	5,850,827.77	21,032,310.28
Employee benefit expense	19	1,361,419.00	2,488,678.50
Financial costs	20	4,287,153.26	2,940,286.76
Depreciation and amortization expense	21	248,409.00	185,254.00
Other expenses	22	1,172,316.16	1,612,388.41
Total Expenses		1,133,691,617.78	282,022,353.90
V. Profit before exceptional and extraordinary items and tax	(III - IV)	10,712,879.46	(654,084.99)
VI. Prior Period Adjustments Prior Year Listing Fees W/off		-	(443,237.50)
VII. Profit before tax (V - VI)		10,712,879.46	(210,847.49)
VIII. Tax expenses:			
(1) Current tax -		(2,258,780.00)	-
(2) Deferred tax			
Deferred Tax Expenses/ (Savings)		32,800.00	(12,015.00)
Deferred Tax Assets W/off (P.Y Created)		(1,425,300.00)	(1,931,800.00)
(3) Transfer to Statutory Reserve Fund		1,700,000.00	-
(4) Transfer to General Reserve		3,000,000.00	-
IX. Profit/(Loss) for the period		2,295,999.46	(2,130,632.49)
X. Earning per equity share:			
(1) Basic		0.38	(0.36)
(2) Diluted		0.38	(0.36)

AS PER OUR REPORT OF EVEN DATED

For **S. K. RATHI & CO.**
Chartered AccountantsFor and on behalf of the Board,
For **GSB Finance Ltd.**Sd/-
(CA S. K. Rathi)
Prop.
M. No. 031071
FRN: 108124WSd/-
(Girdharilal Biyani)
ChairmanSd/-
(Ramakant Biyani)
Mg. DirectorPlace : Mumbai
Date : 27th May, 2013



NOTES FORMING PART OF BALANCE SHEET AS AT 31 MARCH, 2013

Particulars	At 31-03-2013 Amount (Rs.)	At 31-03-2012 Amount (Rs.)
NOTE: 1		
SHARE CAPITAL		
Authorised Capital 60,00,000 Equity Shares @ 10.00/- Each	60,00,000.00	60,00,000.00
Total	60,00,000.00	60,00,000.00
Issued capital 60,00,000 Equity Shares @ 10.00 Each	60,00,000.00	60,00,000.00
Total	60,00,000.00	60,00,000.00
Subscribed And Paid Up 60,00,000 Equity Shares @ 10.00 Each	60,00,000.00	60,00,000.00
Total	60,00,000.00	60,00,000.00
Less : Calls in Arrears	265,790.00	265,790.00
Grand Total :	59,734,210.00	59,734,210.00

The Details of Shareholder Holding More than 5% Shares

	%	No.	%	No.
1. Shri Girdhari S. Biyani	5.82	349103	5.82	349103
2. Shri Ramakant S. Biyani	9.13	547537	8.21	492327
3. Smt. Neelam Ramakant Biyani	7.69	461533	7.69	461533
4. Smt. Sushma Girdhari Biyani	7.23	433576	7.23	433576
5. GSB Capital Markets Ltd.	9.50	570000	11.46	687356
6. GSB Securities Pvt. Ltd.	9.50	570220	9.50	570220
7. GSB Share Custodian Services Ltd.	6.25	375098	6.25	375098

The Reconciliation of the Number of Shares Outstanding is set out below:

Opening Balance	6000000	6000000
Closing Balance	6000000	6000000

NOTE: 2

PROFIT AND LOSS A/C

Deferred Tax Assets Created/ P.Y. (W/Off)	(1,425,300.00)	(1,931,800.00)
Deferred Tax Expenses / (Savings)	(32,800.00)	12,015.00
Current Tax	(2,258,780.00)	-
Transfer to Special Reserve Fund	(1,700,000.00)	-
Transfer to General Reserve	(3,000,000.00)	-
Profit & Loss A/C - Opening Balance	6,188,681.59	8,319,314.08
Profit / (Loss) For The Year	10,712,879.46	(210,847.49)
Total	8,484,681.05	6,188,681.57

RESERVE AND SURPLUS FOR 2012-13

	OPENING	ADDITION	DEDUCTION	CLOSING
Statutory Reserve	20,130,000.00	1,700,000.00	-	21,830,000.00
General Reserve	7,000,000.00	3,000,000.00	-	10,000,000.00
Profit & Loss A/c	6,188,681.59	10,712,879.46	(8,416,880.00)	8,484,681.05
Total	33,318,681.59	15,412,879.46	(8,416,880.00)	40,314,681.05



Particulars	At 31-03-2013 Amount (Rs.)	At 31-03-2012 Amount (Rs.)
RESERVE AND SURPLUS FOR 2011-2012		
	OPENING	ADDITION
		DEDUCTION
		CLOSING
Statutory Reserve	20,130,000.00	-
General Reserve	7,000,000.00	-
Profit & Loss A/c	8,319,314.08	(2,130,632.49)
Total	35,449,314.08	(2,130,632.49)
NOTE: 3		
LONG-TERM BORROWINGS		
Other Loans		
LIC Of India (Against Mortgage of Key Man Insurance Policy)	20,655,000.00	20,655,000.00
Interest Accrued & Due on LIC Loan	3,860,500.00	1,691,500.00
HDFC Bank Ltd. (Motor Car)	425,676.72	643,956.04
Total	24,941,176.72	22,990,456.04
NOTE: 4		
TRADE PAYABLES		
(A) Outstanding Expenses		
System Support Services	--	406.00
Other Outstanding Expenses	190,449.41	1,201,515.36
Total	(A) 190,449.41	1,201,921.36
(B) SUNDRY CREDITORS	(B) 1,498,622.32	4,897,804.85
Total	(A+B) 1,689,071.73	6,099,726.21
NOTE: 5		
OTHER CURRENT LIABILITIES		
TDS On Contractors Payment	512.00	--
TDS On Directors Remuneration	5,000.00	107,120.00
TDS On Interest Paid	45,094.00	6,044.00
TDS On Professional Fees	10,741.00	7,310.00
Unpaid Dividend (2006-07)	374,359.50	374,359.50
Unpaid Dividend (2007-08)	388,607.50	388,607.50
Total	824,314.00	883,441.00
NOTE: 6		
PROVISIONS		
Provision for Taxation	2,258,780.00	--
Total	2,258,780.00	--



Particulars	At 31-03-2013 Amount (Rs.)	At 31-03-2012 Amount (Rs.)
NOTE: 8 (A)		
<u>INVESTMENTS for 2012-2013</u>		
250 Equity Shares (Unquoted) of Western Co-operative Bank Ltd. having face value of Rs. 10 each fully paid up		2,500.00
Lease Hold Rights - Prestige Holiday Resorts Time Shares [(UnQuoted) having face value of Rs.60000 each fully paid up]		60,000.00
Lease Hold Rights - Sterling Holiday Resort Time Shares [(UnQuoted) having face value of Rs.121600 each fully paid up]		121,600.00
Total		184,100.00
NOTE: 8 (B)		
<u>INVESTMENTS for 2011-2012</u>		
250 Equity Shares (Unquoted) of Western Co-operative Bank Ltd. having face value of Rs. 10 each fully paid up		2,500.00
Lease Hold Rights - Prestige Holiday Resorts Time Shares [(UnQuoted) having face value of Rs.60000 each fully paid up]		60,000.00
Lease Hold Rights - Sterling Holiday Resort Time Shares [(UnQuoted) having face value of Rs.121600 each fully paid up]		121,600.00
Total		184,100.00
NOTE: 9		
<u>DEFERRED TAX ASSETS (NET)</u>		
Deferred Tax Assets	721,300.00	2,146,600.00
Deferred Tax Liabilities	(179,822.00)	(147,022.00)
Total	541,478.00	1,999,578.00
NOTE: 10		
<u>OTHER NON CURRENT ASSETS</u>		
<u>LONG TERM TRADE RECEIVABLES</u>		
Sundry Debtors- More Than Six Months (Unsecured but Considered Good)		
REFCO - Sifty Security - (Cash) M F Global Sify Securities	1,000.00	1,000.00
Total	1,000.00	1,000.00
NOTE: 11		
<u>INVENTORIES</u>		
Stock In Trade :		
Equity Shares	13,943,354.35	19,794,182.12
Total	13,943,354.35	19,794,182.12
NOTE: 12		
<u>CURRENT TRADE RECEIVABLES</u>		
Current Trade Receivables (Unsecured but Considered Good)		
Sundry Debtors - Others	2,931,107.44	6,838,900.03
Total	2,931,108.44	6,838,900.03



GSB FINANCE LTD.

Particulars	At 31-03-2013 Amount (Rs.)	At 31-03-2012 Amount (Rs.)
NOTE: 13		
<u>CASH AND CASH EQUIVALENTS</u>		
<u>CASH AND BANK</u>		
Balance With Scheduled Bank		
Axis Bank Ltd.-4010201373754 (06-07)	407,154.50	407,154.50
Axis Bank Ltd.-4010202362056 (07-08)	415,136.50	415,186.50
Bank of India	18,146.23	60,869.6
HSBC Bank Ltd.	--	2,474.59
Union Bank Of India	8,190.00	8,190.00
Total	848,627.23	893,875.21
<u>CASH IN HAND</u>		
Cash on Hand	9,348.48	157,741.48
Total	9,348.48	157,741.48
Grand Total	857,975.71	1,051,616.69

NOTE: 14SHORT - TERM LOANS AND ADVANCES**Other [Unsecured but considered Good]**

100,579,379.00 83,018,950.00

Deposit With Revenue Authorities

F.B.T. Refundable (08-09) 10,623.00 10,623.00

Tax Refundable 1997-98/2001-2002 332,013.00 332,013.00

Tax Refundable (Ay 2011-12) 930,393.00 930,393.00

Tax Refundable (Ay 2012-13) 887,467.00 0.00

Income Tax (A. Y. 08-09) { Against Assessment} 1,030,390.00 1,030,390.00

Tax Deducted At Source :

Interest Received 834,059.00 887,467.00

MAT Credit Entitlement 5,158,283.00 5,158,283.00

9,183,228.00 8,349,169.00

Total	109,762,607.00	91,368,119.00
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AS PER OUR REPORT OF EVEN DATED

For **S. K. RATHI & CO.**
Chartered AccountantsFor and on behalf of the Board,
For **GSB Finance Ltd.**Sd/-
(CA S. K. Rathi)
Prop.
M. No. 031071
FRN: 108124WSd/-
(Girdharilal Biyani)
ChairmanSd/-
(Ramakant Biyani)
Mg. Director

Date : 27th May, 2013

Place : MUMBAI.



NOTE : 7
TANGIBLE ASSETS

PARTICULAR	GROSS BLOCK			NET BLOCK			NET BLOCK	
	Rate of Depreciation	As on 01.04.2012	Additions	As on 31.03.2013	As on 01.04.2012	During the Year	As on 31.03.2013	As on 31.03.2012
Office Premises	1.63%	481,913.48	-	481,913.48	229,706.48	7,855.00	237,561.48	252,207.00
Office Equipment	4.75%	809,181.46	-	809,181.46	680,812.46	56,754.00	737,566.46	56,754.00
Furniture & Fixture	6.33%	356,615.00	-	356,615.00	352,359.00	4,256.00	374,933.00	4,256.00
Computers	16.21%	767,930.00	-	767,930.00	767,930.00	-	767,930.00	-
Fire Fighting Equipment	4.75%	5,475.00	-	5,475.00	4,420.00	260.00	4,680.00	1,055.00
Electrical Equipments	4.75%	136,742.00	-	136,742.00	50,497.00	6,495.00	56,992.00	86,245.00
Air- conditioning Machines	4.75%	383,572.02	-	383,572.02	111,444.02	18,220.00	129,664.02	272,128.00
Motor Car	9.50%	1,627,046.00	-	1,627,046.00	582,287.00	154,569.00	736,856.00	1,044,759.00
Total		4,568,474.96	-	4,568,474.96	2,779,455.96	248,409.00	3,027,864.96	1,789,019.00
Previous Year		3,682,082.96	886,392.00	4,568,474.96	2,594,201.96	185,254.00	2,779,455.96	1,087,881.00

For and on behalf of the Board,
For GSB Finance Ltd.

Sd/-

(Girdharilal Biyani)
Chairman

Sd/-

(Ramakant Biyani)
Mg. Director



NOTES FORMING PART OF PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31 MARCH, 2013

Particulars	At 31-03-2013 Amount (Rs.)	At 31-03-2012 Amount (Rs.)
NOTE: 15		
REVENUE FROM OPERATIONS		
SALES & OTHER OPERATING INCOMES		
Sales	1,133,568,355.91	268,310,312.36
Speculation Gain - Equity Trading	714,636.00	701,637.68
Equity Derivatives And Option (Net of Gain/Loss)	1,526,845.83	3,187,890.66
Total	1,135,809,837.74	272,199,840.70
NOTE: 16		
OTHER INCOME		
INDIRECT INCOME		
Dividend Income	253,377.50	262,127.85
Dividend Income - Mutual Fund	--	31,633.36
Total	253,377.50	293,761.21
INTEREST RECEIVED		
Interest on Received On Loans	8,341,282.00	8,874,667.00
Grand Total	8,594,659.50	9,168,428.21
NOTE: 17		
COST OF PURCHASE		
Purchases	1,116,910,864.80	250,303,826.66
Other Charges	185,933.54	334,117.47
Security Transaction Tax	2,665,938.90	2,079,032.87
Service Tax	295,020.94	183,440.68
Stamp Charges	147,472.18	355,000.92
Demate / Holding Delivery Charges	19,408.53	21,838.52
Turnover Charges	192,710.06	486,178.83
Value Added Subscription Charges	354,143.64	--
Total	1,120,771,492.59	253,763,435.95
NOTE: 18		
INCREASE/DECREASE IN STOCK		
Opening Stock		
EQUITY SHARES	19,794,182.12	40,826,492.40
Sub Total	19,794,182.12	40,826,492.40
Less: Closing Stock		
EQUITY SHARES	13,943,354.35	19,794,182.12
Sub Total	13,943,354.35	19,794,182.12
(INCREASE) / DECREASE IN STOCK	5,850,827.77	21,032,310.28
NOTE: 19		
EMPLOYEE BENEFIT EXPENSES		
Salary & Bonus (Incl. Prof Tax)	646,100.00	677,041.00
Remuneration To Directors	600,000.00	1,620,000.00
Staff Welfare Expenses	69,408.00	125,485.50
Conveyance & Travelling Charges	45,911.00	66,152.00
Total	1,361,419.00	2,488,678.50
NOTE: 20		
FINANCIAL COSTS		
Interest on L I C Loan	2,169,000.00	2,113,170.00
Interest Paid to Others	2,052,465.58	813,992.72
Interest on HDFC Loan	64,224.68	13,124.04
Interest on TDS (Late Payments)	1,463.00	-
Total	4,287,153.26	2,940,286.76



GSB FINANCE LTD.

NOTES FORMING PART OF PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31 MARCH, 2013

Particulars	At 31-03-2013 Amount (Rs.)	At 31-03-2012 Amount (Rs.)
NOTE: 21		
DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation on Air Condition Machines	18,220.00	18,220.00
Depreciation on Computers	-	-
Depreciation on Electrical Equipemnts	6,495.00	6,495.00
Depreciation on Fire Fighting Equipments	260.00	260.00
Depreciation on Furniture And Fixtures	4,256.00	22,574.00
Depreciation on Motor Car	154,569.00	91,414.00
Depreciation on Office Premises	7,855.00	7,855.00
Dpereciation on Office Equipments	56,754.00	38,436.00
Total	248,409.00	185,254.00
NOTE: 22		
OTHER EXPENSES		
Long Term Loss (Gain) on Sales of Mutual Fund	-	10,451.84
Short Term Loss (Gain) on Sales of Shares	-	23,217.90
Director`s Fees	10,000.00	10,000.00
Electricity Charges	84,350.00	84,000.00
General Expenses	24,423.88	45,886.01
Advertisement & Publicity	51,172.18	48,741.85
Legal & Professional Charges	27,228.00	69,692.00
Motor Car Expenses (Inc. Insurance Charges)	304,406.00	287,090.00
News Paper & Periodicals	7,430.00	19,465.00
Payment To Auditors For Audit Fees	32,500.00	32,500.00
Payment To Auditors For Tax Audit Fees	7,500.00	7,500.00
Annual Fees Stock Exchange	32,000.00	27,575.00
Bank Commission	4,825.59	10,897.00
Depository Charges (N.S.D.L. & C.D.S.L.)	38,976.00	38,546.00
Postage & Telegram	101,475.00	131,403.00
Printing & Stationery Charges	119,524.00	139,885.00
Professional Tax	5,000.00	2,500.00
Repairs & Maintenance (Incl. Computer Maintenance)	64,611.20	132,144.95
Sales Promotion Expenses	3,240.00	33,812.00
Share Reigstrar Fees	67,416.00	66,180.00
Telephone Expenses	136,443.97	143,497.86
Travelling Expenses	32,348.00	84,523.00
Water Charges	17,300.00	16,800.00
Investors Education Conf. Expenses	-	146,080.00
Sundry Balances Written Off	146.34	-
Total	1,172,316.16	1,612,388.41

AS PER OUR REPORT OF EVEN DATED

For **S. K. RATHI & CO.**
Chartered Accountants

For and on behalf of the Board,
For **GSB Finance Ltd.**

Sd/-
(CA S. K. Rathi)
Prop.
M. No. 031071
FRN: 108124W

Sd/-
(Girdharilal Biyani)
Chairman

Sd/-
(Ramakant Biyani)
Mg. Director

Date : 27th May, 2013
Place : MUMBAI.



NOTE NO.: 10
STOCK IN TRADE as on 31st March, 2013

EQUITY SHARES QUOTED	OPENING STOCK			CLOSING STOCK					
	Face Value	Quantity	Value	Quantity	Cost Rate	Cost Value	Market Rate	Market Value	Lower Value
AGARWAL INDUSTRIAL CORPORATION	10	1,448	135,677.60						
ARTSON ENG. LTD	1	20,000	523,000.00						
AUTOLINE INDUSTRIES LTD	10	5,000	830,750.00						
CEREBRA INTEGRATED TECHNOLOGY	10	500	12,507.50						
CHARTER CARRIER LTD	1	307	5,387.85						
DAMODAR THREADS	10	51,000	1,657,500.00	50,000	32.55	1,627,279.35	40.40	2,020,000.00	1,627,279.35
GOETZE (I) LTD	10	500	129,587.30						
GRINDWELL NORTON LTD	5	200	53,510.00						
GUJ.NRE COKE PREF.	10	15	-	15			16.60	249.00	
GUJARAT SIDHEE CEMEN	10			85,000	10.08	856,800.00	7.80	663,000.00	663,000.00
HINDUSTAN MAGNETIC LTD	W	10,000	12,500.00						
HIRAFERRO	10	25,000	693,750.00						
KILBURN ENG. LTD	10	25,000	628,750.00						
MADHAV/MARBALES & GRANITE LTD	10	1,000	17,300.00						
MOUNT EVEREST	10	2,530	260,834.10						
NEO SACK LTD	10	3,604	103,074.40						
ORIENT PRESS LTD	10	10,896	880,648.37						
PRRANETA INDUJST (old : Adhar Venture)	1			50,000	1.02	51,000.00	0.48	24,000.00	24,000.00
The Ruby Mills Ltd.	5	0	-	100	370.54	37,054.00	220.75	22,075.00	22,075.00
SHARP INDUSTRIES LTD	10	20,000	764,000.00						
SHRIYAM SECURITIES FINANCE LTD	10	3,000	153,115.75						
TATA TIMKEN INDIA LTD	10	5,000	1,095,750.00						
TRENT LTD	10	200	189,840.00						
TVS SRICHAKRA LTD	10	115	37,599.25						
GRAND TOTAL : [A]		185,315	8,185,082	185,115		2,572,133		2,729,324	2,336,354.35
Previous Year		663,216	28,619,492.40	215,315		11,585,261.97		8,368,433.10	8,187,182.12



EQUITY SHARES UNQUOTED		OPENING STOCK			CLOSING STOCK						
		Face Value	Quantity	Value	Quantity	Cost Rate	Cost Value	Market Rate	Market Value	Lower Value	
Name of the Company											
GSB CAPITAL MARKETS LTD	10	285,500	2,855,000.00	285,500	10.00	2,855,000.00	20.00	5,710,000.00	2,855,000.00		
GSB CAPITAL MARKETS LTD	10	120,000	2,400,000.00	120,000	20.00	2,400,000.00	20.00	2,400,000.00	2,400,000.00		
GSB CAPITAL MARKETS LTD(BONUS)	10	67,583	-	67,583	-	-	20.00	1,351,660.00	-		
GSB COMMODITIES PVT LTD	10	90,000	900,000.00	90,000	10.00	900,000.00	10.00	900,000.00	900,000.00		
GSB SECURITIES PVT LTD	10	355,000	3,550,000.00	355,000	10.00	3,550,000.00	10.00	3,550,000.00	3,550,000.00		
GSB SHARE CUSTODIAN SERV. LTD	10	190,200	1,902,000.00	190,200	10.00	1,902,000.00	10.00	1,902,000.00	1,902,000.00		
TOTAL		1,108,283.00	11,607,000.00	1,108,283.00		11,607,000.00		15,813,660.00	11,607,000.00		
Previous Year		1,108,283	11,607,000.00	1,108,283		11,607,000.00		15,813,660.00	11,607,000.00		
GRAND TOTAL : [A+B]		1,293,598.00	19,792,082.12	1,293,398.00	-	14,179,133.35	-	18,542,984.00	13,943,354.35		
Previous Year		1,831,499	40,826,492.40	1,323,598		23,192,261.97		24,182,093.10	19,794,182.12		

Summary of Stock in Trade

Quoted Shares	185,115	2,336,354.35	(P.Y. 8,187,182.12)
Unquoted Shares	1,108,283	11,607,000.00	(P.Y. 11,607,000.00)
Total	1,391,181	13,943,354.35	(P.Y. 19,794,182.12)

For and on behalf of the Board,
For GSB Finance Ltd.

Sd/-
(Girdharilal Biyani)
Chairman

Sd/-
(Ramakant Biyani)
Mg. Director



NOTE '23'

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

(ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2013.)

1. ACCOUNTING POLICIES

i) Accounting Conventions

The accounts have been prepared under the historical cost conventions on an accrual basis and in accordance with accounting standards issued by the Institute of Chartered Accountants of India.

ii) Fixed Assets

Fixed Assets are stated at cost less Depreciation

iii) Depreciation

Depreciation is provided on straight line method on prorata basis at the rate as specified in Schedule XIV of the Companies Act, 1956.

iv) Investments

Investments are valued at cost basis.

v) Valuation of Inventories

The valuation of the stock of quoted shares was made at lower of the cost or fair market price. The valuation of the unquoted shares has been made at cost or net assets value which ever is lower.

vi) Recognition of Income & Expenditure

Revenue/Income is generally accounted for on accrual basis as they are earned or incurred except for dividend, which is accounted for on cash basis.

2. Provision has not been made for the gratuity as no employee has attained the qualifying period of service for the entitlement of benefits.
3. Provision has not been made for Listing Fees payable to Calcutta , Ahmadabad, Jaipur and Uttar Pradesh Stock Exchanges , as stock exchange are not working and company shares could not be dealt with in these stock exchanges. Previous year's provisions written off.
4. Particulars of goods traded in (Shares, Units etc.).

	Current Year		Previous Year	
	Qty. (Nos.)	Value (Rs.)	Qty. (Nos.)	Value (Rs.)
Opening Stock	1,296,598	19,794,182	1,831,499	40,826,492
Purchases	7,635,219	1,116,910,865	2,396,519	250,303,827
Sales	7,638,419	1,133,568,355	2,905,120	268,310,312
Closing Stock	1,293,398	13,943,354	12,96,598	19,794,182

5. Expenditures incurred in Foreign currency is Nil (P.Y. Nil) = Nil (P.Y. Rs. Nil).
6. Earning in foreign currency is NIL (Previous year Nil).
7. Previous year figures have been re-grouped and re-arranged wherever found necessary.
8. No Person was employed by the company either throughout the year or for a part of the year under review whose remuneration for the year in the aggregate was not less than Rs. 6,00,000/- (Previous year Rs.6,00,000/-) or for any part of that year at a rate which in the aggregate was not less than Rs. 50,000/- (Previous year Rs.50,000/-) per month.



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

10. Payments made to Auditors :-

	Rs.
For Audit Fees	32,000/-
For Tax Audit Fees	7,500/-
TOTAL	39,500/-

11. These accounts are not signed by Secretary as the company has no secretary as on date, the accounts were approved by the directors.

12. Company recognizes deferred tax credit & debit in the accounts on prudent basis.

[A] Tax effect due to -

Difference between the written down values of Assets under-

The Companies Act, 1956	Rs. 15,40,610/-
And as per Income Tax Act, 1961	Rs. 9,58,667/-
Deferred Tax Liabilities (Net)	Rs. 1,79,820/- (P.Y. 1,47,022/-)
Deferred Tax Savings Expenses	Rs. 32,800/- (P.Y. 12,015/-)

[B] Tax effect due to current year loss to be carry forward

Company recognized Deferred Tax Assets at Rs. 7,21,300/- (P.Y. 21,46,600/-) on Unabsorbed Loss and Depreciation as company has made profit in previous year which justify the chances of recovering current year and brought forward loss in future, on prudent basis as per Accounting Standard 22 issued by ICAI

Carry Forward of Loss under IT Provision	22,52,368/-
Carry Forward of unabsorbed Depreciation	93,626/-

13. Related Party Disclosures

List of related Parties

i) Associates

- a) GSB Capital Markets Ltd., b) GSB Securities Pvt. Ltd.,
c) GSB Share Custodian Services Ltd.,

ii) Key Management Personnel

- a) Shri G. S. Biyani, Director d) Shri Parasram Kabra, Director
b) Shri R. S. Biyani, Director e) Shri Yogesh Patel, Director
c) Mrs. Ritika Gupta, Director f) Shri Manish Zanwar, Director
g) Shri Sajjan Poddar, Director

iii) Transaction during the year with related parties

	(Figures in Lacs)		
	Associates	Key Management Personnel	Total
(A) Trade Transaction {Inc. Sq. up. Transaction}			
a) Purchased during the year	14,013.32	-	14,013.32
b) Sold during the year	13,933.56	-	13,933.56
c) Brokerage paid during the year	2.59	-	2.59
(B) Sundry Debtors Balance as at 31.3.2012	28.12	-	28.12
(C) Remuneration to Key Personnel			
a) Shri G.S. Biyani	-	3.00	3.00
b) Shri R.S. Biyani	-	3.00	3.00



14. Debts due from the Companies under the same management are as under: -
- i) GSB Securities Pvt. Ltd. Rs. 28,11,548/- (P.Y. Rs. 65,72,976/-) Maximum amount due at any time during the year Rs. 76,57,208/- (Rs. 1,58,28,158/-)
 - ii) GSB Capital Markets Ltd. Rs. Nil (P.Y. Rs. 1,46,080/-) Maximum amount due at any time during the year Rs. 4,06,996/- (Rs. 25,54,400/-)

15. **BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:**

I. **REGISTRATION DETAILS :**

REGISTRATION No. : US1909MH2001PLC134193
 STATE CODE : 11
 BALANCE SHEET DATE : 31ST MARCH, 2013.

II. **CAPITAL RAISED DURING THE YEAR :** (Rs. In Thousand)

PUBLIC ISSUE : NIL BONUS ISSUE : NIL
 RIGHT ISSUE : NIL PRIVATE PLACEMENT : NIL

III **POSITION OF MOBILISATION AND DELOYMENT OF FUNDS: (Rs In Thousand)**

TOTAL LIABILITIES : 1,29,762/- **TOTAL ASSETS** : 1,29,762/-

Sources of Fund:

Paid up Capital : 59,734/-
 Reserve & Surplus : 40,315/-
 Secured Loans : 24,941/-
 Unsecured Loans : NIL
 Current Liabilities : 4,772/-

Application Fund:

Net Fixed Assets : 1,541/-
 Investment : 184/-
 Current Assets : 1,27,496/-
 Miscellaneous Expenditure : NIL
 Accumulated Losses : NIL
 Deferred Tax Assets (Net) : 541/-

IV. **PERFORMANCE OF THE COMPANY:** (Rs. In Thousand)

Turnover (Including other Income) : 11,44,404/-
 Total Expenditure : 11,33,692/-
 Profit / (Loss) Before Tax : 10,712/-
 Profit / (Loss) After Tax : 6,996/-
 Earning Per Share in Rs. : 1.17
 Dividend : NIL

V. **GENERIC NAMES OF PRINCIPAL PRODUCT/SERVICES OF THE COMPANY:**

ITEM : Dealing in Shares & Securities
 ITEM CODE NO. (ITC CODE) : N.A.

AS PER OUR REPORT OF EVEN DATED

For **S. K. RATHI & CO.**
Chartered Accountants

For and on behalf of the Board,
For GSB Finance Ltd.

Sd/-
 (CA S. K. Rathi)
 Prop.
 M. No. 031071
 FRN: 108124W

Sd/-
 (Girdharilal Biyani)
 Chairman

Sd/-
 (Ramakant Biyani)
 Director

Date : 27th May, 2013
 Place : MUMBAI.



CASH FLOW STATEMENT FOR THE PERIOD ENDED 31.03.2013

Particulars	At 31-03-2013 Amount (Rs.)	At 31-03-2012 Amount (Rs.)
A. Cash Flow From Operating Activities :-		
Net Profit (Loss) after Tax and extraordinary Items	2,295,999	(2,130,632)
ADJUSTMENT FOR		
Deffered Tax Assets	1,425,300	1,931,800
Deferred Tax (Savings)/Expenses	32,800	(12,015)
Depreciation	248,409	185,254
Transfer To Statutory Reserves	1,700,000	-
Transfer To General Reserves	3,000,000	-
Loss from Investing Activity	-	33,670
Dividend Received	(253,378)	(293,761)
Operating Profit before Working Capital Changes	8,449,131	(285,685)
ADJUSTMENT FOR:		
Trade and other Receivable	(14,486,694)	(29,891,032)
Inventories	5,850,828	21,032,310
Trade Payable	(2,211,001)	5,333,945
NET CASH FLOW FROM OPERATING ACTIVITIES	(2,397,737)	(3,810,462)
B. Cash Flow From Investing Activities :-		
Purchase of Fixed Assets	-	(886,392)
Sale of Investment	-	1,978,273
Interest Received	-	-
Dividend Received.	253,378	293,761
NET CASH FROM INVESTING ACTIVITIES	253,378	1,385,642
C. Cash Flow From Finance Activities :-		
Proceeds from Secured Loans	1,950,721	1,065,626
Proceeds from Unsecured Loans	-	-
CASH FLOW FROM FINANCING ACTIVITIES	1,950,721	1,065,626
Net (decrease)/ increase in Cash & Cash equivalents	(193,639)	(1,359,194)
Cash & Cash equivalents at the begin of the year	1,051,615	2,410,811
Cash & Cash equivalents at the close of the year	857,976	1,051,615

AS PER OUR REPORT OF EVEN DATED

For **S. K. RATHI & CO.**
Chartered Accountants

For and on behalf of the Board,
For **GSB Finance Ltd.**

Sd/-
(CA S. K. Rathi)
Prop.
M. No. 031071
FRN: 108124W

Sd/-
(Girdharilal Biyani)
Chairman

Sd/-
(Ramakant Biyani)
Mg. Director

Date : 27th May, 2013

Place : MUMBAI.