

CONSOLIDATED SECURITIES LIMITED

Annual Report | 2012-13



Consolidated
Securities Ltd

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Kapil Aggarwal	Chairman
Rohit Gupta	Managing Director
Ashok Kumar Kathuria	Director
Anirudha Kumar	Director

REGISTERED OFFICE

8/19, 3rd Floor, W.E.A.
Pusa Lane, Karol Bagh
New Delhi-110005
Tel: 011-42503441-444
Fax: 011-42503441-444
E-mail: info@consec.in

AUDITORS

R. Mahajan & Associates
Chartered Accountants
402, Jain Bhawan, W.E.A
Karol Bagh
New Delhi-110005

BANKERS

HDFC Bank Limited

REGISTRAR & SHARE TRANSFER AGENTS

MAS Services Limited
T-34, 2nd Floor,
Okhla Industrial Area Phase-2,
New Delhi-110020

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Akash Gupta

CHIEF FINANCIAL OFFICER

Mr. Rohit Gupta

NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of the Members of Consolidated Securities Limited will be held on Monday, 30th day of September 2013 at 12:15 p.m. at Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi-110005 to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit & Loss Account for the year ended on that date, together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kapil Aggarwal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and in this regard to consider and if, thought fit, to pass with or without modification (s) the following resolution as an Ordinary Resolution:
"RESOLVED THAT M/s. R. Mahajan & Associates, Chartered Accountants, New Delhi, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company."

By order of the Board

For & on behalf of the Board

Place: New Delhi Rohit Gupta
Date: 14th August 2013 Managing Director & CFO

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.
2. Corporate Members are requested to send a duly certified copy of the Board Resolution to the Registered Office of the Company, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Annual General Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 24th September 2013 to Monday, 30th September 2013 (both days inclusive).
4. Members are requested to bring their own copies to the meeting.
5. Members desirous of any information / clarification on the accounts are requested to write to the Company at least 10 days in advance so as to enable the management to keep the same ready at the Annual General Meeting.
6. Please send your requests for transfer / transmission/consolidation and demat of shares, change of address to our Registrar and Transfer Agents (RTA) - MAS Services Ltd. at T-34, 2nd Floor, Okhla Industrial Area Phase-2, New Delhi-110020
7. Members attending the meeting are requested to bring with them their Client ID and DP ID Numbers/ Folio Numbers for identification. Further members/proxies should bring the attendance slip duly filled in for attending the meeting.
8. Members having multiple folios in identical names or in joint names in the same order are requested to send their share certificate(s) to the Company's Registrar & Transfer Agents, M/s. MAS Services

NOTICE

- Limited for consolidation of all such shareholding into one folio to facilitate better service.
9. Shareholders holding shares in certificate form are requested to de-materialize their holding in electronic form.
10. The Company has designated an exclusive email id viz investor@consec.in to enable the investors to

post their queries/suggestions/grievances and monitor its redressal.

For & on behalf of the Board

Place: New Delhi

Rohit Gupta

Date: 14th August 2013

Managing Director & CFO

ANNEXURE TO THE NOTICE

Details of Directors seeking appointment/re-appointment in the ensuing Annual General Meeting to be held on 30th September 2013 pursuant to the requirement of Clause 49 of the Listing Agreement:

Name of Director	Mr. Kapil Aggarwal
Date of Birth	14.06.1959
Nationality	Indian
Date of appointment	15.12.2005
Qualification	B.Com(H), FCA
Expertise in specific functional areas	Having more than 20 years of experience in Audit, taxation & legal matters, is a renowned figure in taxation matters.
Shareholding in CSL	Nil
List of outside Directorships	M/s.Candour Infrastructures Private Limited
Chairmanship/membership of the committee of the Board of the Company	Chairman-Audit Committee
Chairmanship/membership of the committee of the Board of other Company	NA

Dear Shareholders

Your Directors take pleasure in presenting the 21st Annual Report together with the Audited Annual Accounts of your Company for the year ended 31st March, 2013 together with the Auditor's Report thereon.

1. Financial Performance

Particulars	(Rs. In Crores)	
	Current year ended 31.03.2013	Previous year ended 31.03.2012
Total Revenue	105.78	231.16
Profit before Tax	5.96	6.13
Less: Provision for Taxation	1.76	2.01
Profit after Taxes	4.20	4.12

2. Business Operations

During the year under review, tremendous volatility & slowdown in growth was witnessed in our economy & across all over the world. The performance of your company, however, has been satisfactory during the year under review and we have earned profit after tax of Rs. 4.20 crores.

3. Transfer to reserves

The Company transferred the profit after tax of Rs. 4.20 crores to the reserves and surplus of the company.

Further, the amount received towards the share premium account amounting to Rs. 3.41 crores also forms part of the Reserves and surplus.

4. Dividend

Your directors do not recommend any dividend for the year ended 31st March, 2013.

5. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Company is not engaged in any activity related to conservation of energy or technology absorption. There were no foreign exchange earnings and outgo during the year under review.

6. Particulars of Employees

There was no employee in receipt of remuneration exceeding the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975

(including any amendment thereof). Therefore, no such statement is required to be furnished.

7. Director's Responsibility Statement

In pursuance to Section 217(2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, your directors hereby state and confirm:

- that in the preparation of the annual accounts for the financial year ended 31st March 2013, the applicable accounting standards have been followed.
- that the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profits or loss of the company for the year under review.
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities.
- that the Directors had prepared the annual accounts for the financial year ending 31st March 2013 on a going concern basis.

8. Directors

In accordance with the provisions of the Companies Act, 1956 and Article 89 of the Articles of Association of the Company, Mr. Kapil Aggarwal, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The necessary resolutions with regard to above are being placed before the shareholders for their approval. The Board recommends his re-appointment as Director on the Board of the Company in this Annual General Meeting.

A brief profile of Mr. Kapil Aggarwal has been given as Annexure to the Notice of the ensuing Annual General Meeting.

ECONOMY OVERVIEW

GLOBAL ECONOMY-

The Global growth was weaker in the financial year 2012-13 and is likely to remain sluggish in 2013-14 as well as fiscal adjustments drag growth in advanced economies and in turn delay cyclical recovery in the emerging market & developing economies. In its World Economic Outlook, the International Monetary Fund has forecast global growth to stay slow at 3.3 percent in 2013 before improving to 4.0 percent in 2014. The international financial markets have gained traction following unconventional monetary easing with the developed nations showing first signs of growth the overall economic conditions in 2013 may be better than they were in 2012 on account of the upturn in USA and the first signs of recovery in Eurozone Area.

INDIAN ECONOMY

The Indian economy remained sluggish in 2012-13, with slowdown seen spreading across most of the sectors. Even the services sector, which has been the mainstay of high growth in recent periods, has been decelerating, thereby dragging down economic activity and employment creation. The uncertainties in domestic policy making, governance issues & the impact of earlier monetary tightening, slacking external demand have further impacted the growth adversely.

Monetary policy eased during 2012-13 but was constrained in addressing the growth concerns due to the presence of inflation & the Current Account Deficit & Fiscal Deficit, which have been a cause of concern all throughout the year & continue to be so. Domestic energy price adjustments, inadequate supply response

and sustained wage pressures on inflation are expected to drag down growth for some more time. There was huge volatility in the equity markets & currency markets with Rupee continuing to hit all time lows against the dollar.

Post the financial year being reviewed, the Indian currency has been depreciating against the dollar, which again is a cause of concern. Moreover, with elections to Parliament due in April-May 2014, some measures of political uncertainty is inescapable and so too its impact on investment behavior. The fear of crisis also looms with the excessive debts of government destabilizing the business environment, coupled with the political instability in India.

INDUSTRY STRUCTURE & DEVELOPMENTS

NON-BANKING FINANCIAL COMPANIES (NBFCs)

NBFCs have evolved from the era of concentrated regional operations, low credibility and poor risk management practices to highly sophisticated operations, pan-India presence and most importantly an alternate choice of financial intermediation. NBFCs are now present in competing fields of vehicle financing, housing loans, hire purchase, lease & personal loans. the presence of NBFCs is seen where the risk is higher (and hence the returns), where reach is required to which they cater through their strong last-mile network, where recovery needs to be the focus area, and where the loan-ticket size is small, appraisal and disbursement has to be speedy and flexibility in terms of loan size and tenor is required.

Reserve Bank of India (RBI) is monitoring the NBFC sector to a great extent now, especially on account of sharp increase in finance to the space. Slowing business environment & the regulatory tightening by RBI have resulted in the Bank's lending to NBFCs coming to a

halt, which is also partly due to some NBFCs approaching the bond market for raising funds as banks have been charging high rates. However, due to RBI's liquidity tightening measures in July 2012, the short-term rates have gone up, thus making the NCD market less attractive. Other measures of the RBI, like asking banks to reduce their exposure to NBFCs where gold loans make up 50% or more of total financial assets by reducing the regulatory exposure to a single company to 7.5% of their capital fund, from 10%. NBFCs are also looking at multiple sources for funding to de-risk their liability side. The Usha Thorat Committee recommendations in regard to NBFCs, if accepted will change the NBFCs operating environment to large extent, with proposals on NPA provisioning, capital norms, etc, and the NBFCs would have to shore up their capital sufficiently to account for growth as well as regulatory requirements.

Though there has been a slowdown in growth and increase in delinquencies as a result of the deterioration on the operating environment during FY 2012-13, the Non-banking Finance Companies (NBFCs) still continue to play a significant role in the growth of the financial system. NBFCs need to diversify their borrower base, indulge in security based lending and proactively monitor their portfolios so as to keep the asset quality high & to keep the NPAs under check. Some of the NBFCs, including yours have adopted a cautious approach during the year under review. The tight liquidity positions are expected to keep the operating environment challenging for NBFCs. At the same time, operating expenses for NBFCs are likely to remain high because of higher level of recovery efforts and slower growth. Unless NBFCs increase their lending rates, there could be a drop in the Return on equity.

Being a NBFC, your company has complied with all the

rules and regulations as laid down by the Reserve Bank of India for the functioning of NBFCs.

SEGMENT-WISE PERFORMANCE:

During the year under review, the company has done well in both its major segments- Secured Lending and Proprietary Investments. In the Secured Lending segment, the company owing to its thorough due-diligence & monitoring mechanisms has succeeded in consolidating & expanding its loan book, which is now at Rs.55 Cr (Approx.). The company has now been carrying on this business for more than 3 years and has not faced a single default in its loan portfolio, but at the same time is aware & equipped to face the challenges in the changing business environment. The blended yield for the FY 2012-13 was 22%, as compared to the 19.43% blended yield in the previous FY 2011-12.

The Company's focus continues to be on providing secured loans to cater to the working capital/short term requirements of small, mid-sized companies. During the year under review, the company added new clients to its loan book so as to further diversify its loan exposures. Safeguarding of the capital continues to be the underlying principle for the company and it aims to have a cautious approach, especially with the deteriorating business environment & slowing economy. The company will continue to further refine its processes and work on scaling up this loan book.

The other segment of the company i.e. Proprietary Investments, wherein the company participates in arbitrage trades like Open Offers, Demergers, Delistings etc, has also done satisfactorily well during the year under review. However, going forward, the company sees fewer opportunities in such space as the stock market has become exceedingly volatile due to limited participation & high currency uncertainty.

The company intends to focus primarily on the Secured Lending segment going forward as capital is increasingly becoming scarce, which create more opportunities for NBFCs which have strong internal working systems in place.

BUSINESS OUTLOOK

The performance during the year has been encouraging and the company is working to carry its growth momentum in the future. However, with the business environment becoming challenging, the company has become very prudent in lending & is actively monitoring its loan portfolio. The company is watchful of the regulatory changes made by RBI & those in the pipeline and most importantly the changing business environment, with the economy slowing down & the ongoing project delays particularly in the real estate sector.

The company has scaled up its secured lending team and continues to build up its systems & processes. The company is optimistic in its business model for the long term, but cautious in the short term given the challenging economic environment.

RISKS AND CONCERNS

During the year under review the business environment has witnessed a lot of uncertainty & volatility, which puts forth more risks & challenges to businesses, especially the ones operating in the capital market. There are a lot of operating challenges and the hopes of reducing interest rates have been belied. The management of the company focuses on small details so as to have a broader view of the situation, to further safeguard the company's loan portfolio, coupled with adequate levels of liquidity in its books.

This approach has held the company in good stead over

the years & hopefully would continue to do so.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company understands the value of an effective Internal control system for achieving the maximum efficiency & for putting its resources to the best possible use. Therefore, the company has in place a clear organizational structure with well defined roles for all the personnel, and has spelt out policies for every process & data management, to ensure the smooth working of the organization. These not only help the company in tracing lapses, but also in making amends wherever required to further improve the functioning of the processes.

FINANCIAL PERFORMANCE

The company had Sales of Rs.105.78 crores this financial year vs. Rs.231.16 crores in the previous year.

The Company's Profit before tax (PBT) stood at Rs. 5.96 crores as against Rs. 6.13 crores during the previous year 2011-12. The corresponding figures for Profit after Tax (PAT) are Rs.4.20 crores and Rs. 4.12 crores for the current year and previous year, respectively.

HUMAN RESOURCES

The company believes in its efficient & effective team to deliver the required results and hence attributes its growth to its experienced team. During the year under review the company had reallocated the responsibilities of some of its key managerial personnel to support its Secured Lending business and is happy to announce that the company has vastly gained from the insight & experience of these personnel, which reflects in the expanded loan book of the company. The company continues to focus on attracting and retaining employees with diverse experience in the fields of its

operations. The jobs are well defined & employees are given the right kind of atmosphere to progress alongwith the company's growth.

As on 31st March 2013, the company has 10 people on its payrolls.

CAUTIONARY STATEMENT

Statement in the Management Discussion and Analysis of financial condition and result of operations of the Company, describing Company's objectives, expectations or predictions are "forward looking

statements" within the meaning of applicable Securities Laws and Regulations. Investors are cautioned that actual results could differ materially from those express and implied. Important factors that could make a difference to the Company's operations include economic conditions, Government policies, taxation laws, market conditions, over which the Company does not have any control. This report must be read in conjunction with Company's financial statements and notes on accounts.



REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

1. Company's Philosophy on Code of Corporate Governance

The Company strongly believes that sound corporate governance in all its practices is critical not only for the creation of wealth for its stakeholders but for the better interest of the company in the long run. The company adheres to all the applicable laws and regulations. The company will keep on striving for further higher standards of corporate governance.

2. Board of Directors

A. Composition of Board

The Board has an optimal mix of Executive and Non-executive Directors and is in full compliance to Clause 49 of the Listing agreement which says that at least 1/3rd of the Board should consist of Independent director where the Chairman of the Board is non-executive director.

As on 31st March 2013, there are four (4) directors

on the Board of the company, out of which two (2) directors are Non-executive and Independent directors. The size and composition of the Board confirms with the norms prescribed in Clause 49 of the Listing Agreement.

None of the directors of the Company are related inter-se to each other.

Except Managing Director, all the directors are liable to retire by rotation.

B. Board Meetings

During the year 2012-13, the Board of Directors met 7 (seven) times. The dates of these meetings were: 10th April 2012, 28th May 2012, 13th July 2012, 13th August 2012, 12th November 2012, 14th February 2013 and 20th February 2013.

The attendance at the Board Meetings during the financial year and the last Annual General Meeting as also the number of other Directorships and Committee Memberships are given below:

Name of Director	Category of Director	Attendance	
		Board Meeting	Last AGM
Mr. Rohit Gupta	Executive Promoter Managing Director	6	Yes
Mr. Ashok Kumar Kathuria	Non-Executive Promoter Director	7	Yes
Mr. Kapil Aggarwal	Non-Executive Independent Director	5	Yes
Mr. Anirudha Kumar	Non-Executive Independent Director	5	Yes

No. of other directorships and committee membership as on 31st March 2013 is as follows:

Name of Director	No. of other Director-ships	No. of other Committee Memberships/Chairman-ships*
Mr. Rohit Gupta	3	Nil
Mr. Ashok Kumar Kathuria	2	Nil
Mr. Kapil Aggarwal	1	Nil
Mr. Anirudha Kumar	2	Nil

*represents Memberships/ Chairmanships of Audit Committees and Investor Grievance Committee.

C. Remuneration of Directors

During the year, the non executive independent directors were paid a total of Rs.50,000/- as sitting fees for attending the board meetings. Such sitting fees is well within the limits specified under the Companies Act, 1956 and rules made thereunder.

The Company has paid Rs.30,00,000/- as remuneration to Mr. Rohit Gupta, which is well within the limits of the Companies Act, 1956 read with Schedule XIII of the Act and is in accordance with the approval of the shareholders obtained by way of postal ballot on 6th September 2011.

D. Code of Conduct

The Board of Directors has laid down a code of conduct for directors and senior management personnel of the Company under Clause 49 of the Listing Agreement. The Code of conduct is also updated at the website of the Company www.consec.in.

The Code has been circulated to all the directors and senior personnel of the company who has affirmed compliance with this Code for the year ended 31st March 2013. A declaration of compliance of this code signed by the Managing Director & CFO is given below:

“ In terms of Clause 49 of the Listing Agreement with the Stock Exchanges, I, Rohit Gupta, CFO & Managing Director & CFO of the Company, hereby declare that all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March 2013.

Rohit Gupta
Managing Director & CFO”

3. Audit Committee

The Audit Committee comprises of 3 directors out of which 2 directors are non-executive independent director. The Chairman of the Audit Committee is non executive independent director. All the members of the Committee have good financial and accounting knowledge. The Audit Committee satisfies the requirement under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Company Secretary acts as the Secretary of the Committee. The terms of reference, role and scope are in line with those prescribed by Clause 49 of the Listing Agreement.

The chairman of the Audit Committee was present in the last Annual General Meeting to answer shareholders query.

During the year the committee met Six (6) times on 10th April 2012, 28th May 2012, 12th July 2012, 11th August 2012, 12th November 2012 and 14th February 2013. The details of the composition, its meeting and attendance are given below:

Name of Directors	Designation	Category	Attendance
Mr. Kapil Aggarwal	Chairman	Non-Executive Independent Director	6
Mr. Ashok Kumar Kathuria	Member	Non-Executive Promoter Director	6
Mr. Anirudha Kumar	Member	Non-Executive Independent Director	6

During these meetings, the committee, inter-alia, reviewed the financial statements before submission to the board, oversees the company's financial reporting process and the working of its internal control system.

4. Remuneration Committee

The Company has not constituted any Remuneration Committee.

5. Investor Relations & Share Transfer Committee

The Committee consists of two directors viz Mr. Ashok Kumar Kathuria and Mr. Rohit Gupta. Mr. Ashok Kumar Kathuria, a non-executive director is acting as the Chairman of the Committee. Mr. Akash Gupta-Company Secretary & Manager (Legal) acts as the Compliance Officer.

The Committee deals with the following:

- Noting transfer/transmission of shares
- Review of demat/remat of shares
- Oversee/redress shareholder's grievances like non-receipt of balance-sheet/ annual report and other related matters
- Other matters related to shares

During the year, 5 (five) meetings of the Committee were held. All the members of the Committee were present in the meeting.

During the year under review, no investor complaints were received. As on 31st March 2013, no investor complaint was pending.

6. General Body Meetings

The last three Annual General Meetings were held as under:

AGM	Year	Date	Venue	Time	Special resolution(s) passed
20 th	2011-12	09.08.2012	Hotel Jivitesh, Sat Brahma Road, Karol Bagh, New Delhi - 110005	01:00 p.m.	2
19 th	2010-11	30.09.2011	Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi - 110005	10.00 a.m.	Nil
18 th	2009-10	30.09.2010	Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi - 110005	10.30 a.m.	Nil

Postal Ballot

No postal ballots were used for voting at these meetings in respect of the resolutions passed thereat. No special resolution is proposed to be conducted through postal ballot at the ensuing AGM also.

Extra-ordinary General Meeting (EOGM)

During the year under review, the Company has not conducted an Extra-Ordinary General Meeting.

7. Disclosures

- a) During the year 2012-13, other than the transactions entered in the normal course of the company, the Company has not entered any materially significant related party transaction with its Promoters/ Directors/ Senior Employees or relatives etc., which could have a potential conflict with the interest of the Company at large. The details of the related party transactions have been reported in the notes to accounts in compliance with AS 18.
- b) During the year under review, the Company has duly complied with the requirements of the regulatory authorities on capital markets. No penalties have been imposed on the Company by the stock exchanges, SEBI or other statutory authorities during the year.
- c) The Company does not have any Whistle Blower Policy. However, the Company promotes a favorable environment for employees and employees can report to the management their concern about any unethical behavior, actual or suspected fraud or violation of company's code of conduct. No Personnel has been denied access to audit committee, so as to ensure ethical and fair conduct of the business of the company.
- d) In preparation of financial statements, the company has followed the Accounting Standards laid by the Institute of Chartered Accountants of India to the extent applicable and the significant accounting policies have been set out in the Notes to the Accounts.
- e) The Company is complying with all mandatory requirements on Corporate Governance as specified in Clause 49 of the Listing Agreement and has not adopted any non-mandatory requirement of Clause 49.

8. Means of Communication

Quarterly /Annual results

The quarterly/ annual financial results are usually published in 'The Financial Express' (English) and in 'Jansatta' / 'BPN Times' (Hindi).

Further, the Company disseminates to the Stock Exchanges (i.e. BSE and DSE), wherein its equity shares are listed, all mandatory information and price sensitive/ such other information, which in its opinion, are material and/or have a bearing on its performance/operations, for the information of the public at large. Further the information about the company and its financials are available at its website also "www.consec.in".

9. General Information for Shareholders

9.1 Forthcoming Annual General Meeting

Date, Day & Time	- 30th September 2013 (Monday) at 12:15 pm
Venue	-Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi-110005

9.2. Financial Calendar 2013-14 (tentative)

Approval of Quarterly/Annual Results

For the quarter ending June, 2013	- August 13
For the quarter ending September, 2013	- Oct./Nov.13
For the quarter ending December, 2013	- Jan./Feb.14
For the quarter/year ended March, 2014	- April 14/May 14

9.3 Book Closure dates

Tuesday, 24th September 2013 to Monday, 30th September 2013 (Both days inclusive).

9.4 The Company is listed at the following stock exchanges

The Delhi Stock Exchange Limited (DSE)
DSE House, 3/1 Asaf Ali Road, New Delhi-110002

The Bombay Stock Exchange Limited (BSE)
25th Floor, P. J. Towers, Dalal Street
Mumbai-400001

Annual Listing Fees for the Financial Year 2013-14 have been duly paid to DSE and BSE. The Company has also paid Annual Custodial Fees to NSDL/CDSL for the year 2013-14.

9.5 Stock Code

The Bombay Stock Exchange Ltd	: 530067
The Delhi Stock Exchange Ltd	: 7790
CIN (as allotted by Ministry of Corporate Affairs)	: L74899DL1992PLC051462

9.6 Stock Market Data

BSE Scrip Code: 530067

For the period: April 2012-March 2013

Month	Open Price	High Price	Low Price	Close Price	No. of Shares
Apr-12	22.80	28.90	22.80	24.10	41092
May-12	26.95	30.95	21.20	22.10	19983
Jun-12	24.00	27.50	21.00	24.00	21057
Jul-12	24.95	28.45	23.40	25.00	28770
Aug-12	26.00	28.50	23.65	25.10	15719
Sep-12	25.00	30.30	23.85	28.70	21583
Oct-12	27.55	35.50	27.50	32.85	14993
Nov-12	31.40	35.80	31.40	33.70	5650
Dec-12	32.05	33.00	26.65	31.90	2707
Jan-13	30.35	36.85	30.35	36.00	1683
Feb-13	35.50	35.50	23.45	23.45	3994
Mar-13	22.40	26.90	21.75	24.65	4605

9.7 Performance in comparison with BSE

Month	Sensex Closing	CSL Close Price
Apr-12	17318.81	24.10
May-12	16218.53	22.10
Jun-12	17429.98	24.00
Jul-12	17236.18	25.00
Aug-12	17429.56	25.10
Sep-12	18762.74	28.70
Oct-12	18505.38	32.85
Nov-12	19339.90	33.70
Dec-12	19426.71	31.90
Jan-13	19894.98	36.00
Feb-13	18861.54	23.45
Mar-13	18835.77	24.65

9.8 Registrar and Share Transfer Agent

M/s MAS Services Limited
T-34, 2nd Floor,
Okhla Industrial Area Phase-2,
New Delhi-110020
Tel: 011-26387281, 82, 83
Fax: 011-26787384
Email: mas_serv@yahoo.com

9.9 Share Transfer System

Share transfer and other related operations for the Company-Consolidated Securities Limited, is conducted by M/s.MAS Services Ltd, Registrar and Share Transfer Agent. Share transfer are processed and share certificates are returned within stipulated time period subject to the documents being valid and complete in all respects.

Further, the Company obtains six monthly certificate from Practicing Company Secretary regarding the adherence to the timely transfer of shares as stipulated under clause 47 (c) of the Listing Agreement.

9.10 Distribution of shareholding

Distribution of shareholding as on 31st March, 2013 is as under:-

Shareholding of Nominal Value of Rs.	No. of shareholders		Number of Shares	Amount	
	Number	%		Rs.	%
Upto – 5,000	1098	79.565	184249	1842490	4.229
5001 -10,000	145	10.507	115586	1155860	2.653
10,001-20,000	56	4.058	85754	857540	1.968
20,001-30,000	29	2.101	71639	716390	1.644
30,001-40,000	5	0.362	17462	174620	0.401
40,001-50,000	10	0.725	43374	433740	0.995
50,001-1,00,000	22	1.594	169208	1692080	3.883
1,00,001 & above	15	1.087	3669935	36699350	84.227
Total	1380	100.000	4357207	43572070	100.000

Shareholding pattern of the Company as on 31st March 2013 was as under:

Category	No. of shares held	% of Equity Capital
Promoters	31,76,968	72.91
Mutual Funds	1,00,000	2.30
Bodies Corporate	3,61,410	8.29
Non-Resident Indians/ OCB	97,024	2.23
Others	6,21,805	14.27
Total	43,57,207	100.00

9.11 Status of Convertible warrants allotted to Promoter Group

The company had allotted 10,00,000 warrants convertible into equal number of equity shares to M/s Mundra Credit & Investment Pvt Ltd (Promoter group) on 3rd January 2012 pursuant to the special resolution passed by the shareholders in the EGM held on 28th December 2011.

Out of 10,00,000 warrants, M/s Mundra Credit & Investment Pvt Ltd (Promoter Group) had applied for conversion & was allotted 6,75,000 equity shares on 10th April, 2012. M/s Mundra Credit & Investment Pvt Ltd (Promoter group) applied for conversion of the remaining 3,25,000 warrants & was allotted 3,25,000 equity shares on 22nd April, 2013.

As on date, no warrants are outstanding.

9.12 Dematerialization of shares

As on 31st March, 2013, 92.03% of the Share Capital stands dematerialized. The break-up of equity shares held in demat and physical form as on 31st March 2013 is as follows:

Particulars	No. of shares	% of shares
Held in dematerialized form in NSDL	36,72,269	84.28
Held in dematerialized form in CDSL	3,37,713	7.75
Physical	3,47,225	7.97
TOTAL	43,57,207	100.00

The Company's shares are traded at BSE.

The promoters' hold their entire shareholding in dematerialized form.

9.13 Address for investor's correspondence

For share transfer/transmission/
Dematerialization or other query relating
to the securities of the Company:

M/s MAS Services Limited
T-34, 2nd Floor
Okhla Industrial Area Phase-2,
New Delhi-110020
Tel: 011-26387281, 82, 83
Fax: 011-26787384
Email: mas_serv@yahoo.com

For General Correspondence:

Secretarial Department
Consolidated Securities Ltd.
8/19, 3rd Floor, Pusa Lane,
W.E.A., Karol Bagh,

New Delhi-110005

Tel: 011-42503441-444

Fax: 011-42503441-444

Email id for investor grievance:
Compliance Officer

investor@consec.in

Mr. Akash Gupta,
Company Secretary
& Manager (Legal)

ELECTRONIC SERVICE OF DOCUMENTS TO REGISTERED EMAIL ADDRESS

As you all may be aware, the Ministry of Corporate Affairs (MCA) had under taken a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated April 21, 2011 and Circular No. 18/2011 dated April 29, 2011) allowing paperless compliances by Companies through electronic mode, whereby the companies have been permitted to send various notices/documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders. Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/CFD/DIL/2011 dated October 5, 2011, have also, in line with the aforesaid MCA circulars, permitted listed entities to supply soft copies of full annual reports to all those shareholders who have registered their email addresses for the purpose. This move by the MCA and SEBI is a welcome measure since it will benefit the society at large through reduction in paper consumption and contribution towards a Greener Environment. In view of the Green Initiatives announced as above, the Company shall send all documents to Shareholders like General Meeting Notices (including AGM), Annual Reports comprising Audited Financial Statements, Director's Report, Auditor's Report and any other future communication (hereinafter referred as "documents") in electronic form, in lieu of physical form, to all those shareholders, whose email addresses are registered with Depository Participant (DP)/Registrars & Share Transfer Agents (RTA) (hereinafter registered email address') and made available to us, which has been deemed to be the shareholder's registered email address for serving documents including those covered under Section 219 of the Companies Act, 1956 (the Act) read with Section 53 of the Act and Clause 32 of the Listing Agreement executed with the Stock Exchanges.

To enable the servicing of documents electronically to the registered email address, we request the shareholders to keep their email addresses validated/updated from time to time. We wish to reiterate that Shareholders holding shares in electronic form are requested to please inform any changes in their registered e-mail address to their DP from time to time and Shareholders holding shares in physical form have to write to our RTA, M/s. MAS Services Limited at their address specified below, so as to update their registered email address from time to time M/s MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area Phase-2, New Delhi-110020, Tel: 011-26387281, 82, 83, Fax: 011-26787384. Email: mas_serv@yahoo.com.

Please note that the Annual Report of the Company will also be available on the Company's website www.consec.in for ready reference. Shareholders are also requested to take note that they will be entitled to be furnished, free of cost, the aforesaid documents, upon receipt of requisition from the shareholder, any time, as a member of the Company.

CFO CERTIFICATION

The Board of Directors
Consolidated Securities Limited
8/19, 3rd Floor, Pusa Lane,
W.E.A., Karol Bagh,
New Delhi-110005

I, the undersigned, do hereby confirm and certify under Clause 49 of the Listing Agreement that:-

1. I have reviewed the Balance Sheet and Profit and Loss Account of the Coatement and to the best of my knowlmpany for the year ended March 31, 2013 and its schedule and notes on accounts, as well as the Cash Flow Stedge and belief:
 - ❖ These statements do not contain any materially untrue statement or omit material fact or contain statements that might be misleading.
 - ❖ 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.
2. I also certify, that based on my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violate the Company's Code of Conduct.
3. I am responsible for establishing and maintaining internal controls for financial reporting and I have

evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.

4. I have indicated to the Auditors and the Audit Committee, as may be applicable
 - ❖ significant changes in internal control during the year; if any,
 - ❖ there were no significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; if any, and
 - ❖ there were no instances of fraud of which I 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 system.

For Consolidated Securities Limited

Place: New Delhi

Date: 29th May, 2013

Rohit Gupta

CFO & Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE AS STIPULATED UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To

The members of
Consolidated Securities Limited,

We have examined the compliance of conditions of Corporate Governance by the Consolidated Securities Limited, for the year ended on 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said company, with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof adopted by the company for ensuring compliance of the conditions of the Corporate Governance as stipulated in the said clause. 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 the 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 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 R. Mahajan & Associates
Chartered Accountants
F.R.N. 011348N

(Ratnesh Mahajan)

Partner

M. No. 085484

Place: New Delhi

Date: 29.05.2013

To the Members of

CONSOLIDATED SECURITIES LIMITED

We have audited the accompanying financial statements of Consolidated Securities 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 Principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 judgement, 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 Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of Cash Flow Statement, of the cash flows of 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
 - 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 R Mahajan & Associates
Chartered Accountants
FRN: 011348N

(Ratnesh Mahajan)
Partner
M. No: 085484

Place: New Delhi
Date: 29.05.2013

ANNEXURE TO THE AUDITOR'S REPORT

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date to the members of Consolidated Securities Limited on the accounts of the company for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. a. The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - b. As explained to us, the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. During the year, the company has not disposed off substantial part of fixed assets.
2. a. The management has conducted physical verification of inventory of shares held as stock-in-trade at reasonable intervals.
 - b. The procedures of physical verification of inventory followed by the management are

reasonable and adequate in relation to the size of the Company and the nature of its business.

- c. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3. a. The Company has not granted any loans secured or unsecured to companies firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. and accordingly paragraph 4 (iii) (a), (b), (c) and (d) of the order are not applicable.
 - b. The Company had taken unsecured loan from two companies covered in the register maintained under section 301 of the Companies Act, 1956. The amount involved during the year was Rs. 598 Lacs and the year end balance of loan taken from such parties was Rs.160.43 Lacs.
 - c. In our opinion the rate of interest and other conditions of loans taken by the company are prima facie not prejudicial to the interest of the Company.
 - d. Payment of the principal & interest is also regular.
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 for the purchase of inventory, fixed assets and also for the sale of goods & services. During the course of our audit, we have not observed any major weaknesses in internal controls.

5. a. Based on the audit procedures performed by us and according to the information, explanations and representation given to us, we are of the opinion that the particulars of the contracts or arrangement referred to in section 301 of the Act, have been entered in the register required to be maintained under that section.
- b. In our opinion and according to the information and explanations given to us, the transaction made in pursuance of such contract or arrangement have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 58A, 58AA or any other relevant provision of the Companies Act, 1956 and rules made there under. Hence, the clause (vi) of the order is not applicable.
7. In our opinion the Company does not have a formal internal audit system which commensurate with its sizes and nature of its business.
8. We have been informed that the Central government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
9. a. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other statutory dues to the extent applicable have been 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 31st March, 2013 for a period of more than six months from the

date of becoming payable.

b. According to the information and explanation given to us, there are no dues of Sales Tax, Custom Duty, Wealth Tax, cess which have not been deposited on account of any dispute except the following

Nature of Statute	Nature of Dues	Amount (Rs.)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1089849	ITAT

10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks. Company has not taken any loans from financial institutions and also not issued any debenture. Hence question of default does not arise.
12. According to the information and explanations given to us, the company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities and accordingly paragraph 4 (xii) of the order is not applicable.
13. In our opinion, considering the nature of activities carried on by the company during the year, the provisions of any special statute applicable to chit fund/ Nidhi/mutual benefit fund/societies are not applicable to the company.
14. According to the information and explanations given to us, proper records have been maintained in respect of transaction and contracts in respect of shares, securities, debentures and other investments and timely entries have been made therein. The shares and other investments have been held by the company in its own name except to the exemption, if any, granted under section 49 of the Act.
15. As explained by the management, company has not given guarantee for loans taken by others from banks or financial institutions.

16. The company has not taken any term loan from any bank and/or financial institution.
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.
18. During the year, the company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. The price at which the shares have been issued are not prejudicial to the interest of the company.
19. According to the information and explanations given to us and the records examined by us, the company has not issued any debentures. Accordingly, the provisions of clause 4 (xix) issued are not applicable to the company.
20. The company has not raised any money by public issues during the year.
21. According to the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the year.

For R Mahajan & Associates
Chartered Accountants
F.R.N. 011348N
(Ratnesh Mahajan)
Partner
Place: New Delhi

M. No. 085484
Date: 29.05.2013

NON BANKING FINANCIAL COMPANIES AUDITOR'S REPORT

To,
The Board of Director
Consolidated Securities Limited
8/19, 3rd Floor, Pusa Lane,
W.E.A., Karol Bagh,
New Delhi - 110005

Dear Sir,

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 1988 issued by Reserve Bank of India, on the matters specified in para 3 and 4 of the said Directions to the extent applicable to the Company, we report that:

1. The Company had applied for registration as provided in Section 45-IA of the Reserve Bank of India Act, 1934 and has been granted certificate of registration by Reserve Bank of India on 03rd March 2003 having Registration No. B-14.00652.
2. The Company has passed a resolution for non-acceptance of public deposits.
3. The Company has not accepted any public deposits during the year 2012-13.
4. For the financial year ended 31.03.2013, the

Company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to the Company.

For R Mahajan & Associates
Chartered Accountants
F.R.N. 011348N
(Ratnesh Mahajan)
Partner
Place: New Delhi

M. No. 085484
Date: 29.05.2013

BALANCE SHEET AS AT 31 MARCH 2013
23

(Amount in Rs.)

PARTICULARS	NOTE	AS AT 31st March 2013	AS AT 31st March 2012
I. EQUITY AND LIABILITIES			
(1) SHAREHOLDER'S FUND			
(A) SHARE CAPITAL	01	4,35,72,070.00	3,68,22,070.00
(B) RESERVES AND SURPLUS	02	64,32,01,180.18	57,75,32,191.12
(C) MONEY RECEIVED AGAINST SHARE WARRANTS		1,22,25,000.00	4,04,00,000.00
(2) NON CURRENT LIABILITIES			
(A) LONG TERM BORROWINGS	03	11,39,627.60	21,22,507.00
(B) DEFFERED TAX LIABILITIES(NET)		99,370.00	3,20,618.00
(3) CURRENT LIABILITIES			
(A) SHORT TERM BORROWINGS	04	12,19,75,825.89	59,36,933.81
(B) OTHER CURRENT LIABILITIES	05	68,94,909.22	21,97,302.15
(C) SHORT-TERM PROVISIONS	06	19,10,421.00	10,19,800.00
TOTAL		83,10,18,403.89	66,63,51,422.08
II. ASSETS			
(1) NON CURRENT ASSETS			
(A) FIXED ASSETS			
(i) TANGIBLE ASSETS	07	49,31,296.00	72,60,734.00
(B) NON CURRENT INVESTMENTS	08	18,23,53,314.43	4,26,61,852.40
(C) LONG TERM LOANS AND ADVANCES	09	-	4,86,62,791.00
(2) CURRENT ASSETS			
(A) CURRENT INVESTMENTS	10	-	3,02,01,494.20
(B) INVENTORIES	11	8,31,26,966.00	6,94,46,377.00
(C) TRADE RECIEVABLES	12	9,58,992.34	74,93,299.39
(D) CASH AND BANK BALANCES	13	83,28,949.74	5,04,83,051.72
(E) SHORT TERM LOANS AND ADVANCES	14	54,93,56,905.53	40,31,26,708.38
(F) OTHER CURRENT ASSETS	15	19,61,979.85	70,15,113.99
TOTAL		83,10,18,403.89	66,63,51,422.08
NOTES TO ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES			
	22		
The note nos 1 to 22 are integrated part of these financial statements			

As per our report of even date attached

 For R.Mahajan & Associates
 CHARTERED ACCOUNTANTS
 FRN 011348N

 (Ratnesh Mahajan)
 Partner
 M.No. 085484
 Place : New Delhi
 Date : 29.05.2013

 (Rohit Gupta)
 Managing Director
 & CFO

For & on behalf of the Board

 (Ashok K. Kathuria)
 Director

 (Akash Gupta)
 Company Secretary
 & Manager (Legal)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED AS ON 31 MARCH 2013

(Amount in Rs.)

S.No	PARTICULARS	Note	YEAR ENDED 31st March 2013	YEAR ENDED 31st March 2012
I.	REVENUE FROM OPERATIONS	16	1,05,78,87,286.05	2,31,11,59,020.05
II.	OTHER INCOME	17	69,36,865.28	5,50,355.17
III.	TOTAL REVENUE		1,06,48,24,151.33	2,31,17,09,375.22
IV.	EXPENSES:			
	PURCHASE OF STOCK-IN-TRADE		99,32,32,216.97	2,15,43,18,185.89
	CHANGES IN INVENTORIES	18	(1,36,80,589.00)	6,16,57,169.85
	EMPLOYEE BENEFIT EXPENSES	19	52,54,466.00	50,30,126.00
	FINANCE COSTS	20	1,23,27,289.25	2,05,95,137.05
	DEPRECIATION		7,61,095.13	4,75,243.12
	OTHER EXPENSES	21	73,16,778.03	83,59,129.77
	TOTAL EXPENSES		1,00,52,11,256.38	2,25,04,34,991.68
V.	PROFIT BEFORE TAX(III-IV)		5,96,12,894.95	6,12,74,383.54
VI.	TAX EXPENSE:			
	(1)CURRENT TAX		1,77,59,153.89	2,00,07,863.22
	(2)DEFERRED TAX		(2,21,248.00)	76,245.00
	(3)FOR EARLIER YEARS		31,000.00	-
	PROFIT(LOSS) FOR THE PERIOD(V-VI)		4,20,43,989.06	4,11,90,275.32
VII.	EARNINGS PER EQUITY SHARE			
	(1) BASIC		9.65	11.91
	(2) DILUTED		8.98	11.11
	NOTES TO ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES	22		
	The note nos 1 to 22 are integrated part of these financial statements			

As per our report of even date attached
For R.MAHAJAN & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 011348N

For & on behalf of the Board

(Ratnesh Mahajan)
Partner
M.No.085484
Place : New Delhi
Date : 29.05.2013

(Rohit Gupta)
Managing Director
& CFO

(Ashok K. Kathuria)
Director

(Akash Gupta)
Company Secretary
& Manager (Legal)

NOTES TO FINANCIAL STATEMENTS

(Amount in Rs.)

PARTICULARS	AS AT 31st March 2013	AS AT 31st March 2012
NOTE - 1 SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
7000000 Equity Shares of Par Value Rs.10/- each (Pr. Yr 7000000 Equity Shares of Par Value Rs.10/- each)	7,00,00,000.00	7,00,00,000.00
ISSUED SUBSCRIBED AND PAID UP		
43,57,207 Equity Shares of Rs.10/- each fully paid up (Pr. Yr 36,82,207 Equity Shares of Rs.10/- each fully paid up)	4,35,72,070.00	3,68,22,070.00
	4,35,72,070.00	3,68,22,070.00

SHARE RECONCILIATION STATEMENT

PARTICULARS	AS AT 31.03.2013 EQUITY	AS AT 31.03.2012 EQUITY
Shares outstanding at the beginning of the year	36,82,207	33,82,207
Shares Issued during the year	6,75,000	3,00,000
Shares bought back during the year	-	-
Shares outstanding at the end of the year	43,57,207	36,82,207

3108363 Equity Shares (Previous year 2433363) are held by Mundra Credit And Investment Pvt. Ltd., the holding company.

DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% OF PAID UP EQUITY SHARE CAPITAL

Shareholder	AS AT 31.03.2013 No. of shares	AS AT 31.03.2012 No. of shares	AS AT 31.03.2013 Percentage	AS AT 31.03.2012 Percentage
Mundra Credit & Investment Pvt. Ltd. (including shareholding of other promoter group entities)	31,76,968	25,01,968	72.91%	67.95%

Year (Aggregate No. of Shares)

Particulars	2012-13	2011-12	2010-11	2009-10	2008-09
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	6,21,593	-	-

(Amount in Rs.)

PARTICULARS	AS AT 31st March 2013	AS AT 31st March 2012
NOTE-2 RESERVE & SURPLUS		
GENERAL RESERVE		
Opening Balance	4,00,000.00	4,00,000.00
Add : Current Year Transfer	-	-
Less : Written Back in Current Year	-	-
Closing Balance	4,00,000.00	4,00,000.00
STATUTORY RESERVES		
Opening Balance	8,39,21,360.00	8,39,21,360.00
Add : Current Year Transfer	-	-
Less : Written Back in Current Year	-	-
Closing Balance	8,39,21,360.00	8,39,21,360.00
CAPITAL REDEMPTION RESERVE		
Opening Balance	62,15,930.00	62,15,930.00
Add : Current Year Transfer-	-	-
Less : Written Back in Current Year	-	-
Closing Balance	62,15,930.00	62,15,930.00
SHARE PREMIUM		
Opening Balance	1,05,00,000.00	-
Add : Current Year Transfer	2,36,25,000.00	1,05,00,000.00
Less : Written Back in Current Year	-	-
Closing Balance	3,41,25,000.00	1,05,00,000.00
PROFIT & LOSS ACCOUNT		
Opening Balance	47,64,94,901.12	43,53,04,625.80
Add : Profit/(Loss) of Current Year 4,20,43,989.06	4,11,90,275.32	
Closing Balance	51,85,38,890.18	47,64,94,901.12
Total	64,32,01,180.18	57,75,32,191.12
NOTE-3 LONG TERM BORROWINGS SECURED		
HDFC BANK LTD. (Ag. Hypothecation of Car)	-	1,04,699.38
ICICI BANK LTD. (Ag. Hypothecation of Car)	22,69,292.70	34,37,204.00
Less : Current Maturities of Long Term Debt	11,29,665.10	14,19,396.38
	11,39,627.60	21,22,507.00

NOTES TO FINANCIAL STATEMENTS

(Amount in Rs.)

PARTICULARS	AS AT 31st March 2013	AS AT 31st March 2012
NOTE-4	SHORT TERM BORROWINGS SECURED	
Over Draft from HDFC Bank Ltd (Ag. Pledge of Fixed Deposits)	-	59,36,933.81
JM Financial Products Ltd (Ag. Pledge of Securities)	6,81,61,077.89	-
SHORT TERM BORROWINGS UNSECURED		
Loan from Bodies Corporate	5,38,14,748.00	-
	12,19,75,825.89	59,36,933.81
NOTE-5	OTHER CURRENT LIABILITIES	
Current Maturities of Long Term Debt	11,29,665.10	14,19,396.38
Other Liabilities	57,65,244.12	7,77,905.77
	68,94,909.22	21,97,302.15
NOTE-6	SHORT TERM PROVISIONS	
Provision for Standard Assets	13,73,261.00	10,06,290.00
Provision for Income Tax (Net of Advance Tax & TDS)	5,37,160.00	13,510.00
	19,10,421.00	10,19,800.00
NOTE - 8	NON CURRENT INVESTMENTS	
TRADE INVESTMENTS		
INVESTMENT IN EQUITY SHARES		
	No. of Shares as on 31.03.2013	No. of Shares as on 31.03.2012
QUOTED		
APL APOLLO TUBES LTD (F. Value of Rs. 10 each)	457886	180000
		7,65,49,051.43
SAMRAT FORGINGS LTD. (F. Value of Rs. 10 each)	1107600	370600
		1,53,73,964.00
SAMRAT FORGINGS LTD.#	0	612000
		-
		42,661,852.40
UNQUOTED		
CSL REALTORS PVT. LTD.	9800	0
		98,300.00
		-
INVESTMENT IN LLP		
RELIANCE INDIA REALITY OPPORTUNITIES LLP		15,00,000.00
		15,00,000.00
INVESTMENT IN JOINT VENTURE		
		4,00,00,000.00
		-
INVESTMENT IN PROPERTY		
Investment in Property		4,88,31,999.00
		-
		18,23,53,314.43
		4,26,61,852.40

NOTES TO FINANCIAL STATEMENTS

AGGREGATE VALUE OF QUOTED INVESTMENT RS. 91923015.43/- (PREVIOUS YEAR RS 31761852.40/-)

AGGREGATE MARKET VALUE OF QUOTED INVESTMENT RS. 76192230/- (PREVIOUS YEAR RS 31950000/-)

AGGREGATE VALUE OF UNQUOTED INVESTMENT RS. 98300/- (PREVIOUS YEAR RS NIL)

(Market value of investment in shares of Samrat Forgings Ltd is not ascertainable since it has not been traded during the year)

Investment in property includes Rs 45645999/- paid to builders for purchase of properties. The full payment has already been made as per the Seller/Buyer agreement executed with the builders but the sale deed is yet to be executed.

Company has entered into Joint Venture agreement with its Managing Director & CFO Mr. Rohit Gupta for purchase of property and construction of flats thereon.

(# These shares are under litigation and as per CLB order the allotment of these shares was cancelled and the company has assigned all the rights with respect to such shares in its favour and the matter is subjudice.

PARTICULARS	AS AT 31st March 2013	AS AT 31st March 2012
NOTE - 9 LONG TERM LOANS & ADVANCES		
Advance for Purchase of Property (Unsecured considered good by the management)	-	4,86,62,791.00
	-	4,86,62,791.00
NOTE-10 CURRENT INVESTMENTS		
OTHER INVESTMENTS		
INVESTMENT IN MUTUAL FUNDS		
No. of Units No. of Units as on 31.03.2013 as on 31.03.2012		
HDFC LIQUID FUND PREMIUM PLAN (GROWTH)	0 1407698.635	- 3,02,01,494.20
	-	3,02,01,494.20
NOTE - 11 INVENTORIES		
Stock in Trade (As taken valued & certified by the management)	8,31,26,966.00	6,94,46,377.00
	8,31,26,966.00	6,94,46,377.00
NOTE-12 TRADE RECEIVABLES		
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment	-	-
Others Trade Receivables	9,58,992.34	74,93,299.39
	9,58,992.34	74,93,299.39

NOTES TO FINANCIAL STATEMENTS

(Amount in Rs.)

PARTICULARS (ASSETS)	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	BALANCE AS ON 1.04.2012	ADDITION	SALE/ TRANSFER	TOTAL AS ON 31.03.13	AS ON 1.04.2012	DURING THE YEAR	SALE\ ADJUST- MENT	TOTAL AS ON 31.03.13	AS ON 31.03.13	AS ON 31.03.12		
Fur. & Fixture	361750.76	57632.63	-	419383.39	330787.76	26273.63	-	357061.39	62322.00	30963.00		
Car	7317349.00	-	2865778.00	4451571.00	879357.00	579318.00	1033586.00	425089.00	4026482.00	6437992.00		
Scooter	140811.00	52125.00	39635.00	153301.00	42602.00	15878.00	20878.00	37602.00	115699.00	98209.00		
Mobile	77270.00	-	-	77270.00	10486.00	3670.00	-	14156.00	63114.00	66784.00		
Office Equipment	257018.00	9491.00	-	266509.00	192498.00	12505.00	-	205003.00	61506.00	64520.00		
LCD Television	124500.00	15000.00	-	139500.00	26978.00	6406.00	-	33384.00	106116.00	97522.00		
Airconditioner	147078.12	40412.50	-	187490.62	12060.12	8295.50	-	20355.62	167135.00	135018.00		
Computer	604470.00	107945.00	-	712415.00	325851.00	105750.00	-	431601.00	280814.00	278619.00		
Photocopy Machine	40740.00	-	-	40740.00	7634.00	1935.00	-	9569.00	31171.00	33106.00		
Invertor	22400.00	-	-	22400.00	4399.00	1064.00	-	5463.00	16937.00	18001.00		
Total Rs.	9093386.88	282606.13	2905413.00	6470580.01	1832652.88	761095.13	1054464.00	1539284.01	4931296.00	7260734.00		
Pr. Year	5535762.76	4612224.12	1054600.00	9093386.88	1942610.76	475243.12	585201.00	1832652.88	7260734.00	3593152.00		

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	AS AT 31st March 2013	AS AT 31st March 2012
NOTE-13 CASH & BANK BALANCES		
CASH & CASH EQUIVALENTS		
Cash in Hand	22,270.50	12,942.50
Balance with Banks	83,06,679.24	4,70,119.22
	83,28,949.74	4,83,061.72
OTHER BANK BALANCES		
Fixed deposits with Banks # (Pledged Against Overdraft)	-	4,99,99,990.00
	-	4,99,99,990.00
	83,28,949.74	5,04,83,051.72
# Maturity of FDR was within 12 months but exceeding 3 months		
NOTE-14 SHORT TERM LOANS & ADVANCES		
Secured Loans	51,40,00,000.00	40,25,00,000.00
Loans (Unsecured considered good)	3,53,04,455.53	16,000.00
Staff Advance	52,450.00	57,950.00
Advance to Parties	-	5,52,758.38
	54,93,56,905.53	40,31,26,708.38
NOTE-15 OTHER CURRENT ASSETS		
MAT Credit Entitlement	-	1,62,250.00
Interest Receivable	18,07,906.00	28,99,493.00
Interest accrued on FDR	-	28,25,491.14
Prepaid Expenses	69,054.00	-
Income Tax refund	85,019.85	11,27,879.85
	19,61,979.85	70,15,113.99

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	AS AT 31st March 2013	AS AT 31st March 2012
NOTE-16 REVENUE FROM OPERATIONS		
Sale of Shares	80,31,75,029.44	2,06,08,44,090.60
Sale of Commodity	13,26,48,794.54	14,50,88,555.20
Interest	11,28,11,726.29	10,22,52,289.80
Income From Share Trading /Derivative/Mutual Fund/Bonds	92,51,735.78	28,72,196.45
Brokerage & Commission	-	1,01,888.00
	1,05,78,87,286.05	2,31,11,59,020.05
NOTE-17 OTHER INCOMES		
Profit from LLP	3,69,576.06	-
Dividend Income	65,39,776.22	5,50,355.17
Other Income	27,513.00	-
	69,36,865.28	5,50,355.17
NOTE-18 CHANGE IN INVENTORIES		
Opening Stock	6,94,46,377.00	13,11,03,546.85
Less: Closing Stock	8,31,26,966.00	6,94,46,377.00
	(1,36,80,589.00)	6,16,57,169.85
NOTE-19 EMPLOYEE BENEFIT EXPENSES		
Salary & Bonus	50,93,015.00	48,95,850.00
Staff Welfare	1,61,451.00	1,34,276.00
	52,54,466.00	50,30,126.00
NOTE-20 FINANCE COSTS		
Bank Charges	605.62	4,123.47
Car Interest	3,04,099.32	80,665.52
Interest on Overdraft	9,32,304.51	40,10,781.03
Other Interest	1,10,90,279.80	1,64,99,567.03
	1,23,27,289.25	2,05,95,137.05

PARTICULARS	AS AT 31st March 2013	AS AT 31st March 2012
NOTE-21 OTHER EXPENSES		
Annual Custody Charges	13,482.00	6,618.00
Annual Listing Fees	43,259.00	74,313.00
Auditor's Remuneration	2,24,720.00	1,68,540.00
Books & Periodicals	6,293.00	6,903.00
Business Promotion	2,58,207.03	1,51,423.61
Commission Expenses	-	1,48,864.00
Commodities Expenses	1,43,127.06	3,29,443.79
Courier Charges	32,637.23	54,259.00
Demat Expenses	81,319.25	8,638.36
Donation	11,000.00	-
EDP Expenses	3,05,667.00	98,924.00
Electricity Expenses	3,35,728.00	2,25,605.00
Festival Expenses	90,355.47	4,34,970.00
Filing Fees	6,000.00	1,69,210.00
Generator Repair & Maintenance	28,417.02	25,200.00
Insurance Expenses	842.00	8,093.00
Legal & Professional Charges	7,37,102.47	6,85,904.00
Loss on Sale of Assets	7,73,949.00	97,413.00
Meeting & Conference Exp.	31,225.00	15,312.00
Misc. Expenses	63,067.70	54,563.70
NSDL Charges	-	5,239.00
Office Expenses	1,66,766.00	1,05,823.00
Postage, Telegram Expenses	29,077.63	32,605.00
Preferential Issue Expenses	-	1,27,948.00
Printing & Stationery	50,946.09	69,842.00
Provision for Standard Assets	3,66,971.00	1,37,300.00
Publishing Expenses	2,49,984.00	2,75,523.00
Rent	12,18,000.00	9,63,000.00
Repair & Maintenance (Others)	98,900.00	56,814.00
Security Transaction Tax	9,12,628.00	29,91,934.61
Sitting Fee	50,000.00	90,000.00
TDS Demand	7,880.00	9,195.00
Telephone Expenses	1,73,440.37	1,53,310.49
Travelling & Conveyance	1,53,475.50	89,285.35
Vehicle Running Expenses	1,55,677.60	2,30,806.96
Warehouse Charges	4,96,633.61	2,56,305.90
	73,16,778.03	83,59,129.77

SIGNIFICANT ACCOUNTING POLICIES

NOTE - 22 CONSOLIDATED SECURITIES LIMITED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

a) System of Accounting :

- (i) The books of accounts are maintained on mercantile basis except where otherwise stated.
- (ii) The financial statements are prepared under the historical cost convention in accordance with the applicable Accounting Standards issued by The Institute of Chartered Accountants of India and as per the relevant representational requirements of the Companies Act, 1956.
- (iii) Accounting policies not specifically referred to are consistent with generally accepted accounting practices, except where otherwise stated.

b) Revenue Recognition:

- i) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can reliably measured.
- ii) Interest income is recognized on time proportion basis.
- iii) Dividend income is recognized when right to receive is established.
- iv) Profit / Loss on sale of investments is accounted on the trade dates.

c) Valuation of Investment:

Investments are classified into non current investments and current investments. Non current investments are stated at cost and provision wherever required, made to recognize any decline, other than temporary, in the value of such investments. Current investments are carried at lower of cost and fair value and provision wherever required, made to recognize any decline in carrying value.

d) Fixed Assets & Intangible Assets:

Fixed Assets are stated in books at historical cost inclusive of all incidental expenses.

Cost comprises the purchase price and any attributable cost of bringing the assets to working condition for its intended use. Intangible assets are recorded at the consideration paid for acquisition of such assets.

e) Depreciation & Amortization:

Depreciation on the fixed assets has been provided on SLM basis at the rates prescribed by schedule XIV of the Companies Act, 1956. Depreciation for assets purchased/sold during the year is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on SLM basis.

f) Retirement Benefits:

- i) Leave encashment benefits are charged to Profit & Loss Account in each year on the basis of actual payment made to employee. There are no rules for carried forward leave.
- ii) No provision has been made for the retirement benefits payable to the employees since no employee has yet put in the qualifying period of service & the liability for the same will be provided when it becomes due.

g) Inventories:

Inventories are valued at cost (using FIFO method) or net realizable value, whichever is lower.

h) Impairment of Assets:

The carrying amounts of assets are reviewed at the balance sheet date to determine whether there are any indications of impairment. If the carrying amount of the fixed assets exceeds the recoverable amount at the reporting, the carrying amount is reduced to the recoverable amount. The recoverable amount is the greater of

the assets net selling price and value in use, the value in use determined by the present value estimated future cash flows. Here carrying amounts of fixed assets are equal to recoverable amounts.

i) Earning Per Share:

Earning per share is calculated by dividing the net profit or loss for the period attributable to equity share holders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all diluted potential equity shares.

j) Provisions, Contingent Liabilities And Contingent Assets:

Provisions are recognised when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for:

- i) Possible obligations which will be confirmed by future events not wholly within the control of the company, or
- ii) Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

k) Accounting for Taxes on Income:

- i) Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- ii) Deferred Tax is recognized subject to the consideration of prudence on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates.

B. NOTES TO ACCOUNTS

1. A) Contingent Liabilities:

- i) Claims against the company not acknowledged as debts Nil Previous Year Nil
- ii) Guarantees to Banks and Financial institutions against credit facilities extended to third parties Nil Previous Year Nil
- iii) Other money for which the company is contingently liable
 - a) Income Tax Assessment year 2007-08 Rs 1089849/- Previous Year Nil
 - b) The Income tax assessment for the Assessment year 2008-09 & 2009-10 has been set aside by the Income Tax Appellate Tribunal and liability if any accrues, the same will be known only after completion of the assessment.
 - c) The company has entered into loan agreement with various parties and as per terms of agreement company will give interest rebate to certain party/parties in case interest/principal payment is regular. Liability, if any, on this account is known only on completion of agreement.

B) Commitments :

- i) Uncalled liability on partly paid up shares- Nil Previous Year (Nil)
- ii) Estimated amount of contracts remaining to be executed on capital accounts- NIL. Previous Year (Nil)
- iii) Other Commitments Nil Previous Year Nil

2. In the opinion of Board of Directors & best of their knowledge & belief the provisions of all known liabilities are adequate.

SIGNIFICANT ACCOUNTING POLICIES

3. In the opinion of Board of directors, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
4. CIF value of Imports: NIL Previous Year (Nil)
5. Earning & Expenditure in Foreign Currency: NIL Previous Year (Nil)
6. The activities of the company do not involve conservation of energy or absorption of technology.
7. Payments to Auditor's includes:

	2012-13	2011-12
Audit Fee :	179,776.00	140,450.00
Tax Audit Fees :	44,944.00	28,090.00
	224,720.00	168,540.00

- | | 2012-13 | 2011-12 |
|-----------------------------|--------------|--------------|
| 8. Director's remuneration: | 30,00,000.00 | 30,00,000.00 |
9. Company is dealing in shares. So the closing stock of shares has been shown as Stock-in-Trade but some shares purchased during the year by the company for earning income by way of dividends and for long term purposes being strategic/ large investments are shown under investments and accordingly income from these investments have been shown as short term / long term profit.
 10. Deferred Tax Liabilities/Assets have been provided in accordance with AS-22. The break up of the deferred tax assets & liabilities are as under :

Nature of Timing Difference	Deferred Tax Assets / (Liabilities) as at 01 st April, 2012.	Adjustment for the Current Year	Deferred Tax Assets / (Liabilities) as at 31 st March, 2013.
Depreciation	(320618)	221248	(99370)
Business Loss	Nil	Nil	Nil
Total	(320618)	221248	(99370)

11. As per Accounting Standard (AS-20) on Earning per share (EPS) issued by the ICAI, the particulars of EPS for the equity shareholders are as below:

S. No.	Particulars	Current year 2013	Previous Year 2012
1	Net Profit (loss) as per P/L A/c	42043989	41190275
2	Average No. of equity shares used as denominator for calculating EPS (Basic)	4357207	3457207
3	EPS (Basic) (Rs.)	9.65	11.91
4	Average No. of equity shares used as denominator for calculating EPS (Diluted)	4682207	3707207
5	EPS (Diluted) (Rs.)	8.98	11.11
6	Face value of ea ch equity share (Rs.)	10	10

l). Related Party Disclosure:

As per Accounting Standard-18 issued by the Institute of Chartered Accountants of India, the Company's related parties and transactions are disclosed below:

(A) Name of related parties and description of relationship:

(1) Holding Company :

a) Mundra Credit & Investment Pvt. Ltd

(2) Other related parties where the Directors / Relatives have significant influence

a) Deep Deposits & Leasing Pvt. Ltd.

b) CSL Realtors Pvt. Ltd.

(3) Key Management Personnel:

a) Mr. Rohit Gupta

(4) Relatives of Key Management Personnel.

a) Mr. Satpaul Gupta

b) Mrs. Ridhima Gupta

(B) Transaction during the year and balances outstanding at the year end in respect of transactions entered into during the year with the related parties.

Nature of transactions	Refer to (A) (1)	Refer to (A) (2)	Refer to (A) (3)	Refer to (A) (4) (a)	Refer to (A) (4) (b)
Unsecured Loan	5500000 (29900000)	54300000 (51400000)			
Investment in Shares		98300			
Rent			600000 (495000)		600000 (450000)
Salary				Nil (70000)	
Director's Remuneration			3000000 (3000000)		
Interest Paid	332712	2048909 (634660)			
Balances as on 31 st March, 2013	5799441	Refer to (A) 2(a) 10244018 Cr. Refer to (A) 2(b) 200000 Dr.	50000		

l). Indicates figures of Previous year.

m). As per information available with the company, no amount is due to any Undertaking/Enterprise covered under the Micro, Small and Medium Enterprise Development Act, 2006.

n). Since the Company is dealing in one segment, No separate Segment reporting is given.

o). Information regarding Purchase and Sale of Stock in trade during the year.

SIGNIFICANT ACCOUNTING POLICIES

	Purchase	Sale
Shares	867323680.27	803175029.44
Commodity	125908536.70	132648794.54
Total	993232216.97	935823823.98

(p) The figures of the previous years have been regrouped and rearranged wherever it is considered necessary.

For & on behalf of the Board

As per our report of even date attached
For R. MAHAJAN & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 011348N

(Rohit Gupta)
Managing Director & CFO

(Ashok K. Kathuria)
Director

(RATNESH MAHAJAN)
Partner
M. No. 085484

(Akash Gupta)
Company Secretary
& Manager (Legal)

Place: New Delhi
Date: 29.05.2013



CASH FLOW STATEMENT

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

Amount in (Rs.)

PARTICULARS	AS AT 31st March 2013		AS AT 31st March 2012	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) before Tax & Extraordinary items	5,96,12,894.95		6,12,74,383.54	
Adjustment for :				
Depreciation	7,61,095.13		4,75,243.12	
Provision for Standard Assets	3,66,971.00		1,37,300.00	
Loss on sale of assets	7,73,949.00		19,399.00	
Interest Income	(8,43,153.49)		(82,47,484.83)	
Profit / Loss on sale of investment	-		-	
Operating Profit before Working Capital changes	6,06,71,756.59		5,36,58,840.83	
Adjustment for Current Assets & Loans & Advances				
1) Trade Receivables	65,34,307.05		(66,61,787.39)	
2) Loans & Advances	(9,75,67,406.15)		(4,62,54,051.38)	
3) Stock In Hand	(1,36,80,589.00)		6,16,57,169.85	
4) Other Current Assets	20,65,393.00		58,951.00	
Current Liabilities	46,97,607.07		(7,90,900.33)	
Cash generated from operations	(3,72,78,931.44)		6,16,68,222.58	
Direct Taxes Paid	1,71,04,253.89		2,21,48,445.22	
		(5,43,83,185.33)		3,95,19,777.36
B. CASH FLOW FROM INVESTING ACTIVITIES				
Loan & advances received back	-		-	
Purchase of Investments	(10,94,89,967.83)		(7,28,63,346.60)	10,94,89,967.83
Sales of Fixed Assets	10,77,000.00		4,50,000.00	
Fixed Deposit	4,99,99,990.00		9,50,00,010.00	
Interest Income	8,43,153.49		82,47,484.83	
Interest Accrued on Fixed Deposit	28,25,491.14		30,39,423.35	
Purchase of Fixed Assets	(2,82,606.13)		(46,12,224.12)	
		(5,50,26,939.33)		2,92,61,347.46
C. CASH FLOW FROM FINANCING ACTIVITIES				
Short Term Borrowings	11,60,38,892.08		(12,45,63,878.53)	
Long Term Borrowings	(9,82,879.40)		18,71,021.62	
Issue of equity shares	-		1,35,00,000.00	
Shares warrant	22,00,000.00		4,04,00,000.00	
Buyback of Equity Shares	-		-	
		11,72,56,012.68		(6,87,92,856.91)
Net Decrease in cash & cash equivalents		78,45,888.02		(11,732.09)
Cash & cash equivalents at the beginning of period				
Cash In Hand	12,942.50		1,82,621.50	
Balance with Bank	4,70,119.22	4,83,061.72	3,12,172.31	4,94,793.81
Cash & cash equivalents at the end of period				
Cash In Hand	22,270.50		12,942.50	
Balance with Bank	83,06,679.24	83,28,949.74	4,70,119.22	4,83,061.72
Net (Outflow)/Inflow of Cash		78,45,888.02		(11,732.09)

As per our report of even date attached
For R. Mahajan & Associates

For & on behalf of the Board of Directors

Chartered Accountants
FRN 011348N
(Ratnesh Mahajan)

Partner
M.No. 085484

(Rohit Gupta)
Managing Director
& CFO

(Ashok K. Kathuria)
Director

(Akash Gupta)
Company Secretary &
Manager (Legal)

Place: New Delhi
Date: 29.05.2013

NBFC SCHEDULE TO THE BALANCE SHEET

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company
Consolidated Securities Limited
(As required in terms of paragraph 13 of Non - Banking financial (Non deposit Accepting or holding)
Companies Prudential Norms (Reserve bank) Directions, 2007

	Particulars	(Rs.in lakhs)	
	Liabilities side		
1	Loan and advances availed by the non - banking financial company inclusive of interest accrued thereon but not paid:	Amount outstanding	Amount overdue
		Nil	Nil
	(a) Debentures : Secured	Nil	Nil
	: Unsecured (other than falling within the meaning of public deposits*)	Nil	Nil
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	22.69	Nil
	(d) Inter-corporate loans and borrowing	1219.76	Nil
	(e) Commercial Paper	Nil	Nil
	(f) Overdraft from HDFC Bank Ltd	Nil	Nil
	* Please see Note 1 below		
	Assets side		
		Amount outstanding	
2	Break-up of Loans and advances including bills receivables [other than those including in (4) below] :		
	(a) Secured	5140.00	
	(b) unsecured	353.05	
3	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(i) Lease assets including lease rentals under sundry debtors :	Nil	
	(a) Financial lease		
	(b) Operating lease		
	(ii) Stock on hire including hire charges under sundry debtors	Nil	
	(a) Assets on hire		
	(b) Repossessed Assets		
	(iii) Others loans counting towards AFC activities	Nil	
	(a) Loans where assets have been repossessed		
	(b) Loans other than (a) above		

As per our report of even date attached

For R. Mahajan & Associates

Chartered Accountants

FRN 011348N

(Ratnesh Mahajan)

Partner

M.No. 085484

Place: New Delhi

Date: 29.05.2013

For & on behalf of the Board of Directors

(Rohit Gupta)
Managing Director
& CFO

(Ashok K. Kathuria)
Director

(Akash Gupta)
Company Secretary &
Manager (Legal)

4	Break-up of investments:		
	Current Investments:		
	1. Quoted :		
	(i) Shares : (a) Equity		831.27
	(b) Preference		Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of mutual funds		Nil
	(iv) Government Securities		Nil
	(v) Others (please specify)		Nil
	2. Unquoted:		
	(i) Shares :(a) Equity		Nil
	(b) Preference		Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of mutual funds		Nil
	(iv) Government Securities		Nil
	(v) Others (Building)		Nil
	Long Term investments :		
	1. Quoted:		
	(i) Shares : (a) Equity		919.23
	(b) Preference		Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of Mutual Funds		Nil
	(iv) Government Securities		Nil
	(v) Others -warrants		Nil
	2. Unquoted :		
	(i) Shares : (a) Equity		0.98
	(b) Preference		Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of mutual funds		Nil
	(iv) Government Securities		Nil
	(v) Others (LLP)		
	Joint Venture		400
	LLP		15
	Property		488.32
5	Borrower group-wise classification of assets financed as in (2) and (3) above :		
	Please see note 2 below		
	Category	Amount net of provisions	
		Secured	unsecured
			Total
	1. Related Parties **		
	(a) Subsidiaries	Nil	Nil
	(b) companies in the same group	Nil	Nil
	(c) other related parties	Nil	1.99
	2. Other than related parties	5127.15	350.17
	Total	5127.15	352.16
			5,479.31

NBFC SCHEDULE TO THE BALANCE SHEET

6	Investor Group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Please see note 3 below		
	Category	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties ** (a) Subsidiaries (b) Companies in the same group (c) Other related parties	Nil Nil 0.98	Nil Nil 0.98
	2. Other than related parties	1,755.27	1,750.50
	Total * Market rate is not available hence cost has been taken. ** As per Accounting Standard of ICAI (Please see Note 3)	1,756.25	1,751.48
7	Other information		
	Particulars		Amount
	(i) Gross Non-Performing Assets (a) Related Parties (b) Other than related parties		Nil
	(ii) Net Non-Performing Assets (a) Related Parties (b) Other than related parties		Nil
	(iii) Assets acquired in satisfaction of debt		Nil

Note

- As defined in paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007
- All Accounting Standards and guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets required in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

As per our report of even date attached

For R. Mahajan & Associates

Chartered Accountants

FRN 011348N

(Ratnesh Mahajan)

Partner

M.No. 085484

Place: New Delhi

Date: 29.05.2013

For & on behalf of the Board of Directors

 (Rohit Gupta)
 Managing Director
 & CFO

 (Ashok K. Kathuria)
 Director

 (Akash Gupta)
 Company Secretary &
 Manager (Legal)

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Regd. Office: 8/19, 3rd Floor, W.E.A., Pusa Lane, Karol Bagh,
New Delhi - 110005

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

D.P. Id*	
Client Id*	

Folio No.	
No. of Shares	

Name and address of the Shareholder _____

I/We hereby record my presence at the 21st ANNUAL GENERAL MEETING of the Company to be held on Monday, 30th day of September, 2013 at 12:15 P.M. at Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi-110005

Signature of the shareholder(s) or Proxy _____

Name of the Proxy in Block Letters _____
(in case a proxy attends the meeting)

* Applicable for investors holding shares in dematerialized form.



Regd. Office: 8/19, 3rd Floor, W.E.A., Pusa Lane, Karol Bagh,
New Delhi - 110005

PROXY FORM

D.P. Id*	
Client Id*	

Folio No.	
No. of Shares	

I/We _____ of _____

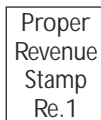
being a member/members of the Consolidated Securities Limited appoint Shri/Smt. _____

_____ of _____ or failing him/her

_____ of _____ 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 Monday, 30th day of September, 2013 at 12:15 P.M. at Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi-110005 and at any adjournment thereof.

Signatures _____

Signed _____ day of _____ 2013



* Applicable for investor holding shares in electronic form

Note : The Proxy need not be a member. The Proxy form duly signed and stamped should reach the Company's Registered Office at least 48 hours before the time of meeting.



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Karol Bagh, New Delhi - 110 005
Ph. +91 11 42503441-44

Form A

(Clause 31(a) of the Listing Agreement)

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of company	Consolidated Securities Limited
2.	Annual financial statements for the year ended	31 st March 2013
3.	Type of Audit Observation	Unqualified
4.	Frequency of observation	Not Applicable
5.	To be signed by:	
	- Managing Director	<p>For CONSOLIDATED SECURITIES LTD.</p>  <p>MANAGING DIRECTOR</p>
	- CFO	 <p>(Rohit Gupta)</p>
	- Auditor of Company	<p>For R. Mahajan & Associates Chartered Accountants F.R.N. 011348N</p>  <p>(Ratnesh Mahajan) (Partner) Membership No. 085484</p>
	- Audit Committee Chairman	 <p>(Kapil Aggarwal)</p>