

**NOTICE**

**NOTICE** is hereby given that the Eighteenth Annual General Meeting of the members of M/s. GSL SECURITIES LIMITED will be held on Thursday, 20<sup>th</sup> September, 2012 at 10.00 a.m. at Registered Office of the Company at 61 'B' Wing, Mittal Tower, 6<sup>th</sup> 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 31<sup>st</sup> March 2012 and the Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Shri Sant Kumar Bagrodia, who retires by rotation and being eligible, offers himself 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**  
Sd/-

**Place: Mumbai**

**Date: 13/07/2012**

**S.K. Bagrodia**  
**Chairman & Director**

**Registered Office:**

61 'B' Mittal Tower  
6<sup>th</sup> 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 from Tuesday 18<sup>th</sup> September, 2012 to Thursday, 20<sup>th</sup> September 2012.

**DIRECTOR'S REPORT**

To,  
The Members,  
GSL Securities Limited.

Your Directors have pleasure in presenting the Eighteenth Annual Report with the audited statement of Accounts for the year ended 31st March 2012.

**Financial Results:**

Summary of the working result of the company for the Eighteenth Accounting Year ended 31st March, 2012 are given as below:

	Rs.	Rs.
	2011-12	2010-11
Gross Profit/(Loss)	129,313.00	(296,445.00)
Less : Depreciation	118,341.00	118,071.00
Profit/(Loss) before tax	10,972.00	(414,516.00)
Less: Income Tax paid		
earlier year	-	-
Profit/(Loss) after tax	10,972.00	(414,516.00)
Add : Balance brought forward		
from previous year	(15,827,622.00)	(15,413,106.00)
	<u>(15,816,650.00)</u>	<u>(15,827,622.00)</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:**

Shri. Sant Kumar Bagrodia shall be retiring by rotation at the forthcoming Annual General Meeting and being eligible, offers himself 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 31<sup>st</sup> March, 2012 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 31<sup>st</sup> March 2012 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 2011-12 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**

Sd/-

**Place : Mumbai**

**S.K. Bagrodia**

**Dated :30/05/2012**

**Chairman & 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. 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 also your company has not received interest from the parties, resulting in negligible profit to the company.

### 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. Also the Indian economy & Capital market has remained weak since more than a year and is also not showing sign of immediate improvement. 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 good profit during the year, which was mainly on account of non-receipt of interest in the current year.

**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	Nil	02	Nil	Nil
Mrs. Shailja Bagrodia	Promoter Non Executive Director	NIL	04	Nil	Nil
Mr. Kaushal Mehta	Independent Non-Executive Director	01	Nil	01	01
Mr. Vijay Kumar Lahoti	Independent Non-Executive Director	Nil	Nil	Nil	Nil

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

- (i) Eight Meetings of the Board of Directors were held during the year ended 31<sup>st</sup> March, 2012. These were held on :-
- |                                     |                                    |
|-------------------------------------|------------------------------------|
| (1) 29 <sup>th</sup> April, 2011    | (2) 29 <sup>th</sup> July, 2011    |
| (3) 18 <sup>th</sup> August, 2011   | (4) 31 <sup>st</sup> October, 2011 |
| (5) 12 <sup>th</sup> December, 2011 | (6) 31 <sup>st</sup> January, 2012 |
| (7) 24 <sup>th</sup> February, 2012 | (8) 20 <sup>th</sup> March, 2012   |
- (ii) The attendance recorded for each of the Directors at the Board Meetings during the year ended on 31<sup>st</sup> March, 2012 and of the last Annual General Meeting is as under :

Directors	No. of Board Meetings		Attended last AGM
	Held	Attended	
Mr. SantKumar Bagrodia	8	8	Yes
Mrs. Shailja Bagrodia	8	8	Yes
Mr. Kaushal Mehta	8	7	Yes
Mr. Vijay Kumar Lahoti	8	7	Yes

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 31<sup>st</sup> 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 29<sup>th</sup> April, 2011, 29<sup>th</sup> July, 2011, 18<sup>th</sup> August, 2011, 31<sup>st</sup> October, 2011 & 31<sup>st</sup> January, 2012. The attendance of each Audit Committee member is as under :-

Member	No. of Meetings Attended
Mr. Kaushal Atul Mehta	4
Mr. Vijay Kumar Lahoti	4
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 Director, Mr. Sant Kumar Bagrodia Rs.6,689/- relates to reimbursement of Medical Expenses incurred by him during the year 2011-2012 as he has waived the monthly remuneration payable to him.

### V. Board Procedure

The Board of Directors of the Company has met Eight 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 31<sup>st</sup> October, 2003 under the Chairmanship of Non Executive Director, Smt. Shailja Bagrodia. During the year ended 31<sup>st</sup> March, 2012, no investor complaints were received. 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 20<sup>th</sup> September, 2012 are given hereunder: -

Name of the Director.	<b>Shri. Santkumar Bagrodia</b>
Date of Appointment	29 <sup>th</sup> March, 1994
Expertise in Specific Functional areas	B.com with over 30 years of experience in the filed of finance, etc.
List of Other Directorships held	1. Nalini Stockbrokers Pvt. Ltd. 2. Harivatsa Education Pvt. Ltd.
Chairman/Member of the committees of the Board of the other Companies on which he/she is a Director.	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
22 <sup>nd</sup> September, 2011	61,Mittal Tower, 6 <sup>th</sup> Floor, B wing 210,, Nariman Point, Mumbai – 400 021.	10.00 A.M.
24 <sup>th</sup> September, 2010	61,Mittal Tower, 6 <sup>th</sup> Floor, B wing 210,, Nariman Point, Mumbai – 400 021.	10.00 A.M.
25 <sup>th</sup> September, 2009	61,Mittal Tower, 6 <sup>th</sup> 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	<a href="http://www.bseindia.com">www.bseindia.com</a>
Whether MD&A is a part of annual report	Yes

**XI. General Shareholder Information :**

**(A)** Eighteenth Annual General Meeting of the Company will be held on Thursday 20<sup>th</sup> September, 2012 at 10.00 a.m. at Registered Office of the Company at 61, 'B' Wing Mittal Tower, 6<sup>th</sup> Floor, 210, Nariman Point, Mumbai – 400 021.

**(B)** Financial Calendar 2012 – 2013 :

First Quarterly Results	:	Before end of July, 2012.
Second Quarterly Results	:	Before end of October, 2012.
Third Quarterly Results	:	Before end of January, 2013.
Fourth Quarterly Results	:	Before end of April, 2013.

**(C)** Date of Book Closure – Tuesday 18<sup>th</sup> September, 2012 to Thursday, 20<sup>th</sup> September, 2012.

**(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 2011 – 2012 has been paid to 'The Mumbai Stock Exchange only, as the company is seeking delisting from Calcutta and Ahmedabad Stock Exchanges.



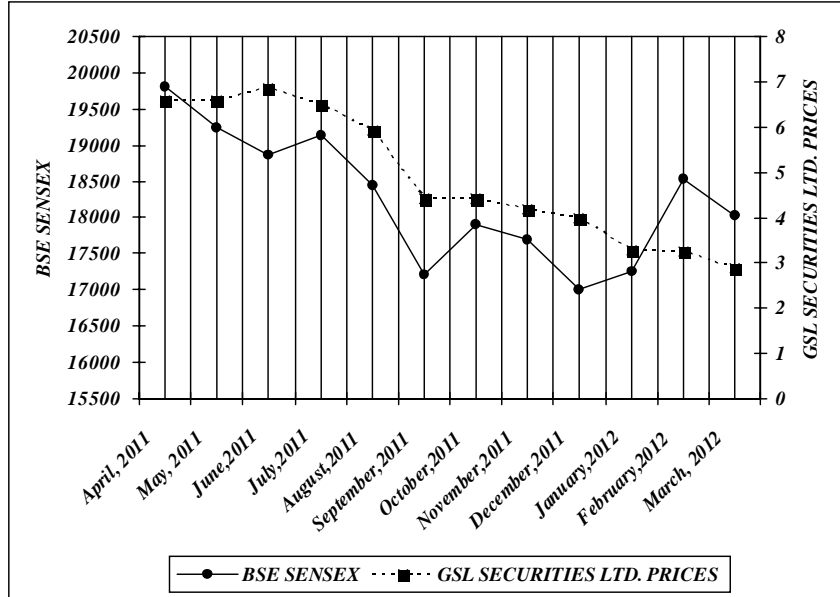
**(F) Stock Code :-**

- (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 - 11	6.60	6.60
May - 11	6.06	6.06
June - 11	6.85	6.85
July - 11	6.51	5.94
Aug - 11	5.94	3.63
Sep - 11	4.42	4.2
Oct - 11	4.42	4.2
Nov - 11	4.2	4.2
Dec - 11	4	3.44
Jan - 12	3.27	3.27
Feb - 12	3.26	3.04
Mar- 12	2.89	2.89

**(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 31<sup>st</sup> March, 2012 :-

Shareholding of Nominal value	No. of Shareholders (Folios)	% of Shareholders (Folios)	No. of Shares	% of Shareholding
Up to 5000	3,448	91.29	4885960	15.03
5001-10000	169	4.47	1369940	4.22
10001-20000	70	1.85	1009500	3.11
20001-30000	33	0.87	848120	2.61
30001-40000	16	0.42	572830	1.76
40001-50000	9	0.24	432000	1.33
50001-100000	12	0.32	850550	2.62
100001 & above	20	0.53	22531100	69.33
<b>Total</b>	<b>3777</b>	<b>100.00</b>	<b>32500000</b>	<b>100.00</b>

Category	No. of Shareholders (Folios)	% of Shareholders (Folios)	No. of Shares	% of Shareholding
Promoters	8	0.21	13,30,900	40.95
Resident Individual	3686	97.59	11,63,652	35.81
Hindu Undivided Family	21	0.56	8,214	0.25
Corporate Bodies	61	1.62	7,46,734	22.98
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	0.02	500	0.02
<b>Total</b>	<b>3777</b>	<b>100.00</b>	<b>32,50,000</b>	<b>100.00</b>

(L) **Dematerialisation of Shares and Liquidity** :- 28,30,800 shares representing 87.10 % of Company's total shares were held in dematerialized form as on 31st March, 2012 and the balance 4,19,200 shares representing 12.90 % of Company's total shares were held in physical form.

(M) **Address for Correspondence** : M/s. GSL Securities Limited  
61, Mittal Tower,  
'B' Wing 6<sup>th</sup> 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 31.03.2012 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**  
Sd/-

**Suresh G. Kothari**  
**Partner**  
**M. No. : 47625.**

**Place : Mumbai**  
**Dated :30/05/2012**

**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, 2012 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, 2012, and taken on the record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 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 2012;
  - (ii) in the case of the Profit and Loss Account, of the profit 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 :30/05/2012**

**Sd/-**  
**(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 31.03.2012)

- 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 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) According to the information and explanation given to us the company has taken unsecured loan from a party covered in the Register maintained under section 301 of the Companies Act, 1956. The maximum Amount involved during the year was Rs 1.55 Lacs and the year end balance of such loan taken was Rs 1.50 Lacs
- c) In our opinion the rate of interest and other terms and conditions of such loan are not prima facie prejudicial to the interest of the company.
- d) According to the information and explanations given to us in respect of such loans taken by the Company, the same are at call and no stipulations have been made regarding payment of principal and interest thereon.
- 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 as at the end of the financial year and has not incurred cash losses in the current financial year but has incurred 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 :30/05/2012**

**Sd/-**

**(Suresh G. Kothari)**

**Partner.**

**Membership No. 47625**



**BALANCE SHEET AS AT 31st March, 2012**

**GSL  
SECURITIES  
LIMITED**

Particulars	Note No	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholder's Funds</b>			
a Share Capital	2	32,500,000	32,500,000
b Reserves and Surplus	3	(15,816,650)	(15,827,622)
<b>2 Current Liabilities</b>			
a Short Term Borrowings	4	150,000	246,500
b Trade Payables	5	28,260	57,516
<b>Total</b>		<b>16,861,610</b>	<b>16,976,394</b>
<b>II ASSETS</b>			
<b>1 Non-current assets</b>			
a <b>Fixed Assets</b>			
a.i Tangible Assets	6	460,716	579,057
b <b>Non-current investments</b>	7	14,241,176	14,241,176
<b>2 Current assets</b>			
a Trade Receivables	8	-	-
b Cash and cash equivalents	9	2,106,101	2,092,578
c Short-term loans and advances	10	53,617	63,583
<b>Total</b>		<b>16,861,610</b>	<b>16,976,394</b>
Significant accounting policies	1		
Other Notes on accounts from			
Nos 14 to 25 are an integral part of			
the Financial Statements			

As per our report of even date attached

For & on behalf of the Board

**For Vijay R. Tater & Co.**  
Chartered Accountants  
Sd/-  
**Suresh G Kothari**  
Partner  
Membership No. 47625

Sd/-  
**S.K. Bagrodia**  
Director

Sd/-  
**Kaushal Mehta**  
Director

Place : Mumbai  
Date : 30.05.2012

Place : Mumbai  
Date : 30.05.2012



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED  
31st March, 2012**

**GSL  
SECURITIES  
LIMITED**

Particulars	Note No	For the Year ended on March 31 ,2012 Rs.	For the Year ended on March 31 ,2011 Rs.
<b>INCOME</b>			
Other Income	11	461,741	454,977
<b>Total Revenue</b>		461,741	454,977
<b>EXPENSES</b>			
Employee Benefit Expenses	12	124,083	256,371
Depreciation and Amortization Expenses	6	118,341	118,071
Other expenses	13	208,345	495,051
<b>Total Expenses</b>		450,769	869,493
<b>Profit/Loss(-) before tax</b>		10,972	(414,516)
<b>Tax expenses:</b>			
Current tax		-	-
		-	-
<b>Profit (Loss) for the period</b>		10,972	(414,516)
Earnings per equity share Basic and diluted	21	0.003	(0.13)
Significant accounting policies	1		
Other Notes on accounts from Nos 14 to 25 are an integral part of the Financial Statements			

As per our report of even date attached

For & on behalf of the Board

**For Vijay R. Tater & Co.**  
Chartered Accountants  
Sd/-  
**Suresh G Kothari**  
Partner  
Membership No. 47625

Sd/-  
**S.K. Bagrodia**  
Director

Sd/-  
**Kaushal Mehta**  
Director

Place : Mumbai  
Date : 30.05.2012

Place : Mumbai  
Date : 30.05.2012



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

**GSL  
SECURITIES  
LIMITED**

	For the Year Ended March 31, 2012		For the Year Ended March 31, 2011	
	Rupees	Rupees	Rupees	Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net profit after tax		10,972		(414,516)
Adjustments for :				
- Deprecation	118,341		118,071	
- Dividend received	461,741	(343,400)	454,977	(336,906)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>(332,428)</b>		<b>(751,422)</b>
<b>(Increase)/Decrease in current assets</b>				
Loans and Advances	9,966		7,320	
<b>Increase/(Decrease) in current liabilities</b>				
Trade Payables	(29,256)	(19,290)	8,911	16,231
	-		-	
<b>Net Cash used in Operating Activities</b>		<b>(351,718)</b>		<b>(735,191)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets			(9,909.00)	
Dividend Received	461,741.00		454,977.00	
		461,741		445,068
<b>Net Cash Generated From Investing Activities</b>		<b>461,741</b>		<b>445,068</b>





**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012**

**GSL  
SECURITIES  
LIMITED**

	For the Year Ended March 31, 2012		For the Year Ended March 31, 2011	
	Rupees	Rupees	Rupees	Rupees
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Unsecured Loan from Director			246500	
Repayment of Unsecured Loan Taken from Director	(96,500)			
<b>Net Cash from Financing Activities</b>		(96,500)		246,500
<b>Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>13,523</b>		(43,623)
<b>Cash and Cash Equivalents (Opening Balance)</b>		<b>2,092,578</b>		2,136,201
<b>Cash and Cash Equivalents (Closing Balance)</b>		<b>2,106,101</b>		2,092,578

**Notes:**

- 1) The above Cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India
- 2) Figures in brackets indicate cash outgo.
- 3) Previous period figures have been regrouped and recast wherever necessary to conform to the current period classification.

As per our report of even date attached

For & on behalf of the Board

**For Vijay R. Tater & Co.**

Chartered Accountants

Sd/-

**Suresh G Kothari**

Partner

Membership No. 47625

Sd/-

**S.K. Bagrodia**

Director

Sd/-

**Kaushal Mehta**

Director

Place : Mumbai

Date : 30.05.2012

Place : Mumbai

Date : 30.05.2012

**Note-1 forming part of the accounts for the year ended 31<sup>st</sup> march, 2012**

**1.1 Basis of Accounting :**

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.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities

**1.2 Use of Estimates:**

The preparation of the financial statements are in conformity with the generally accepted accounting principles that 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.

**1.3 Fixed Assets :**

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

**1.4 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.

**1.5 Investments :**

- a) Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.
- b) Investments are classified as Quoted & Unquoted Investments.
- c) Long term Investments are stated at cost less provision for permanent diminution in value of such investments.

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

**1.6 Revenue Recognition :**

- a) All incomes and expenditure are accounted for on accrual basis unless otherwise stated.
- b) Dividend on shares and securities is recognized when the right to receive the dividend is established.
- c) The Company follows the Prudential norms for income recognition and provides for / writes off Non-performing Assets as per the prudential norms prescribed by the Reserve Bank of India or earlier as ascertained by the management.

**1.7 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.

**1.8 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.

**1.9 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.

**1.10 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.



**Notes to Financial Statements for the  
year ended 31 March, 2012**

**GSL  
SECURITIES  
LIMITED**

Particulars	As at	As at
	31st March, 2012	31st March, 2011
	Rs.	Rs.
<b>2 SHARE CAPITAL</b>		
(1) <b>Authorised</b>		
52,50,000 (52,50,000) Equity Shares of Rs. 10/- each	52,500,000	52,500,000
	<b>52,500,000</b>	<b>52,500,000</b>
(2) <b>Issued, Subscribed and fully paid-up :</b>		
32,50,000 (32,50,000) Equity Shares of Rs. 10/- each	32,500,000	32,500,000
<b>Total</b>	<b>32,500,000</b>	<b>32,500,000</b>

**2.1 Reconciliation of Equity Shares outstanding at the beginning and at the end of the year :**

	As at 31st March, 2012		As at 31st March, 2011	
	No.of	Rs.	No.of	Rs.
<b>Shares</b>	<b>Shares</b>			
<b>Shares outstanding at the beginning of the year</b>	3,250,000	32,500,000	3,250,000	32,500,000
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
<b>Shares Outstanding at the end of the year</b>	<b>3,250,000</b>	<b>32,500,000</b>	<b>3,250,000</b>	<b>32,500,000</b>

**2.2 Terms/Rights attached to equity shares:**

The company has only one class of equity share having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

During the year ended 31st March 2012, the amount of per share dividend recognized as distributions to equity shareholders was Rs. Nil (31st March 2011 Rs. Nil)

**2.3 Details of Equity shareholders holding more than 5 % shares in the Company**

	As at 31st March, 2012		As at 31st March, 2011	
	No.of	% of holding	No.of	% of holding
<b>Shares held</b>	<b>Shares held</b>			
Shailja Bagrodia	403,700	12.42	403,700	12.42
Mangalam Exim Pltd	332,500	10.23	332,500	10.23
Nalini Stock Brokers Pvt ltd	320,500	9.86	320,500	9.86
Kumar Mangalam Bagrodia	251,500	7.73	251,500	7.73
Shree Kumar Mangalam Traders Pvt Ltd	245,000	7.53	245,000	7.53
Sant Kumar Bagrodia	196,500	6.04	196,500	6.04
		<u>53.81</u>		<u>53.81</u>

**Notes to Financial Statements for the  
year ended 31 March, 2012**
**GSL  
SECURITIES  
LIMITED**

Particulars	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
<b>3 RESERVES AND SURPLUS</b>		
Surplus / (Deficit) in the statement of profit and loss As per last Balance Sheet	(15,827,622)	(15,413,106)
Add: Profit /Loss (-) for the current year	10,972	(414,516)
Net surplus / (Deficit) in the statement of profit and loss	<b>(15,816,650)</b>	<b>(15,827,622)</b>
<b>4 Short-term Borrowings</b>		
<b>Unsecured Loans From:-</b>		
Directors	150,000	246,500
	<b>150,000</b>	<b>246,500</b>
<b>5 Trade Payables</b>		
Other	28,260	57,516
	<b>28,260</b>	<b>57,516</b>

**6 Fixed assets**

Particulars	Gross block				Accumulated Depreciation			NETBLOCK		
	Balance as at 1 April, 2011	Additions	Disposals	Balance as at 31 March, 2012	Balance as at 1 April, 2011	Depreciation /amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2012	Balance as at 31 March, 2012	Balance as at 31 March, 2011
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>TANGIBLE ASSETS</b>										
(a) Furniture and Fixtures										
Owned	24,358.00	-	-	24,358.00	3,118.00	1,542.00	-	4,660.00	19,698.00	21,240.00
(b) Vehicles										
Owned	976,832.00	-	-	976,832.00	502,704.00	92,799.00	-	595,503.00	381,329.00	474,128.00
(c) Office equipment										
Owned	593,313.00	-	-	593,313.00	509,624.00	24,000.00	-	533,624.00	59,689.00	83,689.00
<b>Total</b>	1,594,503.00	-	-	1,594,503.00	1,015,446.00	118,341.00	-	1,133,787.00	460,716.00	579,057.00
<b>March 31,2011</b>	1,584,594.00	9,909.00	-	1,594,503.00	897,375.00	118,071.00	-	1,015,446.00	579,057.00	687,219.00

**Notes to Financial Statements for the  
year ended 31 March, 2012**
**GSL  
SECURITIES  
LIMITED**
**7 Non-Current Investments**

Non-trade Investments Quoted- Fully paid up (At Cost)	Face Value ( Rs. )	As at March 31, 2012		As at March 31, 2011	
		Quantity Nos.	Rs.	Quantity Nos.	Rs.
<b>a Investments in Equity Shares:</b>					
Aditya Birla Nuvo Limited (Formerly Indofulf Fertilisers Limited)	10	1,000	961,123	1,000	961,123
Aditya Lime Industries Limited	10	6,500	135,775	6,500	135,775
Aluminium Industries Limited	10	2,000	32,700	2,000	32,700
Ambuja Cement Eastern Limited	2	400	35,700	400	35,700
Amrut Industries Limited	10	2,000	213,045	2,000	213,045
Asia Corp Securities Limited	10	2,000	67,500	2,000	67,500
Atash Industries (I) Limited	10	2,000	60,900	2,000	60,900
Avikem Resins Limited	10	2,000	30,700	2,000	30,700
Baffin Engineering Projects Limited	1	10,000	413,063	50,000	413,063
Celeste International Limited	10	2,000	67,900	2,000	67,900
Consolidated Fibres & Chemicals Limited	10	5,500	197,350	5,500	197,350
Crescent Finstock Ltd.	10	1	-	1	-
DCL Maritech Limited	10	1,000	26,400	1,000	26,400
Dhoot Industries Limited	10	6,500	146,900	6,500	146,900
Digvijay Finlease Limited	10	375	1,250	375	1,250
Dynasty Financial Corporation Limited	10	2,000	40,700	2,000	40,700
Enkay Texofood Industries Limited	10	4,400	452,250	4,400	452,250
Finolex Industries Limited	10	5,000	316,000	5,000	316,000
Futuristic Offshore Service and Chem. Ltd. (Formerly Ganesh Anhydride Ltd.)	10	1,800	62,400	1,800	62,400
Gujarat Composite Limited	10	116	-	116	-
Gujarat Sidhee Cement Limited	10	10,000	141,000	10,000	141,000
Henkel Spic India Limited	10	3,000	116,000	3,000	116,000
Himachal Fibers Limited	10	250	29,175	250	29,175
Himachal Futuristic Limited	10	1,140	201,495	1,140	201,495
Hindalco Industries Limited	1	16,078	1,304,612	16,078	1,304,612
ICICI Bank Limited	10	350	77,328	350	77,328
The Indian Hume Pipe Co. Limited	2	19,250	522,945	19,250	522,945
Indian Magnetics Limited	10	2,000	22,340	2,000	22,340

ISMT Ltd. (Formerly Indian Seamless Metal Tubes Limited)	10	5,000	181,625	5,000	181,625
Ispat Profiles (I) Limited	10	2,250	48,015	2,250	48,015
ITC Limited	1	54,000	628,450	27,000	628,450
Jatta Poly-Yarn Limited	10	3,000	129,450	3,000	129,450
Jai Prakash Power Ventures Ltd (Form.Jai Prakash Hydro Power Ltd)	10	1,000	32,000	1,000	32,000
Jai Prakash Associates Ltd. (Formerly Jaypee Hotels Limited)	2	1,500	44,400	1,000	44,400
J.M. Financial Limited	1	32,500	87,350	32,500	87,350
Kanan Steels Limited	10	13,000	275,550	13,000	275,550
Kayel Syntex Limited	10	4,500	98,400	4,500	98,400
Kings International Limited	10	3,600	136,425	3,600	136,425
Kohinoor Foods Limited (Formerly Satnam Overseas Limited)	10	2,000	40,700	2,000	40,700
Lee & Nee Software (Exports) Limited	10	100	3,199	100	3,199
Libord Infotech Limited	10	200	3,920	200	3,920
Madras Motor Finance & Guarantee Co. Limited	10	5,000	164,300	5,000	164,300
Magna Industries & Exports Limited	10	10,600	131,143	10,600	131,143
Mayo Hospitals Limited	10	6,200	124,270	6,200	124,270
Midwest Iron & Steel Co. Limited	10	2,500	76,184	2,500	76,184
Multicolour Offset Limited	10	2,000	48,200	2,000	48,200
Nagarjuna Fertilizers & Chemicals Limited	10	2,200	82,760	2,000	82,760
Nagarjuna Granites Limited	10	1,000	14,000	1,000	14,000
Nagarjuna Oil Refinery Limited	10	2,000	-	-	-
National Thermal Power Corporation Limited	10	251	15,562	251	15,562
NCL Industries Limited	10	200	3,250	200	3,250
NIIT	2	375	147,143	375	147,143
NIIT Technology Limited	10	112	220,715	112	220,715
Nirlon Limited	10	14,125	311,250	14,125	311,250
Norris Medicines Limited	10	5,000	86,314	5,000	86,314
Pentafour Products Limited	10	4,000	208,500	4,000	208,500
Penta Bio-Tech Limited	10	2,000	121,800	2,000	121,800
Punjab Wireless Systems Limited	10	400	154,356	400	154,356
Rajasthan Balls & Bearings Limited	10	2,500	65,825	2,500	65,825
Rajinder Alloys Limited	10	1,000	11,688	1,000	11,688
Rama News Prints & Papers Limited	10	750	79,050	750	79,050



SCHEDULE FORMING PART OF THE BALANCE SHEET

**GSL  
SECURITIES  
LIMITED**

Sagar Cement Limited	10	435	16,573	435	16,573
Samtel Colour Limited	10	1,200	109,620	1,200	109,620
Siddha Ventures Limited (Formerly IFB Securities Limited)	10	10,000	150,849	10,000	150,849
Saurashtra Cement Limited	10	5,000	746,410	5,000	746,410
Schlaflhorst Engineering (I) Limited	10	1,000	81,200	1,000	81,200
Shrishma Fine Chemicals & Pharmaceuticals Ltd.	10	2,000	74,460	2,000	74,460
Skyline NEPC Limited	10	6,000	240,000	6,000	240,000
Sri Chakra Cements Ltd.	10	1,200	15,240	1,200	15,240
Super House Leathers Limited	10	50	4,008	50	4,008
Supplimentary Food (I) Limited	10	2,000	32,700	2,000	32,700
Tamilnadu Telecommunications Limited	10	2,000	74,830	2,000	74,830
Tata Chemicals Limited	10	8,000	2,540,893	8,000	2,540,893
Timken India Limited	10	1,000	84,150	1,000	84,150
Topline Shoes Limited	10	4,000	73,400	4,000	73,400
Umi Special Steel Limited (Formerly Bihar Alloys Steels Limited)	10	15,800	254,150	15,800	254,150
S. Kumar Unitexx Ltd. (Formerly Unitex Designs Limited)	10	150	9,363	150	9,363
Vishwas Steels Limited	10	2,000	52,700	2,000	52,700
Vitta Mazda Limited	10	2,000	21,000	2,000	21,000
Western India Shipping	2	5,000	125,505	5,000	125,505
<b>Total {a}</b>			<b>14,159,396</b>		<b>14,159,396</b>
<b>b Investments in Preference Shares:</b>					
Pennar Industries Limited (0.01 Preference Shares)		2,000	81,780	2,000	81,780
<b>Total {b}</b>			<b>81,780</b>		<b>81,780</b>
<b>Total Quoted Investment [(a)+(b)]</b>			<b>14,241,176</b>		<b>14,241,176</b>

**Aggregate Market Value of Quoted Investments Refer Note (a)**

a) While determining diminution, other than temporary, in the value of the long term quoted / unquoted investments, 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.



**Notes to Financial Statements for the  
year ended 31 March, 2012**
**GSL  
SECURITIES  
LIMITED**

Particulars	As at 31st March, 2012 Rs.	As at 31st March, 2011 Rs.
<b>8 Trade Receivables</b>		
<b>outstanding for a period exceeding six months from the date they are due for payment</b>		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	1,999,790	1,999,790
Less: Provision for doubtful trade receivables	1,999,790	1,999,790
<b>Total</b>	<b>-</b>	<b>-</b>
<b>9 Cash and Cash equivalents</b>		
Cash on Hand	24,196	11,006
Balance with Banks :		
- On Current Accounts	2,081,905	2,081,572
<b>Total</b>	<b>2,106,101</b>	<b>2,092,578</b>
<b>10 Short-term Loans and Advances</b>		
Unsecured, considered good		
<b>a Other Loans and Advances</b>		
Prepaid Expenses	6,814	7,770
Income Tax and TDS	12,303	12,303
Staff Advances	34,500	43,510
<b>Total</b>	<b>53,617</b>	<b>63,583</b>



Notes to Financial Statements for the  
year ended 31 March, 2012

**GSL  
SECURITIES  
LIMITED**

Particulars	For the Year ended on 31st March, 2012 Rs.	For the Year ended on 31st March, 2011 Rs.
<b>11 Other Income</b>		
<b>Dividend Income :</b>		
From Long Term Investments	461,741	454,977
<b>Total</b>	<b>461,741</b>	<b>454,977</b>
<b>12 Employee Benefit Expenses</b>		
Salaries and wages	124,048	221,149
Staff welfare expenses	35	35,222
<b>Total</b>	<b>124,083</b>	<b>256,371</b>
<b>13 Other expenses</b>		
Power and fuel	-	30,911
Repairs and maintenance - Buildings	-	22,181
Repairs and maintenance - Machinery	-	3,375
Vehicle Insurance	12,484	15,003
Rates and taxes	10,540	2,500
Telephone	5,260	36,706
Travelling and conveyance	42,888	138,628
Printing and stationery	17,201	16,217
Postage & Courier Charges	16,518	21,396
Legal Press Release Charges	11,946	12,930
Business promotion	-	8,514
Share Transfer expenses	19,951	22,481
Legal and professional	12,000	63,050
<b>Payments to auditors:-</b>		
a For Statutory Audit	13,483	13,236
b For Certification	3,309	9,376
ROC Filing Fees	2,500	1,500
Directors Remuneration (Medical Expenses)	6,689	14,999
Miscellaneous expenses	33,293	59,494
Bank Charges	283	2,554
<b>Total</b>	<b>208,345</b>	<b>495,051</b>

**NOTES TO ACCOUNTS**

**14. Contingent Liabilities Not Provided For :-**

	<u>31.03.2012</u>	<u>31.03.2011</u>
a) Estimated amount of contracts remaining to be executed on capital account	NIL	NIL
b) Claims against company not acknowledge as debts	NIL	NIL

15. Foreign Exchange earnings and out-go is Rs. NIL (P.Y. NIL)

**16. Segment Reporting**

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

17. 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 Directors or Relatives of Director are Directors.
  - (i) Mangalam 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
  - (vi) Sobhagya Mercantile Ltd
- b) Key Management Personnel
  - (i) Santkumar Kesardeo Bagrodia – Director
  - (ii) Shailja Santkumar Bagrodia - Director
  - (iii) Kaushal Atul Mehta – Director.

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

Name of the Party	Nature of transaction	31/03/2012	31/03/2011
S. K. Bagrodia	Medical Expenditure	6,689	15,000
	Interest Free Loan Taken	15,000	1,41,500
Shailja Bagrodia	Interest Free Loan Taken	1,55,000	2,46,500

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

Outstanding balance at the end of the year Rs. 1,50,000 (P. Y. 2,46,500) of any related Party

**18. Managerial Remuneration :-**

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

Nature of transaction	31/03/2012	31/03/2011
Salary	NIL	NIL
Medical Expenditure	6,689	14,999

**19. 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.

20. 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.
21. 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	31.03.2012	31.03.2011
a) Net Profit / (Loss) attributable to equity shareholders	Rs.	10,972	(4,14,516)
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.	0.003	(0.13)

**22. Auditors' Remuneration**

Particulars	31.3.2012	31.3.2011
<b>As Auditor</b>		
Audit Fees	12,000	12,000
Service Tax	1,483	1,236
Tax Audit Fees	NIL	NIL
<b>In other capacities</b>		
Other services	3,309	9,376
Out of pocket expense	NIL	NIL
<b>Total</b>	<b>16,792</b>	<b>22,612</b>

23. During the year, the Company has provided Rs. NIL/- (P.Y. NIL-), towards Non- performing Assets in accordance with the prudential norms prescribed by Reserve Bank of India
24. Till the year ended 31 March 2011, the company was using pre-revised Schedule VI to the Companies Act, 1956, for preparation and presentation of its financial statements. During the year ended 31 March, 2012 the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the company. the company has reclassified previous year figures to conform to this year's classification. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it significantly impacts presentation and disclosures made in the financial statements, particularly presentation of balance sheet.
25. 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 & on behalf of the Board

**For Vijay R. Tater & Co.**

Chartered Accountants

Sd/-

**Suresh G Kothari**

Partner

Membership No. 47625

Sd/-

**S.K. Bagrodia**

Director

Sd/-

**Kaushal Mehta**

Director

Place : Mumbai

Date : 30.05.2012

Place : Mumbai

Date : 30.05.2012

**BOOK-POST**

*If Undelivered, Please return to :*

**GSL SECURITIES LIMITED**

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

*DAS PRINTING : 40026615/16*



**GSL SECURITIES LIMITED**

**Registered Office**

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

**ATTENDANCE SLIP**

**18th Annual General Meeting 20th September, 2012 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, 6<sup>th</sup> 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, 6<sup>th</sup> 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 18th Annual General Meeting of the Company to be held on Thursday 20th September, 2012 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2012

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 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).**

**18th Annual Report  
2011-2012**



**GSL SECURITIES LIMITED**