

NOTICE

NOTICE is hereby given that the Sixteenth Annual General Meeting of the members of M/s. GSL SECURITIES LIMITED will be held on Friday, 24th September, 2010 at 10.00 a.m. at Registered Office of the Company at 61 'B' Wing, Mittal Tower, 6th Floor, 210, Nariman Point, Mumbai – 400 021, to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance sheet as at and Profit & loss Account for the year ended 31st March 2010 and the Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Smt..Shailja Bagrodia and Shri. Vijay Kumar Lahoti, who retires by rotation and being eligible, offers themselves for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and fix their remuneration.

BY ORDER OF THE BOARD OF DIRECTORS
For **GSL Securities Limited**

Place: Mumbai
Date: 25/08/2010

S.K. Bagrodia
Chairman & Managing Director

Registered Office:
61 'B' Mittal Tower
6th Floor,
210, Nariman Point,
Mumbai – 400 021.

Explanatory Statement (Pursuant to Section 173(2) of the Companies Act, 1956).

NOTES FOR MEMBERS' ATTENTION:

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY, NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE VALID, THE INSTRUMENTS APPOINTING THE PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIMING OF THE MEETING
- The Register of Members & Share Transfer Books of the Company shall remain closed on Friday, 24th September 2010.

DIRECTOR'S REPORT

To,
The Members,
GSL Securities Limited.

Your Directors have pleasure in presenting the Sixteenth Annual Report with the audited statement of Accounts for the year ended 31st March 2010.

Financial Results:

Summary of the working result of the company for the Sixteenth Accounting Year ended 31st March, 2010 are given as below:

	Rs.	Rs.
	2009-10	2008-09
Gross Profit/(Loss)	(94,980.00)	214,805.00
Less : Depreciation	114,194.00	109,214.00
Profit/(Loss) before tax	(209,174.00)	105,591.00
Less: Income Tax paid earlier year	-	730,350.00
Less : Provision For FBT	-	-
Profit/(Loss) after tax	(209,174.00)	(624,759.00)
Add : Balance brought forward from previous year	(15,203,930.00)	(14,566,950.00)
	(15,413,104.00)	(15,191,709.00)
Less : Fringe Benefit Tax	-	(12,221.00)
	<u>(15,413,104.00)</u>	<u>(15,203,930.00)</u>

Dividend:

On account of accumulated losses, your directors regret their inability to recommend payment of dividend for the financial year under review.

Operation:

The Company is dealing mainly in the area of Short Term Financing and Investments.

Fixed Deposits:

During the period under review, your company has not accepted any deposits as contemplated under the provisions of section 58A of the Companies Act, 1956. There are no deposits unpaid or unclaimed at the year-end.

Director:

Smt. Shailja Bagrodia and Shri. Vijay Kumar Lahoti shall be retiring by rotation at the forthcoming Annual General Meeting and being eligible, offers themselves for reappointment.

Employee :

None of the employees was in receipt of remuneration in excess of limits specified in section 217(2A) of the Companies Act, 1956 read with Companies (particulars of Employees) Rule, 1975.

Auditors:

M/s. Vijay R. Tater & Co., Chartered Accountants, Mumbai retiring Auditors will hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Director's Responsibility statement:

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Board of Directors of the Company hereby state and confirm that:

- (i) in the preparation of the Annual Accounts for the financial year ended 31st March, 2010 the applicable Accounting standards have been followed ;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for the year under review;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and irregularities;
- (iv) the Directors have prepared the accounts for the financial year ended 31st March 2010 on a 'going concern' basis.

Conservation of Energy, Technology Absorption:

Being a Finance company, this is not applicable.

Foreign Exchange Earning & Outgo:

The Company has neither earned nor spent any Foreign Exchange.

Cash Flow Statement :

As required under Clause 32 of the Listing Agreement with the Stock Exchanges, the Cash flow Statement for the year 2009-10 is annexed hereto.

Management Discussion and Analysis Report :

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis Report is annexed herewith forming part of this Annual Report.

Corporate Governance :

A separate report on Corporate Governance is enclosed as a part of this Annual Report of the Company. A certificate from the Auditors of the Company regarding compliance of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to the Report on Corporate Governance.

Acknowledgement :

Your Directors would like to express their appreciation for co-operation and assistance received from the shareholders, bankers, depositors and employees during the year under review.

On behalf of the Boards of Directors

Place : Mumbai

S.K. Bagrodia

Dated :25/08/2010 Chairman & Managing Director

ANNEXURE TO THE DIRECTOR'S REPORT MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1) Industry Scenario and developments

The main business of your company is to make investment and to provide short term finance. Also though there was an improvement in the Share Market, most of the shares in which investment were made by the company were quoting at prices below purchase cost, hence the management has not taken active initiative to sell the shares. This year round your company has not received interest from the parties, resulting in loss to the company. Your company has made a provision of Rs. 75,000/- towards Non Performing Assets in accordance with the guidelines issued by the RBI.

2) Opportunities and Threats

As pointed out earlier also the threat to the company was and is always in respect of bad and doubtful assets, the provision of which has already been made in the books of your company in accordance with the RBI guidelines. Your company is making all possible efforts to recover such Non-performing Assets, the recovery of which, if possible will improve your company's performance.

3) Segment-wise Performance

Since your Company is operating in only one segment (i.e. Financial activity), hence the same is Not Applicable.

4) Outlook

If your company is able to recover the huge Non-Performing Assets, for which it is making all its efforts the outlook of your company will be good.

5) Risk and Concerns

The potential risk and concern of your company relates to huge Non-Performing Assets and also the funds blocked in various investments not yielding proper incomes. Though the Indian economy & Capital market has improved and is showing sign of improvement in the ensuing year also, the concern still remains for the coming years, which ultimately

will have an effect on the performance of your company.

6) Internal Control system and their adequacy

Your company has an adequate internal control system, which ensures that all its assets are safeguarded from unauthorized use and that all the transactions are authorized, recorded and reported properly. The internal control system also ensures that all the relevant statutes, rules, regulation and guidelines are strictly complied with. Your company also has an Audit committee manned by members with experience from various fields who along with the auditors constantly review the adequacy of internal control systems strength and weaknesses and report their findings and suggestions to the top management so that adequate measures could be taken in time.

7) Financial performance vis-à-vis Operational performance

During the year under review, your company has incurred a loss mainly due to non-recovery of interest on finance provided to various parties. Though your company has tried to bring down the various expenses by better utilization of available resources, the huge Non-Performing Assets has become a dent on the Company's performance.

8) Human Resources Development

Your company has always given importance to provide utmost satisfaction to its employees through better work environment and updating them of the current development in the market which would have a possible impact on the performance of your company on continuous basis, so that the major threat and challenges to your company can be met with ease.

9) Conclusion

Your company though made consistent efforts & drive to reducing operating cost and to utilize the available resources properly, but still your company was unable to make any profit during the year, which was mainly on account of non-receipt of interest in the current year leading to provision for Non-Performing Assets.

ANNEXURE TO THE DIRECTOR'S REPORT REPORT ON CORPORATE GOVERNANCE

The concept of Corporate Governance has been made mandatory through Clause 49 of the Listing Agreement in order to make management accountable to the shareholders for protection of their interest and effective management of the companies in the interest of the company. Your company has made every effort to comply with the provisions of the Corporate Governance and to see that the interest of the Shareholders and the Company are properly served for long. The details of compliance of the Corporate Governance by the Company are as follows :

I. Company's philosophy on Corporate Governance :

Your Company has always given importance to attain the highest level of transparency, accountability and to built up confidence of the investors, employees and others through their operations and interactions and to see that the value of Shareholders are maximized.

II. Board of Directors :

(A) Composition of Board :

The Board of Directors of the company comprises of four members with experiences in various fields. The Composition of Board of Directors is as follows:

Director	Executive/Non-Executive/Independent	No. of Outside Directorship held		No. of Outside Committee positions held	
		Public	Private	Member	Chairman/Chairperson
Mr. SantKumar Bagrodia	Promoter/ Executive Director (Managing Director)	Nil	02	Nil	Nil
Mrs. Shailja Bagrodia	Promoter Non Executive Director	NIL	03	Nil	Nil
Mr. Kaushal Mehta	Independent Non-Executive Director	Nil	Nil	Nil	Nil
Mr. Vijay Kumar Lahoti	Independent Non-Executive Director	Nil	Nil	Nil	Nil

(B) Number of Board Meetings held & attended by Directors:

- (i) Five Meetings of the Board of Directors were held during the year ended 31st March, 2010 . These were held on :-
- | | |
|------------------------------------|------------------------------------|
| (1) 30 th April, 2009 | (2) 31 st July, 2009 |
| (3) 28 th August, 2009 | (4) 30 th October, 2009 |
| (5) 29 th January, 2010 | |

- (ii) The attendance recorded for each of the Directors at the Board Meetings during the year ended on 31st March, 2010 and of the last Annual General Meeting is as under :

Directors	No. of Board Meetings		Attended last AGM
	Held	Attended	
Mr. SantKumar Bagrodia	5	5	Yes
Mrs. Shailja Bagrodia	5	5	Yes
Mr. Kaushal Mehta	5	5	Yes
Mr. Vijay Kumar Lahoti	—	—	—

No Director is related to other Directors on the Board, except for Mr. Sant Kumar Bagrodia and Mrs. Shailja Bagrodia, who are Husband and Wife respectively.

III. Audit Committee

(A) An Audit Committee was constituted by the Board of Directors on 31st October, 2002 to look after various matters which are in conformity with the requirements as per Clause 49 of the Listing Agreement with Stock Exchanges & consist of the following members:-

- (1) Shri. Kaushal Atul Mehta – Chairman
- (2) Smt. Shailja Bagrodia – Member
- (3) Shri. Vijay Kumar Lahoti – Member

(B) The Audit Committee meetings were held on 30th April, 2009, 31st July, 2009, 28th August, 2009, 30th October, 2009 & 29th January, 2010. The attendance of each Audit Committee member is as under :-

Member	No. of Meetings Attended
Mr. Kaushal Atul Mehta	5
Mr. Vijay Kumar Lahoti	-
Mrs. Shailja Bagrodia	5

IV. Remuneration Committee

The Board of Directors of the Company has not formed Remuneration Committee. No Board Sitting Fees has been given to the Directors of the Company as the Directors vide Company's Board Resolution dt. 30/04/2005 has accepted not to receive Board Sitting Fees henceforth. Remuneration paid to the Managing Director, Mr. Sant Kumar Bagrodia Rs.14,992/- relates to reimbursement of Medical Expenses incurred by him during the year 2009-2010 as he has waived the monthly remuneration payable to him. The Service contract of Mr. Sant Kumar Bagrodia expires on 30th June, 2011.

V. Board Procedure

The Board of Directors of the Company has met Five times during the year. Agenda papers of each meeting along with explanatory statements were circulated in advance to all the Directors. All the relevant information as required under Clause 49 of the Listing Agreement were placed before the Board from time to time.

VI. Shareholders/Investors Committee

(A) The Board of Directors constituted a Shareholders/Investors Committee on 31st October, 2003 under the Chairmanship of Non Executive Director, Smt. Shailja Bagrodia. During the year ended 31st March, 2010, 3

investor complaints were received, which were duly resolved. There were no share transfers pending for registration for more than 30 days as on the said date.

(B) Details of Directors seeking re-appointment at the ensuing Annual General Meeting fixed on 24th September, 2010 are given hereunder: -

Name of the Director.	Smt. Shailja Bagrodia	Shri. Vijay Kumar Lahoti
Date of Appointment	29 th March, 1994	25 th June, 2003
Expertise in Specific Functional areas	Graduate having rich experience in Business and Administration.	Graduate having experience in the field of Accounts and Finance.
List of Other Directorships held	Shree Kumarmangalam Traders Pvt. Ltd. Mangalam Exim Pvt. Ltd. Rastogi Textiles Pvt. Ltd.	Nil
Chairman/Member of the committees of the Board of the other Companies on which he/she is a Director.	Nil	Nil

To expedite the process of share transfer the Company has appointed M/s. Purva Share Registry (India) Pvt. Ltd. as Registrar & Transfer Agents who completes share transfer formalities every fortnight.

VII. Compliance Certificate :

Compliance Certificate for Corporate Governance from Auditors of the Company is annexed herewith.

VIII. General Body Meetings :

(A) The details of the General Meetings held in last three years are as under :-

Date	Location	Time
25 th September, 2009	61, Mittal Tower, 6 th Floor, B wing 210, Nariman Point, Mumbai – 400 021.	10.00 A.M.
30 th September, 2008	61, Mittal Tower, 6 th Floor, B wing 210, Nariman Point, Mumbai – 400 021.	10.00 A.M.
28 th September, 2007	61, Mittal Tower, 6 th Floor, B wing 210, Nariman Point, Mumbai – 400 021.	10.00 A.M.

(B) Special Resolution passed during the last three years :-

No Special Resolution was passed in the last three years.

(C) No Special Resolution was put through postal ballot last year.

(D) No Special Resolution is proposed to be put through postal ballot this year.

IX. Disclosures :

- (i) There are no materially Significant Transactions with related parties viz. Promoters, Directors or the Management, their Subsidiaries or relatives conflicting with company's interest.
- (ii) There have been no instances of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

X. Means of Communication :

Half – Yearly report sent to each household of shareholders	No
Quarterly results : Which newspapers normally published in	The Asian Age, Mumbai Mahanayak
Any website, where displayed	www.bseindia.com
Whether MD&A is a part of annual report	Yes

XI. General Shareholder Information :

- (A) Sixteenth Annual General Meeting of the Company will be held on Friday 24th September, -2010 at 10.00 a.m. at Registered Office of the Company at 61, 'B' Wing Mittal Tower, 6th Floor, 210, Nariman Point, Mumbai – 400 021.
- (B) Financial Calendar 2010 – 2011 :
- | | | |
|--------------------------|---|------------------------------|
| First Quarterly Results | : | Before end of July, 2010. |
| Second Quarterly Results | : | Before end of October, 2010. |
| Third Quarterly Results | : | Before end of January, 2011. |
| Fourth Quarterly Results | : | Before end of April, 2011. |
- (C) Date of Book Closure – Friday, 24th September, 2010.
- (D) Dividend Payment Date – No Dividend is declared for the year.
- (E) Listing on Stock Exchanges – The Shares of Company are listed on the following Stock Exchanges :

Name of the Stock Exchange	Address
The Mumbai Stock Exchange	Phorozee Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai - 400 001.
The Ahmedabad Stock Exchange	Kamdhenu Complex, Near Polytechnic, Panjara Pole, Ahmedabad - 380 015.
The Calcutta Stock Exchange	7, Lyons Range, Calcutta - 700 001.

Listing Fees for the year 2009 – 2010 has been paid of Rs.12,114 to 'The Mumbai Stock Exchange' only, as the company is seeking delisting from Calcutta and Ahmedabad Stock Exchanges.

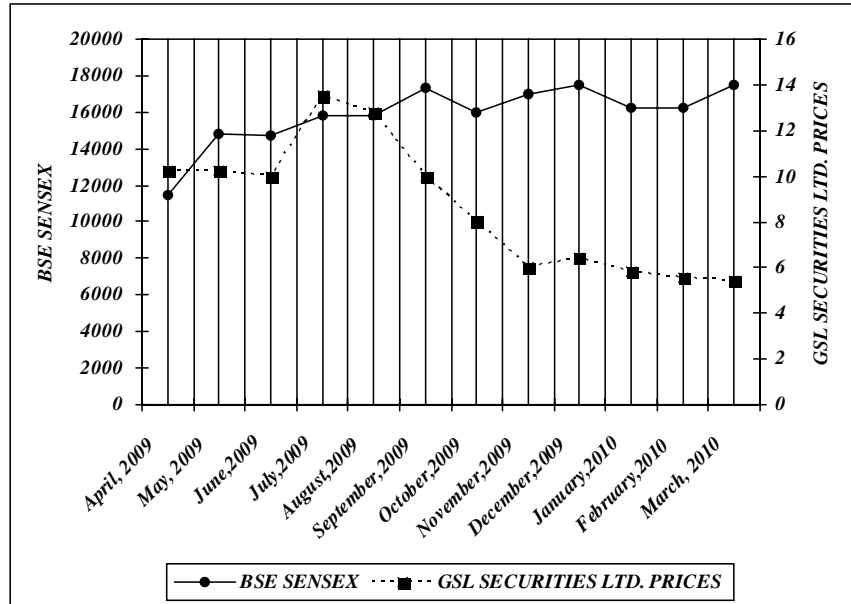
(F) Stock Code :-

- (i) The Mumbai Stock Exchange : 530469.
 (ii) Demat ISIN Number : INE721D01017.

(G) Market Price Data :- High/Low price during each month in the last Financial year on the Mumbai Stock Exchange are as follows :

Month	Share Price	
	Highest Rate	Lowest Rate
Apr - 09	---	---
May - 09	10.24	9.00
June - 09	10.00	9.55
July - 09	13.49	10.02
Aug - 09	12.78	10.46
Sep - 09	10.00	6.10
Oct - 09	8.04	5.80
Nov - 09	6.00	5.41
Dec - 09	6.40	5.14
Jan - 10	5.85	5.00
Feb - 10	5.55	4.55
Mar - 10	5.40	4.24

(H) Performance in comparison to broad-based indices - BSE Sensex :



(I) Registrar and Transfer Agent : M/s Purva Sharegistry (India) Private Limited, Shivshakti Industrial Estate, Gala No. 9, Sitaram Mills Compound, J.R. Boricha Marg, Mahalaxmi, Mumbai – 400 011.

(J) Share Transfer System :- Share Transfers approved by the Share Transfer Committee are registered & returned by the Registrar & Share Transfer Agent within a period of 30 days from the date of receipt, if the documents are clear in all respects.

(K) Distribution of Shareholding as on 31st March, 2010 :-

Shareholding of Nominal value	No. of Shareholders (Folios)	% of Shareholders (Folios)	No. of Shares	% of Shareholding
Up to 5000	3499	91.02	5011310	15.42
5001-10000	180	4.68	1445300	4.45
10001-20000	68	1.77	958260	2.95
20001-30000	36	0.94	932670	2.87
30001-40000	16	0.42	569780	1.75
40001-50000	10	0.26	477610	1.47
50001-100000	14	0.36	962960	2.96
100001 & above	21	0.55	22142110	68.13
Total	3844	100.00	32500000	100.00

Category	No. of Shareholders (Folios)	% of Shareholders (Folios)	No. of Shares	% of Shareholding
Promoters	8	0.21	13,30,900	40.95
Resident Individual	3772	98.12	12,12,341	37.30
Corporate Bodies	63	1.64	7,06,259	21.73
Financial Institutions	0000	0.00	00,00,000	0.00
Nationalised Banks and Mutual Funds	0000	0.00	00,00,000	0.00
FIs	0000	0.00	00,00,000	0.00
NRIs and OCBs	1	0.03	500	0.02
Total	3844	100.00	32,50,000	100.00

(L) Dematerialisation of Shares and Liquidity :- 28,12,300 shares representing 86.53 % of Company's total shares were held in dematerialized form as on 31st March, 2010 and the balance 4,37,700 shares representing 13.47 % of Company's total shares were held in physical form.

(M) Address for Correspondence : M/s. GSL Securities Limited
61, Mittal Tower,
'B' Wing 6th Floor,
210, Nariman Point,
Mumbai - 400 021.

**ANNEXURE TO THE DIRECTOR'S REPORT
COMPLIANCE CERTIFICATE ON CORPORATE
GOVERNANCE**

The Members of
M/s. GSL Securities Limited
Mumbai.

CERTIFICATE

We have examined the compliance of conditions of Corporate Governance by GSL Securities Limited, Mumbai, for the year ended on 31.03.2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of 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.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

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 VIJAY R. TATER & CO.
Chartered Accountants
Firm Registration No. 111426W**

**Place: Mumbai
Date: 25/08/2010**

**(Suresh G. Kothari)
Partner.
Membership No. 47625**

AUDITORS' REPORT

To,
The Members of,
GSL Securities Limited

1. We have audited the attached Balance Sheet of **GSL SECURITIES LIMITED** as on 31st March, 2010 and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. 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.
2. We 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ("Order") issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956 and in terms of the information and explanations given to us and also on the basis of such checks, as we considered appropriate we set out in the Annexure, a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in Annexure referred to in paragraph 3 above we report that: -
 - a) We have obtained all the information and explanation, 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 it appears from our examination of those books;

- c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
- d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement have been prepared, in all material respects in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
- e) On the basis of the written representations received from the Directors as on 31st March, 2010, and taken on the record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 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 the Significant Accounting Policies and other Notes generally give the information required by the Companies Act, 1956, in the manner so required and also give, a true and fair view : -
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010;
- (ii) in the case of the Profit and Loss Account, of the loss for the year ended on that date and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For VIJAY R. TATER & CO.
Chartered Accountants
Firm Registration No. 111426W

Place: Mumbai
Date: 25/08/2010

(Suresh G. Kothari)
Partner.
Membership No. 47625

Annexure to the Auditors' Report

(Referred to in paragraph 3 of our report of even date to the members of **GSL Securities Limited** for the year ended 31.03.2010)

- i. a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, during the year the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification.
- c) No Substantial part of fixed assets of Company has been disposed off during the year.
- ii. According to information and explanations given to us, during the year, the Company does not have any trading activity and hence does not have any inventory. Therefore the question of physical verification, adequacy of procedures of physical verification and maintenance of proper records of inventory does not arise.
- iii. a) As per information and explanations given to us, during the year 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. Accordingly, sub clause (a), (b), (c) and (d) of clause (iii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, sub clause (e), (f), and (g) of clause (iii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, it appears that there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of shares & securities, other assets and for the sale of shares & securities and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control system.

- v. According to the information and explanations given to us, during the year no contracts or arrangements referred to in section 301 of the Act, have been entered by the Company. Accordingly, Clause 4(v) (b) of the Order is not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from public during the year, within the meaning of Section 58-A and 58AA and other relevant provisions of the Companies Act, 1956 and rules framed there under.
- vii. The Company does not have an internal audit system. However, effective internal controls are being exercised by the management, which is broadly commensurate with the size of the Company and nature of its business.
- viii. According to the information and explanations given to us, the maintenance of Cost records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956.
- ix. a) According to the records of the Company and information and explanations given to us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth Tax, Custom Duty, Investor Education and Protection Fund, Excise Duty, Cess, Service Tax or any other statutory dues, wherever applicable, with the appropriate authorities and there were no arrears under the above heads which were due for more than six months from the date they became payable as at the close of the year.
- b) According to the information and explanations given to us, there are no dues of Income Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Sales Tax and Cess and any other statutory dues which have not been deposited on account of any dispute.
- x. The Company has accumulated losses at the end of the financial year. The Company has incurred cash losses in the current financial year. However, the Company has not incurred any cash losses in the immediately preceding financial year.
- xi. Based on our examination of record and information and explanations given to us the company has not taken loan from financial institutions or banks or debenture holders during the year.
- xii. Based on our examination of record and information and explanations given to us the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- xiii. The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not applicable to the Company.
- xiv. The Company has maintained proper records of transactions and contracts in respect of investments in shares, securities debentures and other investments and those timely entries have been made therein. The shares, securities debentures and other investments have been held by the Company in its own name except to the extent of the exemption granted under section 49(4) of the Companies Act, 1956.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- xvi. The Company has not taken any terms loans during the year.
- xvii. In our opinion and according to the information and explanation given to us, and on an overall examination of the Balance Sheet and Cash Flow of the Company, fund raised on short-term basis have, prime facie, not been used for long term investment.
- xviii. According to the information and explanation given to us, during the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix. According to the information and explanation given to us, during the year, the Company has not issued any Debentures and hence no securities or charges are required to be created in respect thereof.
- xx. The Company has not raised any money by way of public issues during the period covered under the audit report.
- xxi. During the course of our examination of books of account, carried out in accordance with generally accepted auditing practices in India, and according to the examinations given to us, we neither come across any incidence of any material fraud, on or by the Company, noticed or reported during the year, nor have been informed of any such case by the Management.

**For VIJAY R. TATER & CO.
Chartered Accountants
Firm Registration No. 111426W**

**Place: Mumbai
Date: 25/08/2010**

**(Suresh G. Kothari)
Partner.
Membership No. 47625**

BALANCE SHEET AS AT 31st March, 2010**GSL
SECURITIES
LIMITED**

	Schedule	31st March,2010		31st March,2009	
		Rs.	Rs.	Rs.	Rs.
SOURCES OF FUNDS					
Shareholders Funds :					
Share Capital	A	32500000		32500000	
			32500000		32500000
Total			32500000		32500000
APPLICATION OF FUNDS					
Fixed Assets					
(A) Gross Block	B	4268105		4225681	
(B) Add : Additions/(Deductions) during the year		40849		42424	
(C) Less :Depreciation		3621735		3507539	
(D) Net Block			687219		760566
Investments	C		14241176		14241176
Current Assets , Loans & Advances					
Current Assets	D	2136201		1513718	
Loans & Advances		70903		836293	
		2207104		2350011	
Less : Current Liabilities & Provisions					
Current Liabilities	E	48605		26282	
Provisions		0		29402	
		48605		55684	
Net Current Assets			2158499		2294327
Profit & Loss Account					
Total	F		15413105		15203930
			32500000		32500000
Notes to Accounts					
	K				

As per our report of even date attached

For & on behalf of the Board

For Vijay R. Tater & Co.
Chartered AccountantsSuresh G Kothari
PartnerS.K. Bagrodia
Managing DirectorKaushal Mehta
DirectorPlace : Mumbai
Dated : 25/08/2010Place : Mumbai
Dated : 25/08/2010

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st March, 2010.

GSL
SECURITIES
LIMITED

	Schedule	31st March,2010		31st March,2009	
		Rs.	Rs.	Rs.	Rs.
INCOME					
Other Income	G		351611		356355
P& L on trading in F&O (Net)			0		12130
Long term P/L on sale of shares (Net)			322471		500630
Total			674082		869114
EXPENDITURE					
Personnel Expenditure	H		225203		139209
Administrative & Other Expenses	I		467202		351682
Interest & Financial Charges	J		1210		18553
Depreciation			114194		109214
Provision for NPA			75000		142500
Securities Transaction Tax			404		1375
Securities Transaction Tax - F&O			0		991
Other Charges			44		0
Total			883257		763523
Profit for the Year before Tax			-209174		105591
Income tax paid for earlier years			0		730350
Profit after Tax			-209174		-624759
Balance brought forward from previous year			-15203930		-14566950
Less :- Cumulative Deferred Tax Liability upto 31.03.2010 {refer schedule K note B (6)}			0		0
Fringe Benefit Tax			0		12221
Loss Carried to Balance Sheet			-15413105		-15203930
Notes to Accounts	K				

As per our report of even date attached

For & on behalf of the Board

For Vijay R. Tater & Co.
Chartered Accountants

Suresh G Kothari
Partner

S.K. Bagrodia
Managing Director

Kaushal Mehta
Director

Place : Mumbai
Dated : 25/08/2010

Place : Mumbai
Dated : 25/08/2010

SCHEDULE FORMING PART OF THE BALANCE SHEET

**GSL
SECURITIES
LIMITED**

Schedule	31st March,2010		31st March,2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 'A'				
SHARE CAPITAL				
Authorised				
52,50,000 Equity Shares of Rs.10/- each		52500000		52500000
Issued, Subscribed & Paid up :				
32,50,000 Equity Shares of Rs.10/- each fully paid		32500000		32500000
Total		32500000		32500000

Schedule B

Fixed Assets

Description	Gross Block (At Cost)			Depreciation			Net Block		
	As on 01.04.09 Rs.	Addition/(Deduction) during the period Rs.	As at 31.03.10 Rs.	up to 31.03.09 Rs.	For the year Rs.	Deduction during the year Rs.	up to 31.03.10 Rs.	As at 31.03.10 Rs.	As at 31.03.09 Rs.
Furniture & Fixture	16149	8209	24358	340	1236	0	1576	22782	15809
Office Equipments	550764	32640	583404	465734	20159	0	485894	97510	85030
Plant & Machinery (Given on Lease)	2724360	0	2724360	2724360	0	0	2724360	0	0
Vehicle	976832	0	976832	317106	92799	0	409905	566927	659726
Total	4268105	40849	4308954	3507540	114194	0	3621735	687219	760565
Previous Year	4225681	42424	4268105	3398325	109214	0	3507539	760566	827356

SCHEDULE FORMING PART OF THE BALANCE SHEET

**GSL
SECURITIES
LIMITED**

SCHEDULE 'C'

INVESTMENTS A. Quoted & fully paid up Shares	Face Value	No. of Shares/ Debentures/ Bonds/ Units	Asat 31-3-2010 (Rupees)	No. of Shares/ Debentures/ Bonds/ Units	Asat 31-3-2009 (Rupees)
Aditya Birla Nuvo Limited (Formerly Indofulf Fertilisers Limited)	10	1000	961123	1000	961123
Aditya Lime Industries Limited	10	6500	135775	6500	135775
Aluminium Industries Limited	10	2000	32700	2000	32700
Ambuja Cement Eastern Limited	2	400	35700	400	35700
Amrut Industries Limited	10	2000	213045	2000	213045
Asia Corp Securities Limited	10	2000	67500	2000	67500
Atash Industries (I) Limited	10	2000	60900	2000	60900
Avikem Resins Limited	10	2000	30700	2000	30700
Baffin Engineering Projects Limited	1	50000	413063	50000	413063
Celeste International Limited	10	2000	67900	2000	67900
Consolidated Fibres & Chemicals Limited	10	5500	197350	5500	197350
Crescent Finstock Ltd.	10	1	0	1	0
DCL Maritech Limited	10	1000	26400	1000	26400
Dhoot Industries Limited	10	6500	146900	6500	146900
Digvijay Finlease Limited	10	375	1250	375	1250
Dynasty Financial Corporation Limited	10	2000	40700	2000	40700
Enkay Texofood Industries Limited	10	4400	452250	4400	452250
Finolex Industries Limited	10	5000	316000	5000	316000
Ganesh Anhydride Limited	10	1800	62400	1800	62400
Gujarat Composite Limited	10	116	0	116	0
Gujarat Sidhee Cement Limited	10	10000	141000	10000	141000
Henkel Spic India Limited	10	3000	116000	3000	116000
Himachal Fibers Limited	10	500	29175	500	29175
Himachal Futuristic Limited	10	1140	201495	1140	201495
Hindalco Industries Limited	1	16078	1304612	16078	1304612
ICICI Bank Limited	10	350	77328	350	77328
The Indian Hume Pipe Co. Limited	1	3850	522945	3850	522945
Indian Magnetics Limited	10	2000	22340	2000	22340
Indian Seamless Metal Tubes Limited	10	5000	181625	5000	181625

Ispat Profiles (I) Limited	10	2250	48015	2250	48015
ITC Limited	1	27000	628450	27000	628450
Jatta Poly-Yarn Limited	10	3000	129450	3000	129450
Jai Prakash Power Ventures Limited (Formerly Jai Prakash Hydro Power Limited)	10	1000	32000	1000	32000
Jai Prakash Associates Ltd. (Formerly Jaypee Hotels Limited)	2	1500	44400	1000	44400
J.M. Financial Limited	1	32500	87350	32500	87350
Kanan Steels Limited	10	13000	275550	13000	275550
Kayel Syntex Limited	10	4500	98400	4500	98400
Kings International Limited	10	3600	136425	3600	136425
Kohinoor Foods Limited (Formerly Satnam Overseas Limited)	10	2000	40700	2000	40700
Lee & Nee Software (Exports) Limited	10	100	3199	100	3199
Libord Infotech Limited	10	200	3920	200	3920
Madras Motor Finance & Guarantee Co. Ltd.	10	5000	164300	5000	164300
Magna Industries & Exports Limited	10	10600	131143	10600	131143
Mayo Hospitals Limited	10	6200	124270	6200	124270
Midwest Iron & Steel Co. Limited	10	2500	76184	2500	76184
Multicolour Offset Limited	10	2000	48200	2000	48200
Nagarjuna Fertilizers & Chemicals Limited	10	2000	82760	2000	82760
Nagarjuna Granites Limited	10	1000	14000	1000	14000
National Thermal Power Corporation Limited	10	251	15562	251	15562
NCL Industries Limited	10	200	3250	200	3250
NIIT	2	375	147143	50	147143
NIIT Technology Limited	10	112	220715	75	220715
Nirlon Limited	10	14125	311250	14125	311250
Norris Medicines Limited	10	5000	86314	5000	86314
Pennar Industries Limited (0.01 Preference Shares)		2000	81780	2000	81780
Pentafour Products Limited	10	4000	208500	4000	208500
Penta Bio-Tech Limited	10	2000	121800	2000	121800
Punjab Wireless Systems Limited	10	400	154356	400	154356
Rajasthan Balls & Bearings Limited	10	2500	65825	2500	65825
Rajinder Alloys Limited	10	1000	11688	1000	11688
Rama News Prints & Papers Limited	10	750	79050	750	79050
Rolta India Limited	10	0	0	2000	0
Sagar Cement Limited	10	435	16573	1000	16573
Samtel Colour Limited	10	1200	109620	1200	109620
Siddha Ventures Limited (Formerly IFB Securities Limited)	10	10000	150849	10000	150849

SCHEDULE FORMING PART OF THE BALANCE SHEET

**GSL
SECURITIES
LIMITED**

Saurashtra Cement Limited	10	5000	746410	5000	746410
Schlafhorst Engineering (I) Limited	10	1000	81200	1000	81200
Shrishma Fine Chemicals & Pharmaceuticals Ltd.	10	2000	74460	2000	74460
Skyline NEPC Limited	10	6000	240000	6000	240000
Sri Chakra Cements Ltd.	10	1200	15240	1200	15240
Super House Leathers Limited	10	50	4008	50	4008
Supplimentry Food (I) Limited	10	2000	32700	2000	32700
Tamilnadu Telecommunications Limited	10	2000	74830	2000	74830
Tata Chemicals Limited	10	8000	2540893	8000	2540893
Timken India Limited	10	1000	84150	1000	84150
Topline Shoes Limited	10	4000	73400	4000	73400
Umi Special Steel Limited (Formerly Bihar Alloys Steels Limited)	10	15800	254150	15800	254150
Unitex Designs Limited (Formerly Induj Infotech Limited)	10	150	9363	150	9363
Vishwas Steels Limited	10	2000	52700	2000	52700
Vitta Mazda Limited	10	2000	21000	2000	21000
Western India Shipping	2	5000	125505	5000	125505
Value of Investment			14241176		14241176
Market value of Quoted Investments			20642534		9940401

SCHEDULE 'D'	31st March, 2010		31st March, 2009	
	Rs.	Rs.	Rs.	Rs.
CURRENT ASSETS, LOANS & ADVANCES				
A. Current Assets				
Sundry Debtors				
Debts outstanding more than six months	1999790		2004219	
Other Debts	<u>0</u>		<u>194</u>	
		1999790		2004413
Less: Provision for NPA		<u>1999790</u>		<u>1999790</u>
		0		4623
Cash & Bank Balance				
a. Cash on hand	104539		196427	
b. Balances in Current A/c with :				
i) Schedule Bank	17786		17903	
ii) Other (Citibank N.A.)	<u>2013875</u>		<u>1294765</u>	
		2136201		1509095
Total		<u>2136201</u>		<u>1513718</u>

SCHEDULE FORMING PART OF THE BALANCE SHEET

GSL
SECURITIES
LIMITED

	31st March,2010		31st March,2009	
	Rs.	Rs.	Rs.	Rs.
B. Loans & Advances				
(Unsecured considered good, recoverable in cash or in kind for value to be received)				
Advance Tax (A.Y. 2006-07)		5000		5000
ICD / Other Deposits	10814472		11514472	
Less: Provision for NPA	10814472	0	10739472	775000
Tax Deducted at Source		7133		7133
Staff Loan		44310		8090
Prepaid Expenses		12578		13270
Citibank Credit Card		1712		0
Advance Fringe Benefit Tax (A.Y:2008-09)		0		17000
Advance Fringe Benefit Tax (A.Y:2009-10)		0		10800
F.B.T Refundable (A.Y:2008-09)		170		0
Total		70903		836293
SCHEDULE 'E'				
CURRENT LIABILITIES & PROVISIONS				
A. Current Liabilities				
Other Liabilities	48605		26282	
		48605		26282
B. Provisions				
Provision for FBT	0		29402	
		0		29402
Total		48605		55684

**SCHEDULE FORMING PART OF THE BALANCE SHEET &
PROFIT & LOSS A/C**

**GSL
SECURITIES
LIMITED**

	31st March,2010		31st March,2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 'F'				
Profit and Loss account				
Balance b/fd from previous year	15203930		14566950	
Add/(Less): Loss/(Profit) for the year	209174		636980	
		15413104		15203930
SCHEDULE 'G'				
OTHER INCOME				
Dividend on Shares		351611		217624
Interest on Income tax refund (A.Y:1995-96)		0		46103
Interest on Income tax refund (A.Y:1996-97)		0		92628
Total		351611		356355
SCHEDULE 'H'				
PERSONNEL EXPENDITURE				
Salaries		183416		130465
Staff Welfare		41787		8744
Total		225203		139209
SCHEDULE 'I'				
ADMINISTRATIVE & OTHER EXPENSES				
Travelling & Conveyance		107801		53816
Postage,Telephone & Courier Charges		60214		45040
Electricity Charges		45319		0
Directors Remuneration(Medical exps)		14993		38000
Printing & Stationery		24095		18820
Audit Fees		13788		12500
Filing Fees		4000		7128
Legal & Professional Fees		34800		88714
Share transfer & Demat Expenses		20068		21959
Society Charges		25355		0
General Expenses		116771		65706
Total		467202		351682



SCHEDULE FORMING PART OF THE BALANCE SHEET & PROFIT & LOSS A/C

**GSL
SECURITIES
LIMITED**

	31st March,2010		31st March,2009	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 'J'				
INTEREST & FINANCIAL CHARGES				
Bank Charges		123		0
Demat Charges		851		11508
Interest Paid on FBT		236		712
Interest on Car Loan		0		6333
Total		1210		18553

SUB-SCHEDULE FOR BALANCE SHEET AND PROFIT & LOSS A/C

GSL
SECURITIES
LIMITED

	31st March,2010		31st March,2009	
	Rs.	Rs.	Rs.	Rs.
ICD/Other Deposits				
Anaga Trading & Investment	200000		200000	
Anchal Trading Co.	850000		850000	
Banwarilal Saini	500000		500000	
Banwarilal Saini - HUF	800000		800000	
B.R.Nahar & Sons(HUF)	0		700000	
Bijay Chokhani	2075000		2075000	
Camyo Trade Link	125000		125000	
H.M. Associates	100000		100000	
Satya Impex	1350000		1350000	
Parekh Enterprises	100000		100000	
Pawan Kumar & Co.	400000		400000	
Ramaka Enterprises	195000		195000	
Shree Balaji Investments	250000		250000	
Shree Jaisal Securities	150000		150000	
Shri Nicosect Ltd.	500000		500000	
Vallabh M. Rathi	200000		200000	
Whitfield Impex	100000		100000	
Innovative Print-Forms Ltd.	1087926		1087926	
Highland Industries Limited	1756546		1756546	
Vasudev Dyes & Chemicals	75000		75000	
		10814472		11514472
Sundry Debtors				
Bill Receivables	1998790		1998790	
Sudarshan Cement Ltd.	1000		1000	
J.M Financial Services Pltd	0		4623	
		1999790		2004413
Tax Deducted at Source				
TDS on Interest on Debentures (06/07)	954		954	
TDS on interest received (2004/2005)	6179		6179	
		7133		7133
Other Liabilities				
Gagrani & Associates	0		12500	
Gagrani & Gagan	13000		3500	
Anurag R Gupta & Associates	0		1000	
Telephone Expenses Payable	1993		915	
Share Transfer & Demat Expenses Payable	10350		5297	
Profession Tax on Salary Payable	0		3070	
Vijay Tater & Co	13788		0	
Electricity Expenses Payable	3138		0	
Legal Press Release Charges Payable	6337		0	
		48605		26282

SUB-SCHEDULE FOR BALANCE SHEET AND PROFIT & LOSS A/C

GSL
SECURITIES
LIMITED

	31st March,2010		31st March,2009	
	Rs.	Rs.	Rs.	Rs.
Travelling & Conveyance				
Conveyance	3814		1547	
Vehicle Expenses	31449		4825	
Travelling Expenses	9008		36944	
Petrol Expenses	63530		10500	
		107801		53816
Postage & Telephone & Courier Charges				
Postage & Courier Charges	21803		11463	
Telephone Expenses	38411		33577	
		60214		45040
General Expenses				
AGM Expenses	0		318	
Auction Charges	0		1861	
Books & Periodicals Expenses	2973		693	
Business Promotion Expenses	9590		0	
Company Profession Tax	2500		2500	
Certification Charges	1080		900	
Legal Press Release Expenses	13747		8580	
Office Expenses	21099		3889	
Repairs and Maintenance	10841		0	
Sundry Expenses	1772		0	
Annual Listing Fees	12114		10000	
AMC Charges	5875		4750	
Vehicle Insurance	19844		22168	
Annual Custodial Fees	15336		10046	
		116771		65706

**SCHEDULES FORMING PART OF THE
ACCOUNTS FOR THE YEAR ENDED 31ST
MARCH, 2010**

SCHEDULE-K

A. SIGNIFICANT ACCOUNTING POLICIES:-

1. Accounting Convention :

The Financial Statements have been prepared under the historical cost convention, on accrual basis to comply in all material respects with all applicable accounting principles in India, the applicable Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

2. Use of Estimates:

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

3. Fixed Assets :

The fixed assets are stated at acquisition cost less accumulated depreciation.

4. Depreciation :

Depreciation on Fixed Assets has been provided in accordance with the rates specified under Income Tax Rules, 1962 or under Schedule XIV of the Companies Act, 1956 on straight line method.

In respect of Leased Assets, depreciation has been provided on straight line basis over primary lease period.

5. Investments :

Investments are classified as Quoted & Unquoted Investments.

Long term Investments are stated at cost less provision for permanent diminution in value of such investments.

Current Investments are stated at lower of cost and fair market value, determined by category of Investments.

6. Revenue Recognition :

- a) All incomes and expenditure are accounted for on accrual basis unless otherwise stated.
- b) Interest income is recognized on accrual basis, while dividend on shares and securities is recognized when the right to receive the dividend is established.
- c) Lease Income: Income from Lease Assets which has been considered as non-performing assets / doubtful debts is recognised as and when the amount is received and shown as either recovery of non-performing assets or prior period adjustment as the case may be.

7. Earnings per Share (EPS) :

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax (after providing the post tax effect of any extra ordinary items). The number of shares used in computing Basic EPS is the weighted average number of equity shares outstanding during the year.

8. Taxation :

- a) **Current Tax:** A provision for current income tax is made on the taxable income using the applicable tax rates and tax laws.
- b) **Deferred Tax:** Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognised unless there is a virtual certainty with respect to the reversal of the same in future.

9. Impairment of Assets :

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which

the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less costs to sell vis-à-vis value in use. For the purpose of impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

10. Provisions and Contingencies :

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation can not be made.

B. NOTES TO ACCOUNTS

1. Contingent Liabilities Not Provided For :-

	31.03.2010	31.03.2009
a) Estimated amount of contracts remaining to be executed on capital account	NIL	NIL
b) Claims against company not acknowledge as debts	NIL	NIL
2. Foreign Exchange earnings and out-go is Rs. NIL (P.Y. NIL)		

3. Segment Reporting

Segment Reporting as defined in Accounting Standards 17 is not applicable as the company is primarily engaged in Finance Activity.

4. Disclosure requirements as per Accounting Standard 18 (AS-18) "Related Party Disclosure" issued by the Institute of Chartered Accountants of India

I. List of Related Parties :

- a) Associate companies where Relatives of the Managing Director / Chief Executive Officer are Directors.
- (i) Manglam Exim Private Limited
 - (ii) Shree Kumar Mangalam Traders Private Limited
 - (iii) Harivasta Education Private Limited
 - (iv) Nalini Stockbrokers Private Limited
 - (v) Rastogi Textiles Private Limited

b) Key Management Personnel

- (i) S. K. Bagrodia

c) Director

- (i) Shailja Bagrodia

II. Particulars of transactions during the year with Related Parties :

Name of the Party	Nature of transaction	31/03/2010	31/03/2009
S. K. Bagrodia	Medical Expenditure	14,992	38,000
	Interest Free Loan Taken	44,500	1,15,500
Shailja Bagrodia	Interest Free Loan Taken	NIL	1,18,000

III. Particulars of Outstanding Balance at the end of the year with Related Parties

Outstanding balance at the end of the year Rs. NIL (P. Y. – Nil) of any related Party

5. Managerial Remuneration :-

Salary and other benefits include remuneration paid to Managing Director, as under :-

Nature of transaction	31/03/2010	31/03/2009
Salary	NIL	NIL
Medical Expenditure	14,992	38,000

6. Deferred taxes on Income:-

The company is entitled to create deferred tax asset/liability in the books of a/cs with respect to timing difference of carried forward business and depreciation losses as well as depreciation. However, in view of carried forward business & depreciation losses there is no reasonable certainty that the asset can be realized. Hence the deferred tax asset is not recognized on the ground of prudence.

7. In the absence of confirmation from some of the parties and pending reconciliation the debit and credit balances with regard to recoverable and payable have been taken as reflected in the books. In the opinion of the Directors, Loans and Advances and Current Assets, if realized in the ordinary course of business, have the value at which they are stated in the Balance Sheet.

8. Diminution in Value of Long Term Investment

The diminution of Rs NIL (Previous Year Rs 43,00,775) in the value of aggregate long term investments in quoted equity shares as on 31st March, 2010 has not

been provided as in the view of the management such diminution is temporary in nature and as such there is no requirement of making any provision.

9. As per Accounting Standard 20 "Earning Per Share" issued by Institute of Chartered Accountant of India the Company gives following disclosure for the year.

Basic & Diluted Earning Per Share

	Unit	31.03.2010	31.03.2009
a) Net Profit / (Loss) attributable to equity shareholders	Rs.	(2,09,174)	1,05,591
b) Weighted average number of equity shares	No.	32,50,000	32,50,000
c) Nominal Value Per Share	Rs.	10	10
d) Earning Per Share	Rs.	(0.06)	0.03

10. Auditors' Remuneration

Particulars	31.3.2010	31.3.2009
As Auditor		
Audit Fees	12,500	12,500
Service Tax	1,288	NIL
Tax Audit Fees	NIL	NIL
In other capacities		
Other services	NIL	NIL
Out of pocket expense	NIL	NIL
Total	13,788	12,500

11. During the year, the Company has provided Rs. 75,000/- (P.Y. 1,42,500/-), towards Non- performing Assets in accordance with the prudential norms prescribed by Reserve Bank of India

- 12 The figures of the previous year have been regrouped and recast wherever necessary to confirm to the groupings of the current year.

As per our report of even date attached For **Vijay R. Tater & Co.** Chartered Accountants

CA. Suresh G. Kothari
Partner
(M.No.47625)

For and on behalf of the Board

S.K. Bagrodia
(Managing Director)

Kaushal Mehta
(Director)

Place: Mumbai
Date: 25.08.2010.

Balance Sheet abstract and Company's General Business Profile as per Schedule VI Part (iv) of the Companies Act, 1956.

1. REGISTRATION DETAILS :

- (a) Registration No. : 11-77417 of 1994
(b) Status Code : 11
(c) Balance Sheet : 31.03.2010

2. CAPITAL RAISED DURING THE YEAR

- | | Rs. in thousand |
|--|-----------------|
| (a) Public Issue | 0 |
| (b) Bonus Issue | 0 |
| (c) Right Issue | 0 |
| (d) Private Placement(Promoter's Contribution) | 0 |

3. POSITION OF MOBILISATION & DEPLOYMENT OF FUNDS :

- | | |
|-------------------|-------|
| TOTAL ASSETS | 32500 |
| TOTAL LIABILITIES | 32500 |

SOURCES OF FUNDS

- | | |
|----------------------|-------|
| 1. Paid up Capital | 32500 |
| 2. Reserve & Surplus | 0 |
| 3. Loans & Funds | 0 |

APPLICATION OF FUNDS :

- | | |
|-----------------------|-------|
| 1. Net Fixed Assets | 687 |
| 2. Investments | 14241 |
| 3. Net Current Assets | 2158 |
| 4. Accumulated Losses | 15413 |

4. PERFORMANCE OF THE COMPANY :

- | | |
|------------------------|-------|
| 1. Total Income | 674 |
| 2. Total Expenditure | 883 |
| 3. Profit before Tax | -209 |
| 4. Profit after Tax | -209 |
| 5. Earning per share : | |
| Basic | -0.06 |
| Diluted | -0.06 |
| 6. Dividend (in %) | 0 |

5. GENERIC NAMES OF PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY.

- | | |
|-------------------------|---------------|
| 1. Item Code : | NIL |
| 2. Products Description | |
| | 1. Finance |
| | 2. Investment |

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

GSL
SECURITIES
LIMITED

	31st March,2010		31st March,2009		
	Rs.	Rs.	Rs.	Rs.	
16 T H A N N U A L R E P O R T 2 0 0 9 2 0 1 0	A. CASH FLOW FROM OPERATING ACTIVITIES:				
	Net profit before tax as per Profit & Loss Account :		-209174		105591
	Adjusted for :				
	Depreciation	114194		109214	
	Long Term Profit on Sale of Shares	322471		500630	
	Dividend & Interest Income	351611	-559888	356355	-747771
	OPERATING PROFIT BEFORE WORKING				
	CAPITAL CHANGES		-769062		-642180
	Adjustments for :				
	Trade and Other Receivable	770013		1083495	
	Trade Payables	- 7079	762934	-4632	1078863
	CASH USED IN OPERATIONS		-6128		436683
	Direct Tax Paid		0		-730350
	Fringe Benefit Tax		0		-12221
	CASH FLOW BEFORE EXTRAORDINARY ITEMS		-6128		-305888
	Extra Ordinary Items		0		0
NET CASH USED IN OPERATING ACTIVITIES		-6128		-305888	
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Fixed Assets	-40849		-42424		
Sale of Fixed Assets	0		0		
Purchase of Investments	0		0		
Sale of Investments	0		585781		
Long Term Profit on Sale of Shares	322471		500630		
Dividend Received	351611		217624		
Interest Received	0		138731		
NET CASH GENERATED FROM INVESTING ACTIVITIES		633233		1400342	

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010**GSL
SECURITIES
LIMITED**

	31st March,2010		31st March,2009	
	Rs.	Rs.	Rs.	Rs.
C. CASH FLOW FROM FINANCING ACTIVITIES				
Secured Loan from HDFC Bank Ltd.		0		-198557
Unsecured Loan from Director		0		0
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		627105		895897
CASH AND CASH EQUIVALENTS AS AT 01.04.2009 (OPENING BALANCE)		1509095		613198
CASH AND CASH EQUIVALENTS AS AT 31.03.2010 (CLOSING BALANCE)		2136200		1509095

For & on behalf of the Board

S.K. Bagrodia
Managing DirectorPlace : Mumbai
Dated : 25.08.2010**Auditors' Certificate**

We have verified the above Cash Flow Statement of M/s. GSL Securities Limited from the audited financial statements for the year ended 31st March, 2010 and 31st March, 2009 and found the same to be drawn in accordance therewith and also with the requirement of clause 32 of the Listing Agreements with Stock Exchanges.

For Vijay R. Tater & Co.
Chartered Accountants
Firm Registration No. 111426W

Place : Mumbai
Date : 25.08.2010

(Suresh G. Kothari)
Partner

BOOK-POST

If Undelivered, Please return to :

GSL SECURITIES LIMITED

61 'B' Mittal Tower,
6th Floor, 210, Nariman Point,
Mumbai – 400 021.

DAS PRINTING : 40026615/16

GSL SECURITIES LIMITED

Registered Office

61 'B' Mittal Tower, 6th Floor, 210, Nariman Point, Mumbai – 400 021.

ATTENDANCE SLIP

16th Annual General Meeting 24th September, 2010 At 10.00 A.M.

Reg. Folio No. : _____

I Certify that I am a registered Shareholder / Proxy for the registered Shareholder of the Company.

I/We hereby record my / our presence at the Annual General Meeting of the Company to be held at 61 'B' Mittal Tower, 6th Floor, 210, Nariman Point, Mumbai – 400 021.

Name of Member (In Block Letters)
Name of the Proxy If Attending for Member (In Block Letters)
Signature of the Member / Proxy

Note : Please fill this attendance slip and hand it over at the entrance of the hall.

GSL SECURITIES LIMITED

Registered Office

61 'B' Mittal Tower, 6th Floor, 210, Nariman Point, Mumbai – 400 021.

PROXY FORM

I/We _____ of
 _____ in the district of _____ being a member/members
 of the above-name company hereby appoint _____ of
 _____ in the district of _____ of falling him
 _____ in the district of _____

as my/our Proxy vote for me/us on my/our behalf of the 16th Annual General Meeting of the Company to be held on Friday 24th September, 2010 and at any adjournment thereof.

Signed this _____ day of _____, 2010

Regd. Folio No. _____ Signature _____

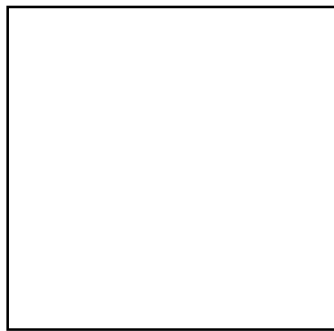
Please Affix Rupee One Revenue Stamp
--

Note : This Form in order to be effective should be duly stamped, completed and signed and must be deposit at the Registered Office of the Company, not less than 48 hours before the Meeting.

GSL SECURITIES LIMITED

BOARD OF DIRECTORS	: MR. S. K. BAGRODIA Chairman Cum Managing Director Mrs. SHAILJA BAGRODIA Mr. KAUSHAL MEHTA Mr. VIJAY KUMAR LAHOTI
AUDITORS	: M/s. VIJAY R. TATER & CO.
BANKERS	: UNION BANK OF INDIA CITI BANK N.A.
REGISTERED OFFICE	: 61, Mittal Towers, 'B' Wing, 6th Floor, 210, Nariman Point, Mumbai - 400 021.
REGISTRARS & SHARE TRANSFER AGENTS	: M/s. PURVA SHAREGISTRY (INDIA) PVT.LTD. Shivshakti Industrial Estate, Gala No.9, Sitaram Mills Compound, J.R. Boricha Marg, Mahalaxmi, Mumbai - 400 011.
DEPOSITORY	: NATIONAL SECURITY DEPOSITORY LTD. (NSDL.) CENTRAL DEPOSITORY SERVICES (INDIA) LTD. (CSDL).

16th Annual Report
2009-2010



SECURITIES
LIMITED

GSL SECURITIES LIMITED