

21ST  
ANNUAL REPORT  
2010 - 2011

 Cubical Financial Services Limited





**BOARD OF DIRECTORS**

**Shri Ashwani K. Gupta** *Managing Director*  
**Mr. Ashish Bhala** *Director*  
**Mr. Ankur Gupta** *Director*  
**Mr. Rakesh Kumar** *Additional Director*

**COMPANY SECRETARY**

**Mrs. Sangeeta Sahni** *Company Secretary*

**AUDITORS**

**M/s. Krishan Rakesh & Co.**  
*Chartered Accountants*  
8/14 Kalkaji Extension,  
New Delhi-110 009

**BANKERS**

**HDFC Bank Ltd.**  
Aggarwal Millennium Tower-II,  
Netaji Subhash Place,  
Pitampura, Delhi-110 034

**Oriental Bank of Commerce**  
Extension Counter, Kirorimal College,  
University of Delhi,  
Delhi-110007

**REGISTERED OFFICE**

456, Aggarwal Metro Heights,  
Netaji Subhash Place,  
Pitampura, Delhi-110 034

**REGISTRAR & SHARE TRANSFER AGENTS**

**Beetal Financial & Computer Services Pvt. Ltd.**  
Beetal House, 3rd Floor, 99, Madangir,  
Behind Local Shopping Center,  
New Delhi-110 062

<b>Contents .....</b>	<b>Page No.</b>
Notice .....	4-5
Director's Report .....	6-7
Corporate Governance Report .....	8-15
Auditor's Report .....	16-18
Balance Sheet .....	19
Trading & Profit & Loss Accounts .....	20
Schedules .....	21-29
Cash Flow Statement .....	30



**NOTICE**

**Notice** is hereby given that the 21st Annual General Meeting of the Members of Company will be held on Thursday the 29th September, 2011 at 10.00 A.M. at Multipurpose Community Centre, Ghoga Village, Near Main Bus Stop, Delhi-110039 to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as on 31st March, 2011, Profit & Loss Account and Cash Flow Statement for the period ended 31st March, 2011 together with Reports of Directors and Statutory Auditors thereon.
2. To appoint a Director in place of Sh. Ashish Bhala, who retires by rotation, being eligible offers himself for the re-appointment.
3. To appoint auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

**SPECIAL BUSINESS**

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:  
"Resolved that pursuant to the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956, Mr. Rakesh Kumar be and is hereby as Director of the company liable to retire by rotation."
5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :  
"**RESOLVED THAT** pursuant to the provisions of Section 198, 269 & 309 read with schedule XIII of the Companies Act, 1956 and the provisions of the Articles of Association of the Company, the consent of the members be and is hereby accorded to the appointment of Shri Ashwani K. Gupta as Managing Director of the Company for a period of 5 years w.e.f 1st October, 2011 of the terms and conditions as set out below,  
Salary : Rs. 50,000/- per month.  
Perquisites : In addition to above salary, Mr. Ashwani K. Gupta, Managing Director shall be entitled to the following perquisites:
  - a) Contribution to Provident Fund, Superannuation Fund or annuity fund to be extent these either singly or put together are not taxable under the Income Tax Act, 1961;
  - b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;
  - c) Encashment of Leave at the end of tenure.
  - d) Medical reimbursement, and
  - e) Telephone facility at residence.

**RESOLVED FURTHER THAT** in the absence or inadequacy of profits in any financial year, the remuneration payable to the 'Managing Director' by way of Salary & perquisites shall not exceed the maximum limits prescribed under Schedule XIII to the Companies Act. 1956.

**RESOLVED FURTHER THAT** in the event of any statutory amendment of modification or relaxation by the Central Government of Schedule XIII to the Companies Act, 1956 the Board of Directors be and is hereby authorised to vary or increase the remuneration, including the salary, perquisites, allowances etc., within such prescribed limit or ceiling without any further reference to the Company in General Meeting, Subject however to the provision however to the provision of Section 302 of the Companies Act, 1956."

By Order of the Board  
for **CUBICAL FINANCIAL SERVICES LIMITED**  
Sd/-  
**(Ashwani K. Gupta)**  
Managing Director

Place : Delhi  
Date : 05.09.2011

**NOTES :**

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. The Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and share Transfer of the Company will remain closed From Thursday 22th September, 2011 to Thursday 29th September, 2011 (both days inclusive).
3. The Company's shares have been notified for compulsory dematerialization w.e.f. June 22, 2002. Accordingly trading of shares of the company will be allowed only in de-mat form.
4. Member are requested to notify immediately any change of address to their Depository Participants (DP's) in respect of their electronic share account and the Company's Registrar & Share Transfer Agents & to the Company at its Registered Office in respect of their physical share folios, if any.
5. Members are requested to produce at the entrance the enclosed attendance slip duly completed and signed for admission to meeting place.
6. Members who hold shares in de-materialized form are requested to bring their client I.D. & DP I.D. Nos. for easier identification of attendance at the meeting.
7. Explanatory statement pursuant to section 173 (2) of the Companies Act, 1956 is annexed.
8. Members are requested to bring their copies of the Annual Report to the meeting.
9. Company's equity shares are listed on the following Stock Exchanges:
  - a) Delhi Stock Exchange Limited,  
DSE House, 3/1, Asaf Ali Road, New Delhi-110 002
  - b) Bombay Stock Exchange Limited,  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
10. No Gift/Gifts Coupon shall be provided to the members.

By Order of the Board  
for **CUBICAL FINANCIAL SERVICES LIMITED**

Sd/-

**(Ashwani K. Gupta)**

*Managing Director*

**Place :** Delhi  
**Date :** 05.09.2011

**EXPLANATORY STATEMENT**

**(Pursuant to Section 173(2) of the Companies Act, 1956)**

**Item No. 4**

The Board of Directors of the Company had at its meeting held on 5th September, 2011 appointed Mr. Rakesh Kumar as an Additional Director of the company. In terms of the provisions of section 260 of the Companies Act, 1956 read with Article 107 of the Articles of Association of the Company, Mr. Rakesh Kumar holds his office only upto to the date of this Annual General Meeting.

Mr. Rakesh Kumar is a Commerce Professional has a good experience in the field of finance and the business of the company.

Your company has received a notice, in writing from a shareholder, under section 257 of the Companies Act, 1956 along with a requisite deposit, signifying his intention to appoint Mr. Rakesh Kumar as an Independent Director of the Company. The Board considers it desirable that the Company should continue to avail the services of Mr. Rakesh Kumar and accordingly recommends the resolution for the approval of the members of the company.

As declared by Mr. Rakesh Kumar, he is holding 4520 equity shares in the company as on 05-09-2011.

None of the Directors except Mr. Rakesh Kumar is interested in the resolution.

**Item No. 5**

The Company has re-appointed Mr. Ashwani K. Gupta as Managing Director of the Company for a period of Five years w.e.f. 1.10.2011. The re-appointment so made will terminate on September 30, 2016. Keeping a view of rich experience of Mr. Ashwani K. Gupta and long association with the Company, your Board of Directors has proposed the re-appointment of Mr. Ashwani K. Gupta as Managing Director of the Company for a further period of 5 years w.e.f. 1.10.2011 on the term and conditions as setout in the resolution No. 5 under the head of Special Business.

Your Board recommends the resolution for your approval.

None of the Directors except Mr. Ashwani K. Gupta is deemed to be concerned or interested in the said resolution.

By Order of the Board

for **CUBICAL FINANCIAL SERVICES LIMITED**

Sd/-

**(Ashwani K. Gupta)**

*Managing Director*

**Place :** Delhi  
**Date :** 05.09.2011

**DIRECTOR REPORTS**

**The Shareholders,  
Cubical Financial Services Limited  
Delhi**

Your Directors take pleasure in presenting the 21st Annual Report of the company along with the Audited Statement of Account for the year ended on March 31, 2011 together with the Auditors Report thereon.

**FINANCIAL RESULTS****(Rs. in lakhs)**

<b>PARTICULARS</b>	<b>For the year ended 31.03.2011</b>	<b>For the year ended 31.03.2010</b>
Total Revenue	28.09	44.63
Total Expenditure	20.75	30.17
Depreciation/Provisions	0.36	0.56
Profit/(Loss) before Tax	6.98	13.88
Provisions for Taxation	2.20	2.14
Provisions for Fringe Benefit Tax	—	0.01
Deferred Tax Assets	—	0.02
Profit/(Loss) after Tax	4.78	11.75
Paid up Equity Capital	1303-40	1303.40

**FINANCIAL REVIEW**

During the year under review your company has been able to report total profits before tax of Rs. 6.98 Lacs as compared to profit earned in the previous year of Rs. 13.88 Lacs.

**DIVIDEND**

Your directors do not recommend any dividend for the financial year 2010-2011 in order to meet the requirements of the funds into business of the Company.

**PUBLIC DEPOSITS**

During the year under review, your company has not invited or accepted any deposits within the meaning of Section 58A of the Companies Act, 1956. There are no unpaid or unclaimed deposits as on the date with the Company.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

The particulars as required under section 217 (1) (e) of the Companies Act, 1956 in respect of the conservation of energy and technology absorption have not been furnished considering the nature of business undertaken by the Company during the year under report.

**PARTICULARS OF EMPLOYEES**

During the year under review no employee whether employed for the whole year or part of the year, was drawing remuneration exceeding the limits as laid down under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975. Hence information required under section 217 (2A) of the Companies Act, 1956 is not given.

**DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and Articles and Association of the Company Mr. Ashish Bhala retires by rotation at ensuing Annual General Meeting of the Company and being eligible offers himself for reappointment.

Sh. N.S.R. Prasad Raju resigned from Directorship w.e.f. 8-06-2011.

Sh. Rakesh Kumar Gupta was appointed as an Additional Director w.e.f. 5-09-2011 and being eligible offer himself for appointment as Director at the ensuing Annual General Meeting.

Sh. Ashwani K. Gupta has been re-appointed as Managing Director of the Company w.e.f. 1-10-2011.

**ANNUAL REPORT .....6**



**AUDITOR'S REPORT**

The Auditor's reports are self-explanatory and do not require any comments from the Board of Directors.

**STATUTORY AUDITORS**

M/s. Krishan Rakesh & Co., Chartered Accountants, New Delhi, Statutory Auditor of the Company, retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a certificate from them pursuant to Section 224 (1B) of the Companies Act, 1956, confirming their eligibility for re-appointment. Your Directors recommend their re-appointment.

**REPORT ON CORPORATE GOVERNANCE**

Corporate Governance report and Corporate Governance Compliance Certificate are provided as per separate Annexures to the report.

**MANAGEMENT DISCUSSION AND ANALYSIS**

A detailed Management Discussion and Analysis is provided in the Annual Report.

**DIRECTORS RESPONSIBILITY STATEMENT**

On the basis of compliance certificate received MD and other executives of the Company and subject to disclosures in annual accounts as on 31.3.2011 on the basis of discussions with Statutory Auditors of the Company from time to time-

- I. Your Directors confirm that in the preparation of the annual accounts for the year ended 31st March, 2011, the applicable accounting standards had been followed along with proper explanations relating to material departures/variations.
- II. Such accounting policies have been selected and applied which 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 31st March, 2011 and of the Profit of the Company for the year.
- III. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. The Directors have prepared the annual accounts on a going concern basis.

**STOCK EXCHANGE LISTING**

The shares of your Company are listed at Delhi and Mumbai Stock Exchanges, pursuant to clause 38 of the Listing Agreement, listing fees has been paid for the financial year 2011-2012 to the Stock Exchanges.

**ACKNOWLEDGEMENTS :**

The directors take this opportunity to thank company's customers, bankers for their consistent support and co-operation to the company. Your directors also acknowledge with appreciation the support and co-operation rendered by various Govt. agencies and Departments. Your Directors would also like to thank all the employees of the Company for their dedicated efforts and hard work put in for the success of the Company. Your Directors also wish to express their gratitude to the Shareholders for the confidence reposed by them in the company and for the continued support and co-operation.

On behalf of the Board  
for **CUBICAL FINANCIAL SERVICES LIMITED**

Sd/-  
**(Ashwani K. Gupta)**  
*Managing Director*

Sd/-  
**(Ankur Gupta)**  
*Director*

Place : Delhi  
Date : 05.09.2011



**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED MARCH 31, 2011**

**(As required by Clause 49 of the Listing Agreement of the Stock Exchanges)**

**1. A Brief Statement on Company's Philosophy on Code of Governance :**

At Cubical Corporate Governance is an integral part of values, ethics and the best business practices followed. The core values of the company are:

- Commitment to excellence
- Maximising long term shareholders' value
- Socially valued enterprise and
- Caring for people and environment.

In a nutshell, the philosophy can be described as observing of business practice with the ultimate aim of enhancing long-term shareholders' value and commitment to high standard of business ethics. The company has in place a Code of Corporate Ethics and Conduct reiterating its commitment to maintain the highest standards in its interface with the stakeholders and clearly laying down the core values and corporate ethics to be practiced by its entire management cadre.

**2. Board Composition and Particulars of Directors :**

**Board of Directors :**

The Company is managed and controlled through a professional Board of Directors ("Board") comprising of a combination of requisite executive and non-executive independent directors. The composition of the board of the company is in conformity with the provisions of clause 49 of the listing agreement with the stock exchange(s). The present strength of the board is four members.

**Composition of the Board as on March 31, 2011 :**

Category of Directors	Nos. of Directors	% of Total Nos. of Directors
Executive Directors	1	25%
Non-Executive Independent Directors	3	75%
Total	4	100.00

Independent directors provide appropriate annual certifications to the board confirming satisfaction of the conditions of their being independent as laid down in Clause 49.

**Board composition and particulars of Directors :**

**Board of Directors :**

The Board currently comprises 4 members- 1 Executive Director and 3 Non-Executive Directors. During the year 7 (Seven) Board meetings were held on 21-04-10, 31-05-10, 07-06-10, 09-08-10, 13-09-10, 13-11-10, 11-02-11. The composition of Board of Directors and their attendance at the meeting during the year and at the last Annual General Meeting as also number of other Directorships/Memberships of Committees are as follows:

Name of Director	Positions	Attendance in Board Meetings during 2010-2011	Attendance in the last AGM	No. of other Directorships	Committee Membership/ Chairmanship
Sh. Ashwani K. Gupta	Managing Director	7	Yes	-	-
Sh. N.S.R. Prasad Raju (regined on 08-06-2011)	Non Executive Independent Director	6	Yes	-	-
Sh. Mohinder Sain Gupta (Expired on 15-05-2010)	Non Executive Director	1	-	-	-
Mr. Ankur Gupta	Non Executive Independent Director	6	Yes	-	3
Mr. Ashish Bhala	Non Executive Independent Director	4	Yes	2	3
Mr. Rakesh Kumar (appointed on 5-09-2011)	Non Executive Independent Director	-	-	3	3

**Code of Conduct:**

In terms of the provision of clause 49 of the Listing Agreement and contemporary practices of good corporate governance, the board has laid down a Code of Conduct for all Board Members and Senior Management of the





Company. The same has also been circulated to all the members of the Board and Senior management personnel and the compliance to the same is affirmed by them annually.

----- x ----- x ----- x ----- x ----- x -----

**Declaration:**

I confirm that the company has obtained from all board members and senior management of the company their affirmation of compliance with the code of conduct for the financial year 2010-11.

**Ashwani Kumar Gupta**

*Managing Director*

New Delhi, September 5, 2011

----- x ----- x ----- x ----- x ----- x -----

**3. Audit Committee :**

The audit committee comprises Two non-executive Directors. The Chairman is Sh. Ankur Gupta who has considerable financial expertise and experience.

The Terms of Reference the Audit Committee is in conformity with the requirement of clause 49 of the Listing Agreement. The Terms of Reference of the Audit Committee were revised in view of the amended clause 49 of the Listing Agreement.

Four Audit Committee meetings were held during the year. These were held on 31-05-2010, 09-08-2010, 13-11-2010 & 11-02-2011.

Attendance at Audit Committee Meetings during the year was as follows.

Member	Meeting held during the Year	Meeting Attended
Mr. Ankur Gupta	4	4
Mr. Ashish Bhala	4	4
Mr.N.S.R. Prasad Raju (regined on 8-06-2011)	4	4
Mr. Rakesh Kumar (appointed on 5-09-2011)	—	—

Mr. Ankur Gupta, Chairman of the Audit Committee attended the previous Annual General Meeting of the Company held on 29.09.2010.

**4. Remuneration of Directors :**

The Company has constituted Remuneration committee, which comprises 3 non-executive Directors viz: Mr. Ashish Bhala, Mr. Ankur Gupta and Mr. Rakesh Kumar. The Committee met once during the year details of remuneration paid/payable is as under.

The Board of Directors of the Company has been authorized to vary or increase the remuneration of Managing Director within ceiling fixed by the shareholders. Given below are the details of actual payments made to Executive/Non- Executive Directors for the period 01-04-10 to 31-03-11.

Name of Directors	Business relationship	Remuneration paid/payable from 01.04.10 to 31.03.11		
		Sitting fees	Salary & Perks	Total
Sh. Ashwani K. Gupta	Executive Director	—	4,20,000	4,20,000
Sh. N.S.R. Prasad Raju (resigned on 8-06-2011 )	Non Executive Independent Director	—	—	—
Mr. Ashish Bhala	Non Executive Independent Director	—	—	—
Mr. Ankur Gupta	Non Executive Independent Director	—	—	—
Mr. Rakesh Kumar (appointed on 5-09-2011)	Non Executive Independent Director	—	—	—

Non-executive directors did not have any other pecuniary relationship or transaction vis-à-vis the company during the financial year under review except as stated above.

**5. Shareholder's/Investor's Grievance Committee :**

The Shares of the company are being compulsorily traded in dematerialized form. However, the request for re-materialization and transfer of shares in physical mode are approved by the Share Transfer Committee.

Your Board of the Company has constituted a committee of Directors known as Share transfer committee to look after the grievance of shareholders of the company. The Committee is headed by Shri Ankur Gupta, Non-executive independent director.

Main function of the committee is to strengthen the investor relations. The company secretary of the company, being the compliance officer, is entrusted with the responsibility, to specifically look into the redressal of the shareholders and investors complaints and report the same to Shareholder's/Investor Grievance Committee.

The committee has been holding regular meetings to ensure compliance with the provisions of the Companies Act, 1956 and the Listing Agreement and to ensure the proper services of investors. During the financial year 2010-2011, Company has not received any complaints regarding transfer of shares etc.

**6. Postal Ballot :**

During the financial year under review, no postal ballot was conducted by the company and no special resolution is proposed to be conducted through postal ballot by the Company.

**7. General Body Meetings :**

The 21st Annual General Meeting of the company for the financial year 2010 -11 will be held on Thursday, September 29, 2011 at 10.00 a.m. at Multipurpose Community Centre, Ghoga Village, Near Main Bus Stop, Delhi-110039.

Location and time where last three Annual General Meetings of the company were held are as given below:

<b>Financial Year</b>	<b>Day, Date and Time of the Meeting</b>	<b>Venue of the Meeting</b>
2009 - 10	Wednesday, September 29, 2010	<b>Multipurpose Community Centre</b> Ghoga Village, Near Main Bus Stop, Delhi-110039.
2008 - 09	Tuesday, September 29, 2009 at 10.00 a.m.	<b>Multipurpose Community Centre</b> Ghoga Village, Near Main Bus Stop, Delhi-110039.
2007 - 08	Friday, September 26, 2008 at 10.00 a.m.	<b>Multipurpose Community Centre</b> Kherakhurd, Alipur Block, Delhi - 82.

**8. Disclosures :**

- (i) There are no material significant related party transactions, which may have potential conflict with the interest of the company. Member may refer notes to accounts attached with the Balance Sheet in the Annual Report for the related party transactions.
- (ii) The Company has complied with the requirements of the Stock Exchange SEBI/Statutory Authorities on all matters relating to capital Markets during the year under review and no penalties or strictures have been imposed on the company by the stock exchange/SEBI/Statutory Authority during the last three years.
- (iii) The company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchange(s).

**9. Means of Communication :**

The quarterly, half yearly and annual financial results are published in national newspapers and promptly furnished to the Stock Exchanges where shares of the company are listed, for display on their respective websites. The company is also providing regular information to the Stock Exchanges as per the requirements of the Listing Agreements. SEBI/Stock Exchanges have never imposes any penalty on the Company for violation of any law/agreement.

During the financial years under review, the company published its financial results as per detail hereunder:



Financial Results	News Paper	Date of Publication
Audited Financial Results for the Financial year Ended March 31, 2010	The Pioneer & Hari Bhumi (English) (Hindi)	01-06-2010
Unaudited financial results for the Qtr. Ended June 30, 2010	The Pioneer & Hari Bhumi (English) (Hindi)	11-08-2010
Unaudited financial results for the Qtr. Ended September 30, 2010	The Pioneer & Hari Bhumi (English) (Hindi)	14-11-2010
Unaudited financial results for the Qtr. Ended December 31, 2010	The Pioneer & Hari Bhumi (English) (Hindi)	13-02-2011

## MANAGEMENT DISCUSSION AND ANALYSIS

### a) Industry Structure and Trends:

Capital Market is dependent on various external factors beyond the control of the Management. Factors like economy, Industrial Growth, Level of Export, Political Scenario, Reform initiatives of the Government. The participants having any dealing with Capital Market are affected directly by the movement in the market.

### b) Opportunities and Threats:

The outlook in the year ended 31.03.2011 was mixed for the Capital Market. Keeping in view of the growth in the economy and investment made by the FII's sensex is scaling new heights and as results all concerned will be benefited. However capital market is dependent on various external factors beyond the control of the management and at the end of year gave negative returns, hence your company made losses in same.

### c) Outlook:

Major changes and long term economic reforms have been introduced by the Government. With the change in Government, new economic policies in terms of the common minimum program are expected which will have its own impact on the capital markets which will effect the market participants.

### d) Risks & Concerns:

The volatility in Stock Market, economic situation of the country, market risk and client default risk are high in this business. Your company proposes to manage these risks by adopting effective risk management practices.

### e) Internal Control System:

There is an effective system of monitoring internal control in the company and these Policies and Procedures are reviewed from time to time.

### f) Financial performance:

The financial performance of the company has been covered in the Director's Report.

### g) Human Resource Development:

The relations with employees continued to be cordial and progressive. The total number of employees in the company as on 31st March 2011 was 4 (four).

Place: Delhi  
Date : 05-09-2011

For and on behalf of the Board of Directors  
Sd/-  
(Ashwani K. Gupta)  
Managing Director

**SHAREHOLDERS' INFORMATION****A. Annual General Meeting :**

Date and Time : Thursday the September 29, 2011 at 10.00 A.M.  
Venue : Multipurpose Community Centre, Ghoga Village,  
Near Main Bus Stop, Delhi-110039.  
Book Closure Date : Thursday 22th September, 2011 to Thursday 29th September, 2011  
(both days inclusive) for the 21st Annual General Meeting of the company.

**B. Financial Calendar (tentative and subject to change) :**

The company follows April-March as its financial year. The results for every quarter beginning from April is declared in the month following the quarter except for the last quarter for which the results were declared in May 2012 as permitted under the listing agreement.

The Annual General Meeting for the financial year 2011 –12 will be held between September 21, 2012 and September 30, 2012.

**C. Listing on Stock Exchanges :**

The Equity Shares of the company are currently listed on Delhi Stock Exchange, (DSE) New Delhi and Bombay Stock Exchange, (BSE) Mumbai. The Annual Listing Fees for the financial year 2011 – 12 has been paid to both of the aforesaid stock exchanges.

**D. Scrip Detail :**

BSE – 511710  
NSDL/CDSL – ISIN No.: INE717D01015

**E. Registrar and Share Transfer Agents:**

Beetal Financial & Computer Services (P) Ltd.  
Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Center,  
New Delhi – 110062.

**F. Investors Relation Officer:**

Mrs. Sangeeta Sahni, *Company Secretary*  
456, Aggarwal Metro Heights, Netaji Subash Place, Pitampura,  
New Delhi – 110034  
Tel. : +91 – 11 – 27351705  
Email : cubfinser@yahoo.com

**G. Market Price Date :**

The shares of the company are thinly traded during the financial year 2010-11. The monthly high and low quotations and volume of shares traded on the BSE for the financial year 2010-11 and the comparison of share prices of the company vis-à-vis the BSE Small Cap Index are as under :

Month	High Price	Low Price	No. of Shares	Spread (Rs.)	
				H-L	C-O
April 2010	26.75	12.74	1,02,202	14.01	11.66
May 2010	32.80	21.25	1,05,933	11.55	-2.25
Jun 2010	29.80	23.25	33,331	6.55	-0.45
July 2010	28.00	21.40	52,814	6.60	0.45
Aug. 2010	35.95	26.25	4,44,680	9.70	4.60
Sep. 2010	39.65	22.90	5,50,112	16.75	-8.85
Oct. 2010	23.75	15.65	2,04,844	8.10	-4.35
Nov. 2010	20.15	14.50	3,97,806	5.65	-0.50
Dec. 2010	17.10	11.75	93,866	5.35	0.25
Jan. 2011	24.95	11.55	7,92,383	13.40	6.35
Feb. 2011	20.65	14.35	1,24,484	6.30	-3.95
Mar. 2011	18.35	14.60	20,55,708	3.75	-2.55



(Source : BSE Website www.bseindia.com, Company Scrip Code is 511710)

Notes : Since No dealings on the Delhi Stock Exchange, no data is available for same.

**H. Distribution of Shareholding (as on March 31, 2011) :**

Share holding of Nominal Value of Rs.	Shareholders		Share Holding		
	In Nos.	In % of Total	In Nos.	In Value (Rs. In Lacs)	% age
Up to 5000	3,086	90.13	4,28,521	42,85,210.00	3.29
5001 to 10000	118	3.45	96,350	9,63,500.00	0.74
10001 to 20000	64	1.87	91,003	9,10,030.00	0.70
20001 to 30000	32	0.93	78,779	7,87,790.00	0.60
30001 to 40000	15	0.44	53,745	5,37,450.00	0.41
40001 to 50000	23	0.67	1,02,315	10,23,150.00	0.79
50001 to 100000	18	0.53	1,40,569	14,05,690.00	1.08
100001 & above	68	1.99	1,20,42,718	12,04,27,180.00	92.39
<b>TOTAL</b>	<b>3424</b>	<b>100.00</b>	<b>1,30,34,000</b>	<b>13,03,40,000.00</b>	<b>100.00</b>

**I. Categories of Shareholders as on March 31, 2011:**

Category	March 31, 2011	
	Nos. of Shares Held	% Holding
Promoters:		
- Individuals	51,35,646	39.40
Non-Promoters:		
- Corporate Bodies	33,84,693	25.97
- NRI's	20,125	0.15
- Other Retail Investors	44,93,536	34.48

**J. Particulars of Shareholding:**

**i.) Detail of Promoters Shareholding as on March 31, 2011:**

S. No.	Name of Shareholder	No. of Shares Held	% Holding of Total
1.	Mr. Ashwani K. Gupta	40,92,000	31.40
2.	Mr. Ankit Gupta	3,47,683	2.67
3.	Mrs. Rita Gupta	3,90,630	3.00
4.	Mrs Kamla Gupta	1,54,433	1.19
5.	Miss Nidhi Gupta	1,50,900	1.16

**ii.) Top Ten (10) Public Shareholding as on March 31, 2011:**

S. No.	Name of Shareholder	No. of Shares Held	% Holding of Total
1.	Mr. Anoop Jain	3,67,270	2.82
2.	Mr. Deepak Gambhir	3,15,000	2.42
3.	Mr. Yogesh Gambhir	3,05,000	2.34
4.	Mrs. Ritu Jain	2,27,730	1.75
5.	Mrs. Shivkama Rajotia	1,47,800	1.13
6.	Mr. Varinderpal Singh Kandhari	1,20,874	0.93
7.	Mr. Mahesh Kumar	1,20,000	0.92
8.	Mrs. Savitri Mittal	1,02,900	0.79
9.	Mrs. Deepti Agrawal	1,00,000	0.77
10.	Mrs. Anju Gangwani	90,000	0.69
11.	Mr. Kamal Kumar	90,000	0.69



**K. Share Transfer System :**

Applications for transfer of shares held in physical form are received at the Regd. Office of the company as well as at the office of Registrar and Share Transfer Agents of the company. All valid requests for transfers of shares are processed and dispatched within 15 days from the date of receipt.

In respect of shares held in dematerialized form, all the requests for nomination, change of address and rematerialization, etc. are to be made only to the Depository Participant with whom the shareholders have opened their Demat Account. In this respect the Registrar and Share Transfer Agents of the Company periodically receive from the Depository Participants the beneficially holdings so as to enable them to update their records and to send all corporate communications.

**I. Dematerialization of Shares and Liquidity :**

To facilitate trading in demat form the company has made arrangements with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on March 31, 2011, 12444175 nos. of equity shares representing 95.475% of the equity shares of the company have been dematerialized and balance 589825 Nos. of Equity Shares were held in physical form.

**J. Address of Correspondence :**

For any assistance regarding dematerialization of shares, shares transfer, transmissions, change of address or any other query relating to shares; please write to Company Registered Office or to the Company's Registrar & Share Transfer Agents.

**Registered Office :** Company Secretary, 456, Aggarwal Metro Heights, Netaji Subhash Place, Pitampura, Delhi - 110 034.

**Registrar & Transfer Agents :** Beetal Financial & Computer Services (P) Ltd., Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Center, New Delhi-110 062

----- x ----- x ----- x ----- x ----- x -----

**MUKESH AGARWAL & CO.**  
*COMPANY SECRETARIES*

24, Himkunj Apartments, Sector-14, Rohini, Delhi-110085  
Tel: 42458279, 47060535 E-Mail: magarwalandco@gmail.com  
Mukesh\_agarwal3@rediffmail.com

**CERTIFICATE ON CORPORATE GOVERNANCE**

**To The Members of  
CUBICAL FINANCIAL SERVICES LIMITED**

We have examined the compliance of conditions of Corporate Governance by M/s CUBICAL FINANCIAL SERVICES LIMITED for the year ended 31.03.2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

The compliance of condition of Corporate Governance is the responsibility of the management; our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

We state that there are no investors' grievances pending for a period exceeding one month against the company as per the records maintained by 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 MUKESH AGARWAL & COMPANY  
Company Secretaries  
Sd/-  
(MUKESH KUMAR AGARWAL)  
C.P. No. 3851

Place: New Delhi  
Dated : 05.09.2011



**CEO AND CFO CERTIFICATION**

Sh. Ashwani Kumar Gupta, Managing Director and Mr. P.C. Sharma, Manager Finance have certify to the Board that :

- a) They have reviewed the Financial Statements and Cash Flow Statement for the year ended 31st March, 2011 and to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
- b) They are to the best of their knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2011 are fraudulent, illegal or violative of the Company's code of conduct.
- c) They accept responsibility for establishing and maintaining internal controls for financial reporting and they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which they are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
  - i) There has not been any significant change in internal control over financial reporting during the year under reference;
  - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - iii) They are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control systems over financial reporting.

Place : New Delhi  
Date : 05-09-2011

Sd/-  
Managing Director

S/d  
Manager (Finance)



The Members,  
**CUBICAL FINANCIAL SERVICES LIMITED**  
**NEW DELHI**

We have audited the attached Balance Sheet of CUBICAL FINANCIAL SERVICES LIMITED as at 31st March, 2011 and also the Profit & Loss Account and the Cash Flow Statement for the Year Ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors' Report) Order 2003 as amended by Companies (Auditor's Report) Amendment Order, 2004 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the annexure, a statement on the matters specified in paragraph 4 & 5 of the said order to the extent applicable to the company.
2. Further to our comments in the annexure referred to above, 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 such books.
  - c) The Balance Sheet, Profit & Loss Account & Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, Profit & Loss Account & Cash Flow Statement dealt with by this report comply with the applicable 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 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors of the company is disqualified from being appointed as Director as at 31st March, 2011 in terms of section 274(1)(g) of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies and other Notes thereon in Schedule -15, give the information as required by the Companies Act, 1956 in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India :-
    - i) In the case of the Balance Sheet of the state of affairs of the Company as at 31.3.2011.
    - ii) In the case of the Profit & Loss Account of the PROFIT of the company for the year ended on that date.
    - iii) In case of cash flow statement of the cash flows of the company for the year ended on that date.

**For KRISHAN RAKESH & CO.**  
**CHARTERED ACCOUNTANTS**

**Sd/-**  
**(K.K. GUPTA)**  
**PARTNER**  
**M. No. 87891**  
**FIRM REGN. NO. 009088N**

**PLACE : NEW DELHI**  
**DATE : 30-05-2011**



**ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE AUDITORS' REPORT ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2011**

1. a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.  
b) As explained to us, major fixed assets have been physically verified by the management during the year. We have been informed that the discrepancies noticed on such verification as compared to book record were not material and have been properly dealt with in the books of account. In our opinion the frequency of verification is reasonable.  
c) As the Company has disposed off an insignificant part of fixed assets during the year, paragraph 4 (i) (c) of the said order is not applicable.
2. a) Physical verification has been conducted by the management at reasonable intervals in respect of finished goods, stores, spare parts and raw materials.  
b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of these stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.  
c) In our opinion the Company is maintaining proper records of inventories. The discrepancies noticed on such verification between the physical stocks and book records were not significant and the same has been properly dealt with in the books of account.
3. According to the information and explanations given to us, the Company has neither granted nor taken any loans, secured or unsecured to/from 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 explanations 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 of inventories, fixed assets and with regard to the sale of goods. During the course of audit, no major weakness has been noticed in the underlying internal controls.
5. In our opinion and according to information and explanations given to us there are no contracts or arrangements / transactions that needed to be entered in the register maintained under section 301 of the Act.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
7. In our opinion and according to the information and explanations given to us, the Company has adequate internal audit system commensurate with its size and nature of its business.
8. We are informed that the Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
9. a) As per information and explanations given to us the Company has been regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess, Octroi, entry tax and other statutory dues with the appropriate Authorities. There are no undisputed statutory dues at the year end outstanding for a period of more than six months from the date they become payable.  
b) We have been informed that no disputed demands in respect of statutory dues are pending as on the date of the Balance Sheet.
10. In our opinion the accumulated losses of the company are not more than fifty percent of its net worth. The company has not incurred any cash losses during the financial year covered by our audit.
11. Based on the audit procedures and on the basis of information and explanations given to us by the management, the company have no outstanding debentures or loans of any Financial Institution or bank at the year end.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Hence, Paragraph 4 (xii) of the order is not applicable.
13. In our opinion the company has kept proper records of transaction and contracts of their dealing or trading in shares, debentures and other investments and timely entries have been made therein. The shares, debentures and other Investments have been held by the company in its own name except in the case of shares/debentures which are in the process of being transferred to the Company's name.
14. According to the information and explanations given to us, the term loans taken by the company have been applied for the purposes for which the loans were obtained.
15. According to the information and explanations given to us no short term funds have not been raised during the year.
16. The Company has not made any preferential allotment of shares during the year.
17. Since the company has not raised money by way of Public issue during the year, paragraph 4(xx) of the order is not applicable.
18. Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud on or by the Company has been noticed or reported during the course of our audit for the year ended 31.03.2011.
19. Other clauses of the order are not applicable to the Company for the year under report.

**PLACE : NEW DELHI  
DATE : 30-05-2011**

**For KRISHAN RAKESH & CO.  
CHARTERED ACCOUNTANTS  
Sd/-  
(K.K. GUPTA)  
PARTNER  
M. No. 87891  
FIRM REGN. NO. 009088N  
ANNUAL REPORT ..... 17**



**AUDITORS' REPORT**

The Board of Directors  
**CUBICAL FINANCIAL SERVICES LIMITED**  
New Delhi

Dear Sirs,

We have audited the Balance Sheet of CUBICAL FINANCIAL SERVICES LIMITED as at 31st March, 2011 and the Profit & Loss Account and Cash Flow Statement for the year ended on that date.

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 updated vide notification no. DNBS(PD)CC No. 179/03.02.001/2010-11 dated 1st July, 2010 issued by Reserve Bank of India (RBI), we give hereunder our report on matters specified in paragraphs 3(A) and (C) of the said Directions.

1. The Company is engaged in the business of non-banking financial institution and has accordingly obtained a Certificate of Registration as provided in Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
2. In our opinion the company is complying with the asset/income pattern as at 31.03.2011 and is entitled to hold the aforesaid Certificate of Registration issued by the Reserve Bank of India.
3. The Company is not an Assets Finance Company in terms of criteria set forth by the Bank in circular No, DNBS.PD.CC No.85/3.02.089/2006-07 dated 6th December 2006.
4. The Board of Directors has passed a resolution for the non-acceptance of any public deposits.
5. The Company has not accepted any public deposits during the relevant year.
6. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

The Company is not a systemically important non deposit taking NBFC defined in para 2(1(xix) of aforesaid directions.

**PLACE : NEW DELHI**  
**DATE : 30-05-2011**

**For KRISHAN RAKESH & CO.**  
**CHARTERED ACCOUNTANTS**

**Sd/-**  
**(K.K. GUPTA)**  
**PARTNER**  
**M. No. 87891**  
**FIRM REGN. NO. 009088N**



**BALANCE SHEET AS AT 31ST MARCH, 2011**

DESCRIPTION	SCH	As at 31st March 2011 (Rs.)	As at 31st March 2010 (Rs.)
<b>SOURCES OF FUND</b>			
<b>Shareholders Fund</b>			
Share Capital	1	130,340,000.00	130,340,000.00
Reserves & Surplus	2	100,000.00	0.00
<b>TOTAL</b>		<b>130,440,000.00</b>	<b>130,340,000.00</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	3	1,155,576.04	1,511,476.04
Depreciation		1,058,820.04	1,327,830.04
<b>Net Block</b>		<b>96,756.00</b>	<b>183,646.00</b>
<b>INVESTMENT</b>	4	<b>63,628,840.00</b>	<b>70,494,200.00</b>
<b>DEFERRED TAX ASSETS</b>		<b>29,170.00</b>	<b>29,170.00</b>
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Sundry Debtors	5	535,955.57	0.00
Cash & Bank Balance	6	563,569.28	1,489,553.72
Loan & Advance	7	53,468,952.00	45,794,228.00
		<b>54,568,476.85</b>	<b>47,283,781.72</b>
<b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b>			
Current Liabilities	8	126,861.00	160,233.00
Provisions	9	220,000.00	332,600.00
		<b>346,861.00</b>	<b>492,833.00</b>
<b>NET CURRENT ASSETS</b>		<b>54,221,615.85</b>	<b>46,790,948.72</b>
<b>PROFIT &amp; LOSS ACCOUNT</b>		<b>12,463,618.15</b>	<b>12,842,035.28</b>
<b>TOTAL</b>		<b>130,440,000.00</b>	<b>130,340,000.00</b>
<b>SIGNIFICANT ACCOUNTING</b>			
<b>POLICIES &amp; NOTES TO ACCOUNTS</b>	15		

In terms of our Report of Even Date Annexed

*For* KRISHAN RAKESH & CO.  
CHARTERED ACCOUNTANTS

PLACE : NEW DELHI  
DATE : 30-05-2011

Sd/-  
PARTNER

Sd/-  
Mg. DIRECTOR

Sd/-  
DIRECTOR

Sd/-  
CO. SECRETARY

ANNUAL REPORT ..... 19



**TRADING & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH'2011**

<b>DESCRIPTION</b>	<b>SCH</b>	<b>As at 31st March 2011 (Rs.)</b>	<b>As at 31st March 2010 (Rs.)</b>
<b>INCOME</b>			
Income from Operation	10	2,550,518.30	4,430,073.52
Other Income	11	258,826.10	32,708.74
		<b>2,809,344.40</b>	<b>4,462,782.26</b>
<b>EXPENDITURE</b>			
Salary Wages & Amenities	12	1,100,383.00	1,096,118.00
Loss on future trading of Shares		328,526.50	0.00
Office & Administrative Exp.	13	645,067.14	1,167,144.97
Share Issue Expenses		0.00	750,000.00
Financial Charges	14	817.63	4,311.31
Depreciation		36,143.00	56,302.00
		<b>2,110,937.27</b>	<b>3,073,846.28</b>
<b>PROFIT BEFORE TAX</b>		698,407.13	1,388,935.98
Income Tax Provision		220,000.00	214,600.00
Income Tax Adjustment		(10.00)	895.00
Deferred Tax Asset		0.00	1,870.00
		<b>478,417.13</b>	<b>1,175,310.98</b>
<b>Transfer to Statutory Reserve</b>		100,000.00	0.00
Balance B/F from Previous year		(12,842,035.28)	(14,017,346.26)
		<b>12,463,618.15</b>	<b>12,842,035.28</b>
Earning Per Share (Basic/Diluted)		<b>0.04</b>	<b>0.09</b>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO ACCOUNTS</b>			
	15		

In terms of our Report of Even Date Annexed

**For KRISHAN RAKESH & CO.  
CHARTERED ACCOUNTANTS**

**PLACE : NEW DELHI  
DATE : 30/05/2011**

**Sd/-  
PARTNER**

**Sd/-  
Mg. DIRECTOR**

**Sd/-  
DIRECTOR**

**Sd/-  
CO. SECRETARY**



## SCHEDULES

<b>DESCRIPTION</b>	<b>As at 31st March 2011</b>	<b>As at 31st March 2010</b>
	(Rs.)	(Rs.)

### SCHEDULE- 1: SHARE CAPITAL

**AUTHORISED**

13510000 Equity Share of Rs. 10/- each	135,100,000.00	135,100,000.00
	<b>135,100,000.00</b>	<b>135,100,000.00</b>

**ISSUED SUBSCRIBED & PAID UP**

1,30,34,000 Equity Shares of Rs.10/-each fully paid-up in cash	130,340,000.00	130,340,000.00
	<b>130,340,000.00</b>	<b>130,340,000.00</b>

### SCHEDULE- 2 : RESERVES & SURPLUS

Statutory Reserve	100,000.00	0.00
	<b>10,000.00</b>	<b>0.00</b>

### SCHEDULE- 3 : FIXED ASSETS

Particulars	GROSS			DEPRECIATION				W. D. V.		
	As At 01-04-2010	Addition During The Year	Sale Adjust- Ment	Total As On 31-03-2011	Up-to 31-03-2010	For the year	Adjust- ments	Total As On 31-03-2011	As On 31-03-2010	As On 31-03-2009
Furniture & Fixture	432683.99	0	0	432683.99	404423.99	5115.00	0	409538.99	23145.00	28260.00
Air Conditioner	109,000.00	0	0	109000.00	78920.00	4184.00	0	83104.00	25896.00	30080.00
Fax Machine	37,850.00	0	0	37850.00	31268.00	916.00	0	32184.00	5666.00	6582.00
Computer	391,940.00	0	0	391940.00	364111.00	11132.00	0	375243.00	16697.00	27829.00
Office Equipments	184,102.05	0	0	184102.05	154654.05	4096.00	0	158750.05	25352.00	29448.00
Vehicle	355900.00	0	355900.00	0.00	294453.00	10700.00	305153.00	0.00	0.00	61447.00
<b>Total</b>	<b>1511476.04</b>	<b>0.00</b>	<b>355900.00</b>	<b>0.00</b>	<b>1327830.04</b>	<b>36143.00</b>	<b>305153.00</b>	<b>1058820.44</b>	<b>96756.00</b>	<b>183464.00</b>
Previous Year	1,479,626.04	31,850.00	0.00	0.00	1,271,528.04	56302.00	0.00	1327830.04	183646.00	208098.00

### SCHEDULE - 4 : INVESTMENTS

Particulars	OPENING STOCK		PURCHASE		SALES		CLOSING STOCK		INVESTMENT	
	Face Value	Cost/Book Value	Face Value	Cost/Book Value	Face Value	Cost/Book Value	Face Value	Cost/Book Value	Trade	Others
<b>LONG TERM (AT COST)</b>										
Shares Quoted	21,000.00	21,210.00	0.00	0.00	0.00	0.00	21,000.00	21,210.00	0.00	21,210.00
Airhant Coty sn										
Shares Unquoted										
Shahi India Buildcon Pvt. Ltd.	30,000,000.00	3,00,00,000.00	0.00	0.00	10,00,000.00	1,00,00,000.00	20,00,000.00	2,00,00,000.00	0.00	2,00,00,000.00
Shivan Rosins Pvt. Ltd.	4,95,000.00	4,95,000.00	0.00	0.00	0.00	0.00	4,95,000.00	4,95,000.00	0.00	4,95,000.00
Signature Holdings Pvt. Ltd.	12,50,000.00	1,25,00,000.00	0.00	0.00	0.00	0.00	12,50,000.00	1,25,00,000.00	0.00	1,25,00,000.00
India Showbiz Pvt. Ltd.	4,50,000.00	70,00,200.00	0.00	0.00	0.00	0.00	4,50,000.00	70,00,200.00	0.00	70,00,200.00
Killa Financial Pvt. Ltd.	4,50,000.00	45,00,000.00	0.00	0.00	0.00	0.00	4,50,000.00	45,00,000.00	0.00	45,00,000.00
Sidhivinyak Hotels Pvt. Ltd.	50,000.00	10,00,000.00	0.00	0.00	0.00	0.00	50,000.00	10,00,000.00	0.00	10,00,000.00
Maksad Buildcon Pvt. Ltd.	15,10,000.00	1,51,00,000.00	0.00	0.00	0.00	0.00	15,10,000.00	1,51,00,000.00	0.00	1,51,00,000.00
<b>Total</b>	<b>72,26,000.00</b>	<b>7,06,16,410.00</b>	<b>0.00</b>	<b>0.00</b>	<b>10,00,000.00</b>	<b>1,00,00,000.00</b>	<b>62,26,000.00</b>	<b>6,06,16,410.00</b>	<b>0.00</b>	<b>6,06,16,410.00</b>
Less : Provision for permanent diminution in value of		4,64,610.00						4,64,610.00		4,64,610.00
Investment	72,26,000.00	7,01,51,800.00	0.00	0.00	10,00,000.00	1,00,00,000.00	62,26,000.00	6,01,51,800.00	0.00	6,01,51,800.00
<b>CURRENT</b>										
Share Quoted										
Sunderam Financial	0.00	0.00	4,500.00	1,76,394.05	4,500.00	1,76,394.05	0.00	0.00	0.00	0.00
Jindal swih	2,000.00	3,42,400.00	0.00	0.00	2,000.00	3,42,400.00	0.00	0.00	0.00	0.00
Reliance Industrial	0.00	0.00	35,000.00	31,99,560.00	0.00	0.00	35,000.00	31,99,560.00	0.00	31,99,560.00
Ametch India Ltd.	0.00	0.00	7,000.00	2,77,480.00	0.00	0.00	7,000.00	2,77,480.00	0.00	2,77,480.00
(Market Values Rs. 39,60,425/- Previous Year Rs. 3,44,500/-)										
<b>CURRENT YEAR</b>	<b>72,26,000.00</b>	<b>7,04,94,200.00</b>	<b>46,500.00</b>	<b>36,53,434.05</b>	<b>10,06,500.00</b>	<b>1,05,18,794.05</b>	<b>62,800.00</b>	<b>63,62,884.00</b>	<b>0.00</b>	<b>63,62,884.00</b>
<b>PREVIOUS YEAR</b>	<b>57,40,000.00</b>	<b>10,07,790.00</b>	<b>70,48,000.00</b>	<b>722,49,745.65</b>	<b>394,000.00</b>	<b>27,63,335.65</b>	<b>72,800.00</b>	<b>70,49,200.00</b>	<b>0.00</b>	<b>7,04,94,200.00</b>



## CUBICAL FINANCIAL SERVICES LIMITED

<b>DESCRIPTION</b>	<b>As at 31st March 2011 (Rs.)</b>	<b>As at 31st March 2010 (Rs.)</b>
--------------------	--	--

### **SCHEDULE – 5 : SUNDRY DEBTORS (Unsecured)**

#### **Other Debts**

Considered Good	535955.57	0.00
	<u>535955.57</u>	<u>0.00</u>

### **SCHEDULE– 6 : CASH & BANK BALANCE**

Cash in Hand	138828.23	395256.23
Balance with Schedule Banks in Current Account	424741.05	1094297.49
	<u>563569.28</u>	<u>1489553.72</u>

### **SCHEDULE–7 : LOANS & ADVANCES**

#### **UNSECURED LOANS**

(Unsecured Considered Good Except  
as indicated otherwise)

Loans	37694764.00	39965041.00
Amount Receivable in cash or kind	12583125.00	5014402.00
Income Tax Payments	65813.00	689535.00
Security Deposit		
Others	7250.00	7250.00
Share Application Money Paid	3000000.00	0.00
Mat Credit Entitlement	118000.00	118000.00
	<u>53468952.00</u>	<u>45794228.00</u>

### **SCHEDULE – 8 : CURRENT LIABILITIES**

Sundry Creditors for expenses & Others	120763.00	160233.00
Other Liabilities	6098.00	0.00
	<u>126861.00</u>	<u>160233.00</u>

### **SCHEDULE – 9 : PROVISIONS**

For Income Tax	220000.00	332600.00
	<u>220000.00</u>	<u>332600.00</u>



<b>PARTICULARS</b>	<b>As at 31st March 2010 (Rs.)</b>	<b>As at 31st March 2009 (Rs.)</b>
<b><u>SCHEDULE – 10 : INCOME FROM OPERATIONS</u></b>		
Profit on sale of Investment	20877.10	1421243.22
Profit in future Trading Shares	0.00	55859.01
Profit from squared off Transactions	(1,243.80)	(14884.71)
Dividend received	0.00	4500.00
Interest on Loans (TDS Rs. 65813/- Previous Year Rs. 241141)	25,30,885.00	2963356.00
	<b><u>2550518.30</u></b>	<b><u>4430073.52</u></b>
<b><u>SCHEDULE – 11 : OTHER INCOME</u></b>		
Interest Received from I. Tax Deptt.	36185.00	32347.00
Misc Income	182500.00	0.00
Profit on Sale of Fixed Assets	1753.00	0.00
Profit on Sale of Plot Booking	38383.00	0.00
Sundry Balance W/off	5.10	<b>361.74</b>
	<b><u>258826.10</u></b>	<b><u>32708.74</u></b>
<b><u>SCHEDULE – 12 : SALARIES, WAGES &amp; AMENITIES</u></b>		
Salary, Wages, Bonus and Allowances	645750.00	879200.00
Directors Remuneration	420000.00	165000.00
Staff Welare	<b>34633.00</b>	51918.00
	<b><u>1100383.00</u></b>	<b><u>1096118.00</u></b>
<b><u>SCHEDULE – 13 : OFFICE &amp; ADMINISTRATIVE EXPENSES</u></b>		
Misc. Expenses	109386.95	127810.33
Printing & Stationery	201.00	788.00
Repairs, Renewals & Maintenance	93757.00	116174.00
Legal & Professional Exp.	22060.00	528678.00
Advertisement Expenses	35840.00	27160.00
Electricity & Water Charges	83922.00	82733.00
Postage & Telegram & Telephone	64907.18	58034.24
Vehicle Running Maintenance	25600.00	40135.40
Conveyance & Travelling	7550.00	0.00
Processing and Listing Fees	55150.00	139620.00
Custodial Fee	76832.00	6618.00
Fees, Taxes Insurance	2946.00	2959.00
STT	22794.01	8830.00
Auditors' Remuneration		
-As Audit Fees	38605.00	19302.00
For Tax & Other Matters	5516.00	8273.00
	<b><u>645067.14</u></b>	<b><u>1167114.97</u></b>



## CUBICAL FINANCIAL SERVICES LIMITED

<i>DESCRIPTION</i>	<i>As at 31st March 2011 (Rs.)</i>	<i>As at 31st March 2010 (Rs.)</i>
--------------------	--	--

### **SCHEDULE – 14 : FINANCIAL CHARGES**

Interest paid	0.00	2754.28
Bank Charges	<u>817.63</u>	<u>1557.03</u>
	<u><b>817.63</b></u>	<u><b>4311.31</b></u>





**SCHEDULE –15 : ACCOUNTING POLICIES & NOTES ON ACCOUNTS**

**A. SIGNIFICANT ACCOUNTING POLICIES**

**1. Basis of Accounting**

The Company has prepared its financial statements in accordance with applicable Accounting Standards, generally accepted accounting principles and also in accordance with the requirements of the Companies Act, 1956.

**2. Income and Expenditure**

Income and Expenditure are accounted for on accrual basis except finance charges and interest on bad & doubtful debts which is recognised as per IRAC norms of RBI guidelines.

**3. Fixed Assets & Depreciation**

- a) Fixed Assets are stated at their original cost of acquisition inclusive of inward freight, duties and expenditure incurred in their acquisition, construction / installation.
- b) Depreciation is charged on W.D.V. Method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

**4. Investments**

Investment has been bifurcated into 'long term' and 'current' categories as per RBI Norms. Long term investment is valued at cost and current investment at cost or market value whichever ever is less. However, provision is being made where diminution in the value of long term investment other than temporary.

**5. Loans & Advance**

Loans and Advances are classified in accordance with IRAC norms issued by RBI.

**6. Contingent Liabilities**

Contingent Liabilities are determined on the basis of available information and are disclosed by way of notes to the accounts.

7. Dividend is accounted for as and when it is declared.

8. Unless specifically stated to be otherwise, these policies are consistently followed.

**B. NOTES ON ACCOUNTS**

	<b>AS AT 31.03.2011 (Rs. Lacs )</b>	<b>AS AT 31.03.2010 (Rs. In Lacs)</b>
1. Estimated amount of contracts Remaining to be executed on Capital Account and not provided for (Net of advances)	1.75	22.91
2. Letters of Credit opened in favour of inland/overseas suppliers	NIL	NIL
3. Contingent Liabilities not provided for	NIL	NIL
4. Salary, Wages and Allowances etc. includes remuneration paid to a Mg. Director :		
	<b>Current Year</b>	<b>Previous Year</b>
Shri Ashwani K.Gupta	4.20	1.65
5. Value of Imports on CIF Basis	NIL	NIL
6. Earning in Foreign Currency	NIL	NIL
7. Expenditure in Foreign Currency	NIL	NIL
8. In the opinion of the Board, all Current Assets, Loans & Advances (Except where indicated otherwise) collectively have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.		
9. Balance confirmation certificates from parties, as appearing in the Balance Sheet under the heads `Current Liabilities' on the liabilities side and `Loans & Advances' on the assets side of the Balance Sheet could not be produced before the Auditors and the accounts are being certified by them subject to the confirmations.		
10. Provision regarding Provident fund and Gratuity Act, 1972 are not applicable to the company during the year under reference.		
11. The company is engaged in the business of non-banking financial activity. Since all the activities relate to main activity, in the opinion of the management, there is only one business segment in terms of AS-17 on segment reporting issued by ICAI.		

**12. Related Party Disclosures:**

In accordance with the Accounting Standards (AS-18) on Related Party Disclosure, where control exists and where key management personnel are able to exercise significant influence and, where transactions have taken place during the year, along with description of relationship as identified, are given below:-

**A. Relationships**

Key Managerial Personnel : Sh. Ashwani K.Gupta

B. The following transactions were carried out with related parties in the ordinary course of business:-

<b>Description</b>	<b>Key Managerial Personnel/ Relatives (Rs. In Lacs) Y.E. 31.03.2011</b>
Remuneration Paid to the Mg. Director	<b>4.20</b>

13. Tax Expense s the aggregate of current year tax and deferred tax charged to the Profit and Loss Account for the year.

**a) Current Year Charge:**

Income Tax provision of Rs. 2.20 Lacs has been made towards tax payable for the year.

**b) Deferred Tax**

The company estimates the deferred tax charge/(credit) for the year using the applicable tax rate based on the impact of timing differences between financial statements and the estimated taxable income for the current year. The movement of provision for Deferred Tax is given below.

<b>Particulars</b>	<b>Opening as at 01.04.10 (Rs.)</b>	<b>Charge/(credit) during the year (Rs.)</b>	<b>Closing as at 31.03.11 (Rs.)</b>
Depreciation	29170	0	29170
Net Deferred Tax Assets	29170	0	29170

14. Earnings per share (EPS) – The numerators and denominators used to calculate Basic and Diluted Earning per share:

	<b>Year Ended 31.03.2011</b>	<b>Year Ended 31.03.2010</b>
Profit attributable to the Equity Shareholders – (A) (Rs)	478417	1175311
Basic/ Weighted average number of Equity Shares outstanding during the year (B)	13034000	13034000
Nominal value of Equity Shares (Rs)	10	10
Basic/Diluted Earnings per share (Rs) – (A)/(B)	0.04	0.09
Calculation of profit attributable to Shareholders Profit Before Tax	698407	1388936
Less : Provision for Tax/ FBT/Deferred Tax	220000	212730
Less : Income Tax Adjustment	(10)	895
Profit attributable to Shareholders	478417	1175311

15. Figures for the previous year have been regrouped or recasted wherever necessary.

16. The schedule as required in terms of paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) directions, 1998 as amended on 29th March, 2003 is appended as per Annexure-I to the balance sheet.

In terms of our Report of Even Date Annexed

**For KRISHAN RAKESH & CO.  
CHARTERED ACCOUNTANTS**

PLACE : NEW DELHI  
DATE : 30/05/2011

Sd/-  
PARTNER

Sd/-  
Mg. DIRECTOR

Sd/-  
DIRECTOR

Sd/-  
CO. SECRETARY



**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE  
(AS PER SCHEDULE VI, PART (IV) OF THE COMPANIES ACT, 1956)**

**I. REGISTRATION DETAILS**

Registration No.	40,101
State Code	55
Balance Sheet Date	31st March, 2011

**I. CAPITAL RAISED DURING THE YEAR**

Public Issue	NIL
Right Issue	NIL
Private Placements	NIL
Bonus Issue	NIL

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS**

Total Liabilities	130,566,861
Total Assets	130,566,861

**SOURCES OF FUNDS**

Paid-up Capital	130,340,000
Reserves & Surplus	100,000
Secured Loans	NIL
Unsecured Loans	NIL

**APPLICATION OF FUNDS**

Net Fixed Assets	96,756
Investments	63,628,840
Deffered Tax Asset	29,170
Net Current Assets	54,221,616
Misc. Expenditure	NIL
Accumulated Losses	12,463,618

**V. PERFORMANCE OF THE COMPANY**

Turnover Including Other Income	2,809,344
Total Expenditure	2,110,937
Profit before tax	698,407
Profit after tax	478,417
Earnings Per Share (Rs.)	0.04
Dividend Rate (%)	NIL

**V. GENERIC NAMES OF PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY**

Item Code No. (ITC CODE)	N.A.
Product Description	Investment

In terms of our Report of Even Date Annexed

**For KRISHAN RAKESH & CO.  
CHARTERED ACCOUNTANTS**

**PLACE : NEW DELHI  
DATE : 30/05/2011**

**Sd/-  
PARTNER**

**Sd/-  
Mg. DIRECTOR**

**Sd/-  
DIRECTOR**

**Sd/-  
CO. SECRETARY**





(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
Long Term investments :		
(l) Shares :		
(a) Equity	.21	.21
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify) warrants	-	-
2. Unquoted :		
(i) Shares :		
(a) Equity	605.95	705.95
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :-

Category	Amount net of provision			Amount net of provision		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
a) Subsidiaries	-	-	-	-	-	-
b) Companies in the same group	-	-	-	-	-	-
c) Other related parties	-	-	-	-	-	-
2. Other than related parties	-	376.95	376.95	-	399.65	399.65
Total	-	376.95	376.95	-	399.65	399.65

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Current Year		Previous Year	
	Market Value/ Break-up of fair Value or NAV	Book Value (Net of Provisions)	Market Value/ Break-up of fair Value of NAV	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties				
(a) Quoted Equity	39.60	34.79	3.44	3.44
(b) Un-Quoted Equity	601.50	601.50	701.50	701.50
(c) Debentures	-	-	-	-

**7. Other Information**

Particulars	Current Year Amount	Previous Year Amount
(i) Gross Non-Performing Assets		
a) Related parties	-	-
b) Other than related parties	-	-
(ii) Net Non-Performing Assets		
a) Related parties	-	-
b) Other than related parties	-	-
(iii) Assets acquired in satisfaction of debt	-	-

**Note 1.** Companies in the same group means companies under the same Management as per section 370 (1B) of the Companies Act, 1956.

**Note 2.** In case of Investments in unquoted shares, it is assumed that market value is same as book value.

**CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET  
FOR THE PERIOD APRIL, 2010 TO MARCH, 2011**

	Y.E.31.03.2011	Y.E.31.03.2010
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT AFTER TAX AS PER P & L A/C	6,98,407	1,388,936
Adjusted for		
- Net Prior Year Expenses	0	0
<b>NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS</b>	<b>6,98,407</b>	<b>1,388,936</b>
Adjusted for		
- Depreciation	36,143	56,302
- Miscellaneous Expenses W/off	0	0
- Interest/Other Income	(2,567,070)	(2,995,703)
- Dividend Income	0	(4,500)
- Interest Expenses	0	2,754
- Profit on sale of fixed assets	(1,753)	0
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(1,834,273)</b>	<b>(1,552,211)</b>
Adjusted for		
- Trade & Other Receivables	(8,210,680)	(30,212,166)
- Inventories		
- Trade Payable	(33,372)	(510,803)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(10,078,324)</b>	<b>(32,275,180)</b>
- Interest Paid	0	(2,754)
<b>CASH FLOW BEFORE EXTRAORDINARY ITEMS</b>	<b>(10,078,324)</b>	<b>(32,277,934)</b>
- Net Prior Year Expenses	0	0
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(10,078,324)</b>	<b>(32,277,934)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
- Purchase of Fixed Assets	0	(31,850)
- Sale of Fixed Assets	52,500	0
- Purchase of Investments	(3,653,434)	(72,249,746)
- Sale of Investments	10,518,794	2,763,346
- Interest Income	2,567,070	2,995,703
- Dividend Income	0	4,500
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>9,484,930</b>	<b>(66,518,047)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
- Proceeds from issue of Share Capital (Net)	0	100,000,000
- Increase in Cash & Bank Balance on Amalgamatic	0	0
- Proceeds from Long Term Borrowings	0	0
- Repayment of Long Term Borrowings	0	(62,899)
- Short Term Loans	0	0
- Dividend Paid	0	0
- Income Tax (Net)	(332,590)	(5,473)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(332,590)</b>	<b>99,931,628</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(925,984)</b>	<b>1,135,647</b>
Opening Balance of Cash and Cash Equivalents	1,489,554	353,907
Closing Balance of Cash and Cash Equivalents	563,569	1,489,554

In terms of our Report of Even Date Annexed

**For KRISHAN RAKESH & CO.  
CHARTERED ACCOUNTANTS**PLACE : NEW DELHI  
DATE : 30/05/2011Sd/-  
PARTNERSd/-  
Mg. DIRECTORSd/-  
DIRECTORSd/-  
CO. SECRETARY



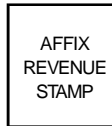
## CUBICAL FINANCIAL SERVICES LIMITED

Regd. Office :456, Aggarwal Metro Heights, Netaji Subhash Place,  
Pitampura, Delhi-110 034

### PROXY

Folio No. / Account No. .... No. of Shares held.....  
I/We ..... of ..... in the  
District of ..... being a member/members of the above Company hereby  
appoint Sh. / Smt. .... of ..... in the district .....  
of failing him/her ..... of ..... in the district ..... as my/  
our proxy to vote for me / us on my / our behalf at the 21st Annual General Meeting of the Company to be held on  
Thursday the 29th day of September, 2011 at 10.00 A.M. and any adjournment thereof.

Signed this ..... day of ..... 2011.



Signature .....

**Note :** The Form should be signed across the stamp as per specimen signature registered with the Company the proxy form must reach the Registered office of the company not less than 48 hours before the time fixed for holding the aforesaid meeting.



## CUBICAL FINANCIAL SERVICES LIMITED

Regd. Office :456, Aggarwal Metro Heights, Netaji Subhash Place,  
Pitampura, Delhi-110 034

### ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

# Folio No. / Account No. .... # No. of Share held.....

Name of the Member .....  
(in block letters)

Name of the Proxy .....  
(if any)

I hereby record my presence at the Annual General Meeting of the Company held on 29th day of September, 2011.

.....  
Signature of Member/Proxy

# Admission slip without this information will not be accepted.  
**No Gift/Gifts coupon will be provided to the members.**

**BOOK – POST**

*If undelivered, please return to :-*



**CUBICAL FINANCIAL SERVICES LIMITED**

Regd. Office : 456, Aggarwal Metro Heights, Netaji Subhash Place,  
Pitampura, Delhi-110 034

K.R. PRINTERS – 9810046257, 64586257, 65701297



