

# **18th Annual Report 2011-2012**



**GLANCE FINANCE LIMITED**

# GLANCE FINANCE LTD.

**BOARD OF DIRECTORS** : MR. NARENDRA KARNAVAT (Chairman)  
(RESIGNED AS ON 18TH JUNE, 2012)  
MR. TUSHAR AGARWAL  
MRS. VANDANA VASUDEO  
MR. HASMUKH GANDHI  
MR. VAIBHAV KARNAVAT  
(APPOINTED AS ON 18TH JUNE, 2012)  
MR. NARENDRA ARORA  
(APPOINTED AS ON 1ST SEPTEMBER, 2012)

**STATUTORY AUDITORS** : M/S. P. K. J. & CO.  
OFFICE NO. 002, GULMOHAR COMPLEX,  
OPP. ANUPAM CINEMA,  
STATION ROAD, GOREGAON (E),  
MUMBAI - 400 063.

**PRINCIPAL BANKER** : UNION BANK OF INDIA  
OVERSEAS BRANCH,  
NARIMAN POINT,  
MUMBAI - 400 021.

**REGISTERED OFFICE** : 5, KITAB MAHAL,  
192, DR. D. N. ROAD,  
FORT, MUMBAI - 400 001.  
TEL. 022 4066 6666 / 50  
E-MAIL : glance@glancefin.com

**REGISTRAR & SHARE  
TRANSFER AGENTS** : LINK INTIME INDIA PVT. LTD.  
C-13, PANNALAL SILK MILLS COMPOUND,  
L. B. S. MARG, BHANDUP (W),  
MUMBAI - 400 078.  
TEL. : 022 2596 3838

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## NOTICE

NOTICE is hereby given that the Eighteenth Annual General Meeting of Glance Finance Limited will be held at Azad Mahila Sangh, Plot No. 91, Road No. 25, Sion (West), Mumbai - 400 022 on Thursday, 27th September, 2012 at 09.00 A.M. to transact the following business :

### ORDINARY BUSINESS

- 1) To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March, 2012 and the statement of Profit and Loss for the Year ended on that date and the Directors Report and Auditors' Report thereon.
- 2) To appoint a Director in place of Smt. Vandana Vasudeo, who retires by rotation and being eligible, offers herself for re-appointment.
- 3) To appoint Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration and for the purpose to pass the following Resolution, which will be proposed as an Ordinary Resolution.

**"RESOLVED THAT** pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. P K J & Co., the retiring statutory Auditors, be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the Conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and that the Board of Directors' of the Company be and is hereby authorised to fix their remuneration for the said period and reimbursement of actual out-of-pocket expenses, as may be incurred in the performance of their duties."

### SPECIAL BUSINESS

#### 4. **Change in Designation of Mr. Vaibhav Karnavat From Additional Director to the Director of the Company**

To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution :

**"RESOLVED THAT** Mr. Vaibhav Karnavat who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 18th June, 2012 under Article 86 of the Articles of Association of the Company who by virtue of the provisions of Section 260 of the Companies Act,

1956, holds office upto the date of this Annual General Meeting, and being eligible, offers himself for re-appointment and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, from a member signifying his intention to propose Mr. Vaibhav Karnavat as a Director of the Company, liable to retire by rotation.”

**5. Appointment of Shri Narendra Arora as Executive Director of the Company**

To consider and, if thought fit, to pass the following Resolution as Special Resolution :

**“RESOLVED THAT** pursuant to Section 198,269,309 read with Schedule XIII and all other applicable provisions, if any of the Companies Act, 1956 including any Statutory Modification or re-enactment thereof and subject to such approvals as may be necessary Shri. Narendra Arora be and is hereby appointed as Whole Time Director of the Company for a period of three years with effect from 1st September, 2012, at a remuneration not exceeding Rs. 2,50,000/- per month (including any cash allowances and perquisites which shall not include (i) contribution to Provident Fund, Super Annuation Fund, or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961, (ii) Gratuity payable at rate not exceeding half a month’s salary for each completed year of service and (iii) Encashment of Leave at the end of the tenure) as recommended by the Remuneration Committee and the Board of Directors in their Meeting held on 1st September, 2012.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to fix the Managerial Remuneration of Shri Narendra Arora from time to time within the outer limit of Rs. 2,50,000/- per month and to amend, alter, vary the terms of remuneration including the components thereof within the said limit.

**RESOLVED FURTHER THAT** The Board of Directors be and is hereby authorised to alter and vary the Remuneration in such form and manner with such modifications within the outer limit as the Board may deem fit and agreed by Shri Narendra Arora.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid Resolution.”

**By order of the Board of Directors,  
For GLANCE FINANCE LIMITED**

**Tushar Agarwal  
Whole Time Director**

Place : Mumbai

Dated : 1st September, 2012

## NOTES :

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE MEETING.
- 2) Members are requested to notify immediately any change in their address.
- 3) The Register of Members and Share Transfer Book of the Company will remain closed from 21st September, 2012 to 27th September, 2012 (both days inclusive).
- 4) Members desiring to submit mandates, to lodge transfer deed for shares are requested to forward the same so as to reach the Company's Registrars M/s. Link Intime India Private Limited (Formerly known as Intime Spectrum Registry Limited), C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078 on or before 21st September, 2012. The Company will not be in a position to act upon any document, which is incomplete or received after 21st September, 2012.
- 5) In accordance with the provisions of Clause 49 of Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be appointed and re-appointed are given in the Corporate Governance Section.
- 6) Members are requested to quote their Registered Folio Nos, on all correspondence with the Company.
- 7) Members are requested to send their queries to the Company, if any on Accounts at least 10 days before the Meeting.
- 8) Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 9) Members/Proxies should bring the attendance slip duly filled in, for attending the Meeting. The Attendance slip is sent with this Annual Report.

10. Recently, the Ministry of Corporate Affairs (MCA), Government of India, through its Circular No.s 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents to their shareholders electronically as part of its green initiatives in Corporate Governance.

Recognizing the spirit of the circular issued by the MCA, we henceforth propose to send Documents like the Notice convening the General Meetings, Financial Statements, Directors', Auditors' Report, etc to the email address provided by you with your depositories.

We request you to update your email address with your depository participant to ensure that the Annual Report and other documents reach you on your preferred email.

11. Members can avail of the Nomination facility by filing Form 2B with the Company or its Registrar. Blank forms will be supplied on request. In case of shares held in demat form, the nomination has to be lodged with their DP.
12. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts(s). Members holding shares in physical form can submit their PAN details to M/s. Link Intime India Private Limited (Formerly known as Intime Spectrum Registry Limited), C-13 Pannalal Silk Mills Compund, L.B.S. Marg, Bhandup (W), Mumbai-400 078.

## GLANCE FINANCE LTD.

### DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING :

(In pursuance of in Forthcoming Clause 49 of the Listing Agreements)

Name of Director :	Mrs. Vandana Vasudeo
Age :	57 Years
Date of Appointment	31-07-2003
Expertise in specific functional areas :	Practicing Company Secretary
Qualifications :	F.C.S.
List of Limited Companies in which outside Directorship held as on 31.03.2012	NIL
Chairman/Member of the Committees of the Boards of the other Public Companies in which she is a Director	NIL

Name of Director :	Mr. Vaibhav Karnavat
Age :	31 Years
Date of Appointment	18-06-2012
Expertise in specific functional areas :	Business Management & Logistics
Qualifications :	Chartered Accountant
List of Limited Companies in which outside Directorship held as on 31.03.2012	NIL
Chairman/Member of the Committees of the Boards of the other Public Companies in which he is a Director	NIL



Name of Director :	Mr. Narendra Arora
Age :	36 Years
Date of Appointment	01-09-2012
Expertise in specific functional areas :	Financial Modelling, Equity Derivatives and Funds Syndication
Qualifications :	Chartered Accountant
List of Limited Companies in which outside Directorship held as on 31.03.2012	NIL
Chairman/Member of the Committees of the Boards of the other Public Companies in which he is a Director	NIL

**Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956**

**Item No. 4**

Mr. Vaibhav Karnavat was appointed as an Additional Director on the Board of the Company with effect from 18th June, 2012, in the Board of Directors Meeting held on 18th June, 2012 pursuant to Section 260 of the Companies Act, 1956 ("the Act"). Mr. Vaibhav Karnavat holds office upto the date of this Annual General Meeting. The Company has received notice in writing under Section 257 of the Act, from a Member, proposing Mr. Vaibhav Karnavat as a Director of the Company along with a deposit of Rs. 500/- which will be refunded to such Member, if Mr. Vaibhav Karnavat is elected as a Director.

Board of Directors Recommend that he be appointed as a Director of the Company.

None of the Directors, other than Mr. Vaibhav Karnavat, may be considered to be concerned or interested in the said appointment at item no. 4.

## Item No. 5

The Board of Directors of the Company in its Meeting held on 1st September, 2012 on recommendation of Remuneration Committee by way of Resolution dated 01st September, 2012 decided to appoint Shri Narandra Arora as a Whole Time Director for a period of 3 years w.e.f. 1st September, 2012 and his appointment is subject to approval of the Members of the Company. Shri Narendra Arora has vast experience and is thoroughly acquainted with the business of the Company and is most suited to be appointed as a Whole Time Director of the Company.

The information's as required in Schedule XIII Part II Section II (B) are as under:

- i. Payment of remuneration not exceeding Rs. 2,50,000/- per month (all inclusive) except certain perquisites as set out in the resolution has been approved by a Resolution passed by the Remuneration Committee and the Board of Directors in their Meeting held on 1st September, 2012.
- ii. The Company has not made any default in repayment of any of its debts or interest payable thereon for a continuous period of 30 days in the preceding Financial Year before the date of appointment of Shri Narendra Arora as Executive Director of the Company. The Company has not accepted any deposits nor issued any debentures.

## I. General Information

### (a) Nature of Industry

The Company is Non-Banking Financial Company holding registration Certificate issued by Reserve Bank of India. The Company is inter-alia engaged in financial/accounting consultancy services, trading in securities and commodities etc.

### (b) Date of commencement of commercial production

Not Applicable

**(c) Financial performance of the Company**

*Rs. in Lacs*

<b>PARTICULARS</b>	<b>2011-2012</b>	<b>2010-2011</b>
<i>Gross Income</i>	660.13	516.23
<i>Profit before Depreciation &amp; Tax (PBDT)</i>	367.21	157.08
<i>Less : Depreciation</i>	04.31	03.48
<i>Profit before Taxation</i>	362.90	153.60
<i>Less : Provision for Tax</i>	73.66	36.03
<i>Net Profit</i>	289.24	117.56

**(d) Earning in Foreign Exchange**

The Company has earned an income of Rs. 5,119,939/- in Foreign Exchange by rendering Professional Services.

**(e) Foreign investment or collaborators if any**

None.

**II. Information about the Appointee**

**(i) Back ground details**

Shri Narendra Arora (36 years) qualified as a Charetered Accountant in 1977. He possesses 15 years experience and has gained expertise in financial modelling, equity derivaties and funds syndication.

**(ii) Recognition or awards.**

Nil

**(iii) Job Profile and his suitability**

Shri Narendra Arora has been associated with the Company for last 15 years and has worked in different capacities. He has acquired experience in finance, taxation, equity syndication, capital restructuring, derivatives etc. His elevation as a Whole Time Director will benefit the Company in achieving higher growth in competetive environments.

**(iv) Remuneration proposed**

Shri Narendra Arora, proposed Executive Director will be paid Managerial Remuneration not exceeding Rs. 2,50,000/- per month. The remuneration of Shri Narendra Arora will be fixed by the Board of Directors of the Company from time to time within the overall limit of Rs. 2,50,000/- per month, excluding certain perquisites.

**(v) Comparative Remuneration profile with respect to Industry, size of the Company etc.**

Since the Industry comprises of a large number of players with diversified business of different size, scale and emphasis, a comparative figure may not be available.

**(vi) Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial personnel**

There is no pecuniary relationship of Shri Narendra Arora directly or indirectly with the Company or any of its managerial personnel.

**III Other information**

**(I) Reasons of loss or inadequate profits**

The Company is a profit making Company and its Net Worth as at 31st March, 2012 (excluding revaluation result) is Rs. 1145.09 Lacs, However, the proposed Remuneration is in excess of maximum remuneration specified in Sub Section (1) of Section 198 of the companies Act, 1956 and hence deemed as inadequate.

**(2) Steps taken or proposed to be taken for further improvement**

The Company has strengthened its internal control systems and procedures and has laid down procedures for risk assessment and minimisation. The Company has also diversified its profit centres and the business activities of each division are strictly monitored. The Company has also initiated cost cutting measures so as to withstand in the competitive environment. All these measures adopted by the Company have shown perceptible results in the financial performance of the Company.

**(3) Expected increase in productivity and profits in measurable terms**

The Company is engaged in financial services and trading in shares and commodities. There are no norms for measuring the profitability vis-a-vis volume of business. However due to improvement in systems and procedures and in house research the Company has been able to improve its profitability. It is expected that the Profitability of the Company will improve under the dynamic leadership of Shri Narendra Arora.

**IV Disclosures**

**(1) The shareholders of the Company shall be informed of the remuneration package of the managerial person.**

The remuneration of Shri Narendra Arora will be fixed by the Board of Directors of the Company within the overall limit of Rs. 2,50,000 per month excluding certain perquisites.

**(2) The following disclosures shall be mentioned in the Board of Director's Report under the heading "Corporate Governance" if any attached to the Annual Report :**

**(i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc. of all directors;**

The Corporate Governance Report discloses all the elements of remuneration package of Shri Tushar Agarwal who has been paid managerial remuneration. No other Director has been paid any managerial remuneration except sitting fees.

**(ii) Details of fixed components and performance linked incentives along with the performance criteria;**

Shri Narendra Arora has been working with this Company from last 15 years as General Manager and has been paid Rs. 1,25,800/- as monthly salary.

**(iii) Service contracts, notice period, severance fees;**

A draft Agreement for appointment of Mr. Narendra Arora for a period of three years w.e.f. 01st September, 2012 is available for inspection during business hours upto the date of Annual General Meeting at the Registered Office of the Company. A draft Agreement shall also be available for inspection at the venue of Annual General Meeting.

**(iv) Stock options details, if any, and whether the same has been issued at a discount as well as the period**

*Not applicable*

Your Directors recommend the approval of proposed Resolution by the Members.

None of the Directors other than Shri Narendra Arora are interested in the Resolution.

**By order of the Board of Directors,  
For GLANCE FINANCE LIMITED**

**Tushar Agarwal  
Whole Time Director**

*Place : Mumbai.*

*Dated : 1st September, 2012.*

# GLANCE FINANCE LTD.

## DIRECTORS' REPORT

Dear Members

Your Directors have great pleasure to present their Eighteenth Annual Report together with the Audited Accounts of your Company for the Financial Year ended 31st March 2012.

### FINANCIAL RESULTS

The Financial highlights are summarized below:

(Rs. In Lacs)

<b>PARTICULARS</b>	<b>2011-2012</b>	<b>2010-2011</b>
<i>Gross Income</i>	660.13	516.23
<i>Profit before Depreciation &amp; Tax (PBDT)</i>	367.21	157.08
<i>Less : Depreciation</i>	04.31	03.48
<i>Profit before Taxation</i>	362.90	153.60
<i>Less : Provision for Tax</i>	73.66	36.03
<i>Net Profit</i>	289.24	117.56

### DIVIDEND

*In order to plough back the profits of the Company and to support its expansion and growth plans, your directors propose to skip dividend for the year under review.*

### DIRECTORS:

Mrs. Vandana Vasudeo, Director of the Company will retire by rotation and being eligible offers herself for re-appointment.

Mr. Vaibhav Karnavat was appointed as the Additional Director w.e.f. 18th June, 2012 in the Board Meeting held on 18th June, 2012. He holds office upto the date of the ensuing Annual General Meeting. A Notice has been received in writing from the Members proposing his appointment as the Director.

Mr. Narendra Arora was appointed as an Additional Director in the Board Meeting held on 1st Spetember, 2012 and in the same Meeting the Board of Directors decided to recommend appointment of Mr. Narendra Arora as Executive Director of the Company for a period of 3 years w.e.f. 1st Spetember, 2012 at a monthly remuneration of Rs. 2,50,000/- (which excludes perquisites as mentioned in the Notice as attached) for the approval of the Members of the Company.

Mr. Narendra Karnavat, Director of the Company resigned with effect from 18th June, 2012. The Board place on record its appreciation for the valuable services rendered by Mr. Narendra Karnavat during his tenure as Director of the Company.

**DIRECTORS RESPONSIBILITY STATEMENT:**

As required under Section 217(2AA) of the Companies Act, 1956 with respect to the Director's Responsibility Statement, it is hereby confirmed:

- i) That in preparation of Annual Accounts for the Year ended 31st March, 2012, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- ii) That the Directors have selected such Accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of state of affairs of the company for the period under review.
- iii) That to the best of their knowledge and information 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 other irregularities; and
- iv) That the Directors have prepared the Annual Accounts for the financial Year ending 31st March, 2012 on a going concern.

**AUDITORS:**

The Auditor M/s. P K J & Co., Chartered Accountants, Statutory Auditors of the Company retires at the conclusion of the ensuing Annual General Meeting and expresses their willingness to continue, if so appointed.

**SUBSIDIARY/JOINT VENTURES :**

The Company was a partner in the partnership firm M/s. Zenstar Impex through which was engaged in business. However, RBI has issued a circular on 30th March, 2011 requiring NBFC's to exit from partnership firms within a reasonable time. Therefore the above said Partnership Firm has been dissolved w.e.f. 31st December, 2011 and the Company has exited from the business.

**CHIEF FINANCIAL OFFICER**

Mr. Narendra Arora, Chartered Accountant was appointed as the CFO of the Company in compliance with the ammended Clause 49 of the Listing Agreement with effect from 13th February, 2012.

**CODE OF CONDUCT:**

The "Code of Conduct for the Board of Directors and Senior Managerial Personnel in compliance with Clause 49 of Listing Agreement is in force and is being complied with.

**CORPORATE GOVERNANCE:**

The Board of Directors support and adheres the principles of Corporate Governance and in addition to basic Corporate Governance issues the Board lays strong emphasis on transparency, accountability and integrity.

Pursuant to Clause 49 of Listing Agreement with the Stock Exchange, Corporate Governance Report and Auditor's Certificate regarding compliance of the condition of the Corporate Governance, are made part of the Annual Report.

**DEPOSITORY:**

All the Members are aware, our Company's Shares are tradable compulsorily in electronic form and your Company has established connectivity with both the Depositories, i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL). In view of the numerous advantages offered by the Depository system, Members are requested to avail of the facility of dematerialization.

**FIXED DEPOSITS**

The Company has not accepted or renewed any fixed deposits during the year under review

**PARTICULARS OF EMPLOYEES:**

There is no employee drawing remuneration in excess of amount specified under section 217(2)(a) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION**

Your Company has directed its efforts to reduce energy costs by way of optimum utilization of electricity in its day to day activities. Your Company adopts modern technology in its day to day activities with a view of optimization of energy and other natural resources.

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

During the year under review the Company earned professional fees in foreign exchange from its client in the USA.



**APPRECIATION:**

Your Directors wish to place on record their sincere appreciation to the bankers The Royal Bank of Scotland, HDFC Bank, Union Bank of India & Punjab National Bank and Company's Clients.

Your Directors are also pleased to record their appreciation for the dedication and contribution made by employees at all levels who, through their competence and hardwork, have established Company to achieve better performance and look forward to their support in future as well.

**MANAGEMENT DISCUSSION AND ANALYSIS  
OVERVIEW OF THE INDIAN ECONOMY**

The economy has witnessed a steady decline in GDP growth - over the last 2 years. The international scenario is also weak at the moment. That is a stark slowdown in growth, and a far cry from the 9% that we enjoyed for three consecutive years from FY2006 to FY2008.

In such an uncertain environment, financial markets continue to witness high volatility - driven by the direction of foreign capital flows and movement of industrial production index and inflation. The interest rates continue to remain tight and RBI seems to be dropping its feet in bringing down rates.

NBFC's continue to be careful while taking investment bets while actively looking for business opportunities.

**INDUSTRY STRUCTURE AND DEVELOPMENT :**

The business of the Company is that of a Non Banking Finance Company (NBFC). Non Banking Financial Companies (NBFCs) play a crucial role in broadening access to financial services, enhancing competition and diversification of the financial sector

Banks and NBFCs compete for similar kinds of business. In spite of strong competition, the inner strength of NBFCs viz local knowledge, credit appraisal skill, well trained collection machinery, close monitoring of borrowers and personalized attention to each client, are catering to the needs of small and medium enterprises in the rural and semi urban area.

Non Banking Financial Companies (NBFCs) have become an integral part of India's financial system. In recent times, NBFC's have emerged as lenders to both companies and individuals. When it comes to lending, NBFC's are generally regarded to be complementary to banks and are often able to offer better services and products to their customers.

## **OPPORTUNITIES AND THREATS**

Your Company is mainly engaged in the business of finance and Investment in Capital Market. Business opportunities for finance Companies are enormous as the new areas and segments are being explored. There is a large scope of small size Finance & Investment Companies like ours, for certain segment of customers, which remain unserved by Banks and large size Investment & Finance Companies.

The major threat being faced by finance Companies are regulatory changes in NBFCs, Interest Rate hikes by RBI, high Inflation, and volatility in global equity and commodity market.

## **FINANCIAL PERFORMANCE :**

Your Company is engaged in financial services including consultancy and advisory services as well as trading of securities, commodities etc. During the year under review the Company earned a profit before tax of Rs. 362.90 Lacs and Net Profit of Rs. 289.24 Lacs

## **OUTLOOK :**

The Company has stepped up performance despite a very challenging scenario. However, it is also working carefully in the face of a difficult economic environment.

## **RISK AND CONCERNS**

Your Company's performance to a large extent depends upon scenario of the capital markets, finance scenario, RBI policies, industry performance and the general economic outlook of the country. The volatility in the stock Market, rate of interest and GDP would affect the profitability of the company.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Internal control system has been a core focus for the Company. Effective and adequate internal control systems are in place to ensure that all assets are safeguarded and protected against unauthorized use and transaction are authorized, recorded and reported properly. A regular internal audit system is also in place. Outside expertise is availed to supplement internal resources. The Audit Committee regularly interacts with the Statutory Auditors about the adequacy of internal control systems and seeks suggestions and there is scope for improvement.

**MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.**

The Company was able to retain the talents despite of the hefty attrition rates in its peer companies. The Company continued to maintain cordial relations with its employees.

**DISCLOSURE TO THE BOARD :**

Senior Management shall make the disclosure to the Board relating to all material financial and commercial transactions, and where they have personal interest, that may have potential conflict with the interest of the Company at large.

Also your Company is paying rent for the premises it is using for the office purpose to another group concern in which Director is interested. The dealings are at arms length and at prevailing market.

*Place : Mumbai.*

*Dated : 1st September, 2012*

*For and on behalf of the Board*

**TUSHAR AGARWAL**

*Whole time Director*

# GLANCE FINANCE LTD.

## **ANNEXURE A COMPLIANCE CERTIFICATE**

**Registration No:** 11-81333

**Authorised Capital:**

Equity Share Capital : Rs. 3,10,00,000/-

Redeemable Preference Share Capital : Rs. 40,00,000/-

**Paid Up Capital:**

Equity Share Capital : Rs. 3,00,59,000/-

To

The Members

GLANCE FINANCE LIMITED

5, Kitab Mahal, 192, DR. D. N. Road, Fort, Mumbai – 400 001

We have examined the registers, records, books and papers of **Messrs. GLANCE FINANCE LIMITED** as required to be maintained under the Companies Act, 1956 and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended on 31<sup>st</sup> March, 2012. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid Financial Year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this Certificate, as per the provisions of the Act and the Rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this Certificate with the Registrar of Companies as prescribed under the Act and the Rules made there under. However no filing has been done with Regional Director, Central Government, Company Law Board or other authorities.
3. The Company, being a Public Limited Company, has the minimum prescribed paid up capital.
4. The Board of Directors duly met 12 times respectively on 16/04/2011, 29/04/2011, 13/05/2011, 31/05/2011, 02/06/2011, 10/08/2011, 02/09/2011, 30/09/2011, 14/11/2011, 23/01/2012, 13/02/2012 and 31/03/2012 in

respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

5. The Company had closed its Register of Members and Share Transfer Books in respect of the Equity Shares of the Company from 22-09-2011 to 30-09-2011 (Both days inclusive).
6. The Annual General Meeting for the Financial Year ended on 31<sup>st</sup> March, 2011 was held on 30<sup>th</sup> September, 2011 after giving due notice to the Members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No- Extra Ordinary General Meeting was held o the provisions of the Act.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries whenever required in the register maintained under Section 301 of the Companies Act, 1956.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government as the case may be.
12. The Company has not issued any duplicate certificates during the Financial Year.
13. The Company has
  - i. not delivered any Share Certificates since there was no allotment. However the Company has delivered Share Certificates lodged by the Transferees after recording transfers during the Financial Year.
  - ii. not deposited any amount in a separate Bank Account as no dividend was declared during the Financial Year.
  - iii. not posted warrants to any member of the Company as no dividend was declared during the Financial Year.
  - iv. no amount outstanding in respect of unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained

## **GLANCE FINANCE LTD.**

unclaimed or unpaid for the period of seven years and liable to be transferred to Investor Education and Protection Fund.

- v. duly complied with the requirements of Section 217 of the Act.
- 14. The Board of Directors of the Company is duly constituted. There was no appointment of any Additional Directors, Alternate Directors and Directors to fill casual vacancy during the financial year.
- 15. The Company has re-appointed Mr. Tushar Agarwal as Whole – time Director of the Company in the Board Meeting held on 16<sup>th</sup> April, 2011 for a further period of three years with effect from 1<sup>st</sup> April, 2011 at a remuneration not exceeding Rs. 2,50,000 per month which was confirmed in the Annual General Meeting held on 30<sup>th</sup> September, 2011. However there was no appointment of Managing Director and Manager during the Financial Year.
- 16. The Company has not appointed any sole selling agents during the Financial Year.
- 17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and / or such authorities prescribed under the various provisions of the Act.
- 18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the Rules made there under.
- 19. The Company has not issued any Preference Shares and Equity Shares during the Financial Year.
- 20. The Company has not bought back any shares during the Financial Year.
- 21. There was no redemption of any Shares during the Financial Year.
- 22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
- 23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the Financial Year.
- 24. The Company has not made any borrowings during the year, which would

attract provisions of Section 293 (1) (d) of the Act.

25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the Register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the Objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association pursuant to the provisions of the Act during the Financial Year.
31. There was no prosecution initiated against or show cause notices received by the Company during the Financial Year, for offences under the Act.
32. The Company has not received any money as security from its employees during the Financial Year.
33. The Company has not deducted contribution towards Provident Fund under Provident Fund Scheme u/s 418 of the Act as the Company has not constituted any Provident Fund for its Employees.

Place : Mumbai

Date: 1st September,2012

Signature :

Name of the Company Secretary:

S.K. JAIN & CO.

Practicing Company Secretaries

Isha Pramod Bubna

**Partner**

**C. P. No. : 8160**

# GLANCE FINANCE LTD.

## Annexure 'A'

### Registers as maintained by the Company

1. Register of Charges	u/s. 143
2. Register of Members	u/s. 150
3. Register of Transfer	
4. Register of Contracts in which Directors are interested	u/s 301
5. Register of Directors, Managing Directors	u/s 303
6. Register of Directors' Shareholdings	u/s 307
7. Books of Accounts	u/s 209

## Annexure 'B'

The Company has duly filed the forms and returns with the Registrar of Companies with delay as prescribed under the Act and the Rules made there under. However no filing has been done with Regional Director, Central Government, Company Law Board or other authorities.

SN.	Nature of Document	Date of Document	Date of Filing	Whether filed within time	If No, whether additional fees paid
1.	Annual Return u/s 159	31-03-2011	08-11-2011	Yes	N.A.
2.	Balance Sheet u/s 220	31-03-2011	27-10-2011	Yes	N.A.
3.	Form-66	2010-2011	25-10-2011	Yes	N.A.
4.	Form-23	10-08-2011	07-09-2011	Yes	N.A.
5.	Form-23	30-09-2011	18-10-2011	Yes	N.A.
6.	Form-25C	01-04-2011	30-06-2011	Yes	N.A.

Place : Mumbai

Date: 1st September,2012

Signature :

Name of the Company Secretary:

S.K. JAIN & CO.

Practicing Company Secretaries

Isha Pramod Bubna

**Partner**

**C. P. No. : 8160**



**ANNEXURE 'B'****CORPORATE GOVERNANCE REPORT 2011-12****A. Corporate Governance :**

**GLANCE FINANCE LIMITED strongly believes in good Corporate Governance, which is a pre-requisite for enhancing shareholder's long term value. It brings into focus the fiduciary and the trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder's value.**

Your Board of Directors present the Corporate Governance Report for the year 2011-12 based on the disclosure requirements under Clause 49 of the Listing Agreement existing as on 31st March 2012.

**B. Board of Directors :****i. Composition :**

The Board comprises of four Directors. Shri Narendra Karnavat, Promoter Non-Executive Director of the Company and Chairman. Shri Tushar Agarwal is a Whole Time Director. Smt. Vandana Vasudeo and Shri Hasmukh Gandhi are the Non-Executive Independent Directors.

The Independent Directors constitute one - half of the total number of Directors. The Composition of the Board is in conformity with Clause 49 of the Listing Agreement.

**ii. Attendance of Board Meeting and details of Membership of Directors in other Boards and Board Committees :**

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he is a Director. Necessary Disclosures regarding Committee positions in other Public Companies as on March 31, 2012 have been made by the Directors.

During the last financial year, our Board met Twelve times, on 16th April 2011, 29th April, 2011, 13th May, 2011, 31st May, 2011, 2nd June, 2011, 10th August 2011, 02nd September 2011, 30th Septmeber, 2011, 14th November 2011, 23rd January, 2012, 13th February 2012 and 31st March 2012. All the Board Meetings were held at the Company's Registered Office at Mumbai, India. The gap between two Board Meetings did not exceed four months.

## GLANCE FINANCE LTD.

Name	Category	No. of Board Meetings Held During the year 2011-12	No. of Board Meetings Attended During the year 2011-12	Whether attended last AGM held on 30/09/11	Directorship in other Companies	Chairmanship in Committees of Boards of other Companies	Membership in Committees of Boards of other Companies
Mr. Narendra Karnavat (Chairman)	Promoter & Non-Executive	12	10	Yes	1	Nil	Nil
Mr. Tushar Agarwal (Whole time Director)	Promoter Executive	12	12	Yes	2	Nil	Nil
Mrs. Vandana Vasudeo (Director)	Non-Executive Independent	12	9	No	Nil	Nil	Nil
Mr. Hasmukh Gandhi (Director)	Non-Executive Independent	12	9	No	2	Nil	Nil

- iii. The name and categories of the Directors on the board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other Companies is given below.

Other directorship do not include alternate directorships, directorships of private limited companies, Section 25 companies and of companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and shareholders / Investors Grievance Committees.

The Board Members are presented with relevant information on vital matters affecting working of the Company. All key decisions are taken only after detailed deliberations and discussions by the Board. The Board Members possess adequate experience, expertise and skills necessary to manage affairs of the Company in the most efficient manner. The Board acts with autonomy and independence in exercising strategic decision making process and discharging its fiduciary responsibilities.

**iv. Details of Directors being re-appointed and appointed :**

- 1 Mrs. Vandana Vasudeo who retires by rotation is proposed to be re-appointed as Director at the ensuing Annual General Meeting.  
(In pursuance of clause 49 of the Listing Agreement)

Name : Mrs. Vandana Vasudeo  
Age : 57 Years  
Qualification : **F.C.S.**  
Expertise : **Practicing Company Secretary**  
Other Directorships : NIL  
in Public Companies

- 2 Mr. Vaibhav Karnavat who was appointed as an Additional Director and holds his office upto ensuing Annual General Meeting, is proposed to be confirmed as Director.

(In pursuance of clause 49 of the Listing Agreement)

Name : Mr. Vaibhav Karnavat  
Age : 31 Years  
Qualification : **Chartered Accountants**  
Expertise : **Business Management & Logistics**  
Other Directorships : NIL  
in Public Companies

- 3 Mr. Narendra Arora appointed as Executive Director of the Company,  
(In pursuance of clause 49 of the Listing Agreement)

Name : Mrs. Narendra Arora  
Age : 36 Years  
Qualification : **Chartered Accountants**  
Expertise : **Financial Modelling, Equity Derivatives and Fund Syndication**  
Other Directorships : NIL  
in Public Companies

**C. Board Committees :**

As of March 31st 2012 your Company has three Board Committee.  
These are :

1. Audit Committee
2. Remuneration Committee
3. Shareholders/Investor Grievance Committee

**1. Audit Committee**

- i) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange read with Section 292A of the Companies Act 1956.

- ii) The terms of reference stipulated by the Board to the Audit Committee are as contained under Clause 49 of the Listing Agreement as follows :
- Overseeing the Company's financial reporting process and the disclosure of its financial information so as to ensure that the financial statement depict a true and fair view of the company's affairs.
  - Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
  - Reviewing with management the Annual Financial Statements before submission to the board, focusing primarily on.
    - a) *Any changes in accounting policies and practices,*
    - b) *Major accounting entries based on exercise of judgment by Management,*
    - c) *Qualifications in draft Audit Report,*
    - d) *Significant adjustments arising out of Audit,*
    - e) *The going concern assumption,*
    - f) *Compliance with Accounting Standards,*
    - g) *Compliance with Stock Exchange and legal requirements concerning financial statements and*
    - h) *Any related party transaction i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.*
  - Reviewing with the Management, External and Internal Auditors, the adequacy of Internal Control Systems.
  - Reviewing the adequacy of Internal Audit Functions.
  - Discussion with Internal Auditors any significant findings and follow up there on.
  - Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal Control Systems of a material nature and reporting the matter to the Board.
  - Discussion with External Auditors before the audit Commences, about the nature and scope of audit as well as the post-audit discussion to ascertain any area of concern.

- Reviewing the Company's financial and risk management policies. To look into the reasons for substantial defaults in the payment to the creditors.

**iii) Composition**

The Audit Committee comprises of Mrs. Vandana Vasudeo, Chairman of the Audit committee, Mr. Narendra Karnavat and Mr. Hasmukh Gandhi, are the other members of the Committee.

All Members of the Audit Committee are Financially Literate and possess Accounting and related Financial Management expertise.

**iv) Meetings & Attendance :**

There were five meetings of the Audit Committee viz. on **13th May, 2011, 10th August, 2011, 2nd September, 2011, 14th November, 2011 and 13th February, 2012.**

**The Attendance of the Members of Audit Committee at the meeting of the Audit Committee held during the year is given below :**

Name	Category	No. of Meetings during the year 2011-12	
		Held	Attended
Mrs. Vandana Vasudeo (Chairman)	Non-Executive Independent Director	5	5
Mr. Narendra Karnavat	Promoter & Non - Executive Director	5	4
Mr. Hasmukh Gandhi	Non-Executive Independent Director	5	5

The necessary Quorum was present at all the Meetings.

The Audit Committee Meeting are usually held at the Registered office of the company situated at 5, Kitab Mahal, 192, D.N. Road, Fort, Mumbai-400 001.

## GLANCE FINANCE LTD.

### 2. Remuneration Committee

**The Company has constituted a Remuneration Committee of the Directors.**

The Remuneration paid to Shri Tushar Agarwal Whole Time Director is in accordance with the provisions of Schedule XIII of the Companies Act, 1956.

The remuneration of Shri Tushar Agarwal was duly recommended by the Remuneration Committee to the Board of Directors and it was also approved by the Board.

**The Composition of the Remuneration Committee and the details of Meetings attended by the members of the Remuneration committee are given below :**

Name	Category	No. of Meetings during the year 2011-12	
		Held	Attended
Mr. Hasmukh Gandhi (Chairman)	Non-Executive Independent Director	1	1
Mr. Narendra Karnavat	Promoter & Non - Executive Director	1	1
Mrs. Vandana Vasudeo	Non-Executive Independent Director	1	1

The Meeting of Remuneration Committee was held on **16th April, 2011** for re-appointment of shri Tushar Agarwal as Whole Time Director of the Company for a further period of three years with effect from 1st April, 2011 at a remuneration not exceeding Rs. 2,50,000/- per month (including any cash allowances and perquisites which shall not include (i) contribution to Provident Fund, Super Annuation Fund, or Annuity Fund to extend these either singly or put together are not taxable under the Income Tax Act, 1961, (ii) Gratuity payable at rate not exceeding half a month's salary for each completed year of service and (iii) Encashment of Leave at the end of the tenure) during the financial year.

**Details of Remuneration for the year ended 31st March,2012 :**

The details of remuneration paid to Shri Tushar Agarwal, Whole Time Director of the Company during the financial year 2011-2012 are as follows under :

<b>Director</b>	<b>Designation</b>	<b>Salary (per month)</b>	<b>Total Remuneration</b>
Mr. Tushar Agarwal	Whole Time Director	2,00,000	26,00,000

\*Elements of remuneration package of Mr. Tushar Agarwal :

**Basic Salary : 24,00,000/-**

**House Rent Allowance : NIL**

**Bonus : 2,00,000/-**

**3. Shareholders / Investors Grievance Committee:**

The Board has set up a Shareholders/Investors Grievance Committee to take care of matters relating to transfer, transmission, split, duplicate etc. of the shares issued by the company from time to time. In addition to the above, the Committee is authorized to look into Shareholder's complaints such as delay in transfer, non-receipt of shares, Balance Sheet etc and also review the dematerialized shares.

The Committee is chaired by Mrs. Vandana Vasudeo with Mr. Hasmukh Gandhi, Director and Mrs. Narendra Karnavat, Director as its Members.

Mamta Thakkar is the Compliance Officer of the Company.

**Meetings & Attendance :**

There were five meetings of the Shareholder / Investors Grievance Committee viz. on **13th May, 2011, 10th August, 2011, 02nd September 2011, 14th November 2011 and 13th February 2012.**

## GLANCE FINANCE LTD.

**The Attendance of the Members of the Shareholder / Investors Grievance Committee at the Meeting of the Shareholder / Investors Grievance Committee held during the year is given below :**

Name	Category	No. of Meetings during the year 2011-12	
		Held	Attended
Mrs. Vandana Vasudeo (Chairman)	Non-Executive Independent Director	5	5
Mr. Narendra Karnavat	Promoter & Non - Executive Director	5	4
Mr. Hasmukh Gandhi	Non-Executive Independent Director	5	5

The necessary Quorum was present at all the Meetings.

The Shareholder / Investors Grievance Committee Meetings are usually held at the Registered Office of the Company situated at 5, Kitab Mahal, 192, D.N. Road, Fort, Mumbai-400 001.

**The functions of the committee include :**

To specifically look into redressing investors' grievances pertaining to :

- Transfer of Shares
- Dividends
- De-materialization of Shares
- Replacement of lost/stolen/mutilated share certificates
- Non-receipt of right/bonus/split share certificates
- Any other related issues



**COMPLAINTS :**

Sr. No.	Nature of the complaint	Received	Replied	Pending
1	Non-receipt of shares certificates lodged for transfer	0	0	0
2	Non-receipt of dividend warrants	0	0	0
3	Non-receipt of dividend warrants after revalidation	0	0	0
4	Non-receipt of the share certificates lodged for split/Bonus shares	0	0	0
5	Non-receipt of duplicate shares certificate	0	0	0
6	Letters from SEBI/Stock Exchange	0	0	0
7	Letters from Department of Company Affairs / Other Statutory Bodies	0	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

During the year NIL complaints regarding non-receipt of shares sent for transfer, demat queries were received from the shareholders. The company had no transfers pending at the close of 31.03.2012.

**REQUESTS :**

Sr. No.	Nature of the Requests	Received	Replied	Pending
1	Receipt of dividend warrants for revalidation	0	0	0
2	Request for Change of address	2	2	0
3	Request for duplicate Dividend warrant	0	0	0
4	Request for copy of Annual Report	0	0	0
5	Request for TDS Certificate	0	0	0
6	Request for exchange of split Share Certificate	0	0	0
7	Endorsement of Share Certificate	6	6	0
8	Correction of name / address	5	5	0
	<b>Total</b>	<b>13</b>	<b>13</b>	

# GLANCE FINANCE LTD.

## D. General Body Meeting:

Date, Venue and Time for the last three Annual General Meeting

Year	Venue	Date	Time
2008-2009	Serai Mahila Mandal, 11A/1, Sindhi Colony, Opp. Sachanand Darbar, Sion (W), Mumbai - 400 022.	29th September, 2009	9.00 a.m.
2009-2010	Azad Mahila Sangh, Plot No. 91, Road No. 25, Sion (West), Mumbai 400 022.	29th September, 2010	9.00 a.m.
2010-2011	Azad Mahila Sangh, Plot No. 91, Road No. 25, Sion (West), Mumbai 400 022.	30th September, 2011	9.00 a.m.

The details of special resolutions passed in previous 3 Annual General Meeting are as under :

**AGM 2011 :** Re-appointment of Shri Tushar Agarwal as Whole Time Director of the Company.

**AGM 2010 :** No special Resolution was passed.

**AGM 2009 :** No special Resolution was passed.

No Special Resolution was passed through Postal Ballot last year. At this AGM there is no item on the agenda that needs approval by Postal Ballot.

## E. Disclosures :

### a. Subsidiary Companies

The Company does not have any subsidiary Company during the Year under review.

### b. Disclosures of transactions with Related Parties

The details of related party transactions are duly disclosed in the Notes to Account of the Company for the year ended 31st March, 2012.

### c. Disclosures of Accounting Treatment in preparation of Financial Statements :

The Company has followed the Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI), in preparation of its Financial Statements.

**d. Risk Management**

The Company has laid down procedures to inform Board Members about Risk assessment and minimization procedures and these procedures are periodically reviewed.

**e. Proceeds from Public Issues, Rights Issue, Preferential Issue, etc.**

The Company has not raised any Money through Public Issue, Rights Issue, Preferential Issue, etc. during the year there under.

The Board of Directors in its Meeting held on 10th August, 2011 has forfeited 30,200 Partly Paid-Up Equity Shares of Rs. 10/- each on which unpaid call money has not been paid by holders of such partly paid up shareholders.

**f. Remuneration of Non-Executive Directors and details of Director's Shareholding :**

Except sitting fees, the Non-Executive Directors have not been paid any remuneration. None of the transactions with any of the Related Parties were in conflict with the interest of the Company.

Details of Directors Shareholding in the Company are as under :

<b>Name of Director</b>	<b>No. of Equity Shares Held</b>
Mr. Narendra Karnavat (Non-executive Director)	50,000
Mr. Tushar Agarwal (Whole Time Director)	4,24,200

The Company does not have any scheme for grant of stock options to its directors or employees.

**g. Code of Business Conduct and Ethics for Directors and Management Personnel**

The Code of business conduct and Ethics for directors and Senior Managements has been circulated to all the Members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by Mr. Tushar Agarwal, Whole Time Director is given below :

"I hereby confirm that the Company has obtained from all the Members of the Board and Senior Management affirmation that they have complied with the code of Business conduct and Ethics for directors and Senior Management in respect of Financial Year 2011-2012."

## **h. Code for prevention of Insider Trading Practices**

In compliance with SEBI's Regulations on Prevention of Insider Trading the Company has instituted a comprehensive Code of Conduct for its designated employees. The Code lays down guidelines on procedures to be followed and disclosures to be made while dealing with the shares of the Company and cautioning them of the consequences of violations.

### **i. Compliance of Regulatory requirements:**

The Company has complied with all the requirements of regulatory authorities. During the last three years, there were no strictures or penalties imposed by either the Securities and Exchange Board of India or the Stock Exchanges or any statutory authorities for non-compliance of any matter related to the capital markets.

### **Means of Communication :**

The Unaudited Quarterly results of the Company were published during the financial year under review in the national newspapers namely, The Asian Age and Mumbai Tarun Bharat (Regional language).

## **F. The Management Discussion & Analysis Report**

The Management Discussion and Analysis Report (MDA) has been attached to the Directors Report and forms part of this Annual Report.

### **G. Compliance with Mandatory requirements :**

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement relating to Corporate Governance.

## **H. General Shareholders information :**

### **a. Forthcoming AGM**

The next Annual General Meeting of the Company will be held on 27th September, 2012 at 09.00 A.M. at the Azad Mahila Sangh, Plot No. 91, Road No. 25, Sion (W), Mumbai - 400 022.

**Financial Reporting for the quarter ending (tentative & subject to change)**

<b>Tentative Schedule</b>	<b>Likely Board Meeting Schedule</b>
June 30, 2012	held on 14th August, 2012
September 30, 2012	Upto 14th November, 2012
December 31, 2012	Upto 14th February, 2013
March 31, 2013 (Audited)	Upto 31st May, 2013
Book Closure Date	21st, Sept. 2012 to 27th, Sept. 2012 (Both days inclusive)
Registered Office	5, Kitab Mahal, 192, Dr. D. N. Road, Fort, Mumbai 400 001.
Listing on Stock Exchange	The Stock Exchange, Mumbai (BSE) (The Listing Fees have been paid for the year 2012-2013).
Mumbai Stock Exchange Code	531199
<b>Demat ISIN No. for NSDL and CDSL</b>	INE580D01017
<b>Registrar and Share Transfer Agents</b>	Link Intime India Private Limited (Formerly known as Intime Spectrum Registry Limited) <b>C/13, Pannalal Silk Mills Comp., L.B.S. Marg, Bhandup (W), Mumbai 400 078. Tel : 022 25963838</b>

# GLANCE FINANCE LTD.

## Distribution of Shareholding as on March 31, 2012

Sr. No.	No. of equity shares held			Shareholder(s)		Shareholding(s)	
	From		To	Nos	%	Amount	%
1	1	-	5000	756	78.6681	1764020	5.8685
2	5001	-	10000	101	10.5099	843290	2.8054
3	10001	-	20000	48	4.9948	698250	2.3229
4	20001	-	30000	12	1.2487	296260	0.9856
5	30001	-	40000	6	0.6243	217840	0.7247
6	40001	-	50000	5	0.5203	238000	0.7918
7	50001	-	100000	17	1.7690	1341420	4.4626
8	100001 and above			16	1.6649	24659920	82.0384
	<b>Total</b>			<b>961</b>	<b>100.00</b>	<b>30059000</b>	<b>100.000</b>

**SHAREHOLDING PATTERN AS ON MARCH 31, 2012**

	<b>CATEGORY</b>	<b>No. of shares held</b>	<b>Percentage of shareholding</b>
<b>A.</b>	<b>Promoter's holding</b>		
1	Promoters		
	- Indian Promoters	1150200	38.26
	- Foreign Promoters	0	0
2.	Persons acting in concert	1099000	36.56
	<b>Sub-Total</b>	<b>2249200</b>	<b>74.83</b>
<b>B.</b>	<b>Non-Promoters Holding</b>		
3.	Institutional Investors	0	0
a.	Mutual Funds and UTI	0	0
b.	Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions/Non-Government Institutions)	0	0
c.	FIs	0	0
	<b>Sub-Total</b>	<b>0</b>	<b>0</b>
4.	Others	0	0
a.	Private Corporate Bodies	29337	0.98
b.	Indian Public	726947	24.19
c.	NRIs/OCBs	22	0.00
d.	HUF	0	1.00
e.	Any other (Clearing Member & Market Makers)	394	0.00
	<b>Sub-Total</b>	<b>756700</b>	<b>25.18</b>
	<b>Grand Total</b>	<b>3005900</b>	<b>100.00</b>

# GLANCE FINANCE LTD.

**Stock Code : Bombay Stock Exchange Limited : 531199**

**Stock Market Data relating to Equity Share listed in India :**

Month (2011-12)	Price on BSE during each month		Volume traded In Rs.
	High	Low	
April	15.39	12.65	2,08,708.00
May	16.80	12.51	4,20,622.00
June	17.50	15.25	2,17,367.00
July	36.05	17.10	41,08,359.00
August	37.45	28.85	33,38,689.00
September	28.40	19.55	5,92,368.00
October	37.90	26.70	6,42,802.00
November	29.40	23.35	3,44,974.00
December	23.35	17.45	92,755.00
January	27.00	16.55	1,78,569.00
February	35.95	27.15	8,51,486.00
March	27.15	18.50	10,24,934.00

## **Share Transfer System :**

The Company has appointed Link Intime India Private Limited (formerly known as Intime Spectrum Registry Limited) as the Share transfer agents. In order to ensure timely registration of transfer and return of certificates and also prompt redressal of Shareholders' Grievances, the Company monitors the Registrar's work closely on a day-to-day basis. The address of the Registrar's is :

## **Link Intime India Private Limited**

(Formerly known as Intime Spectrum Registry Limited)

**C-13, Pannalal Silk Mills Compound,**

**L.B.S. Marg, Bhandup (West),**

**Mumbai - 400 078.**

**Tel. : 022-25963838**



**I. Investor Services :**

No Complaints were received during the year relating to Transfer, Transmission, Dividend, Interest, Demat and change of address etc.

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

**94.25% Equity Shares have been dematerialized as on 31<sup>st</sup> March, 2012.**

**K. ISIN Number : INE580D01017****L. Investor Correspondence :**

Registrar and Transfer Agents :

**Link Intime India Private Limited**

(Formerly know as Intime Spectrum Registry Limited)

**C-13, Pannalal Silk Mills Compound, L.B.S. Marg,**

**Bhandup (West), Mumbai - 400 078. Tel. : 022-25963838**

**M. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity.**

There were no Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity during the year under review.

**O. Plant Location :**

Our Company is a finance Company and does not have any plant, the Registered Office of the company is located at :

5 ,KITAB MAHAL,  
192, DR. D.N. ROAD,  
FORT, MUMBAI - 400 001.  
Tel. : 022 4066 6666 / 50  
Email : glance@glancefin.com

**DECLARATION**

I declare that as provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and Senior Management Personnel have individually affirmed compliance with the Code of Conduct for the year ended 31st March, 2012.

Mumbai  
1st September, 2012

Tushar Agarwal  
(Whole Time Director and CEO)

## **CEO/CFO Certification :**

We, Tushar Agarwal, Whole Time Director & CEO and Narendra Arora CFO of Glance Finance Limited Certify to the Board that :

1. We have reviewed the Balance Sheet, The Statement of Profit & Loss and all its Schedules and Notes to Accounts as well as the Cash Flow Statement.
2. Based on our knowledge, information and belief, these statements do not contain any untrue statement of a material fact or omit to state a material fact that might be misleading with respect to the statements made.
3. Based on our knowledge, information and belief, the financial statements and other financial information included in this report present a true and fair view of the Company's affairs for the period presented in this report and are in compliance with the existing accounting standards, applicable laws and regulations.
4. To the best of our knowledge, information and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
5. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting.
6. We have disclosed, based on our most recent evaluation, wherever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors all significant deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps taken or proposed to be taken to rectify the deficiencies.

We have indicated to the Auditors and the Audit Committee.

- a) Significant changes in the Company's internal control over financial reporting during the year.
- b) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
- c) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

Place : Mumbai

Date : 1st September, 2012

On behalf of the Board of Directors

**Tushar Agarwal**  
(Whole Time Director & CEO)

**Narendra Arora**  
(CFO)

**Auditors' Certificate on Compliance of conditions of Corporate Governance as per clause 49 of the Listing Agreement with Stock Exchanges****TO THE MEMBERS OF GLANCE FINANCE LIMITED**

We have examined the compliance of conditions of Corporate Governance by GLANCE FINANCE LIMITED, for the year end as 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 implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statement 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 the Corporate governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for the 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.

2, Gulmohar Complex,  
Station Road, Goregaon (E),  
Mumbai - 400 063.  
Place: Mumbai  
Date : 1st September, 2012

For and on behalf of  
**P K J & CO**  
Chartered Accountant  
Firm Regn. No. 124115W

**(PADAM JAIN)**  
Partner  
Membership No. 71026

## AUDITORS' REPORT

### TO THE MEMBERS OF GLANCE FINANCE LIMITED

1. We have audited the attached Balance Sheet of **GLANCE FINANCE LIMITED** as at **31st March, 2012** and also the Statement of Profit and Loss, and also 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 misstatement. 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 presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004 (together the 'order'), issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (iii) The Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- (v) On the basis of written representations received from the directors, as on 31st March, 2012 and taken on 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.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the aforesaid accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at **31st March 2012**;
- (b) In the case of the Profit and Loss Account, of the **Profit** for the year ended on that date; and
- (c) In the case of the Cash Flow Statement of the Cash Flows for the year ended on that date.

2, Gulmohar Complex,  
Station Road, Goregaon (E),  
Mumbai - 400 063.  
Place: Mumbai  
Date : 25th, May, 2012

For and on behalf of  
**P K J & CO**  
Firm Regn. No. 124115W  
Chartered Accountant

**(PADAM JAIN)**  
Partner  
Membership No. 71026

**ANNEXURE TO THE AUDITORS' REPORT**

**(Referred to in paragraph 3 of our report of even date.)**

- i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of assets. No material discrepancies were noticed on such verification.
- (c) During the year, the Company has not disposed off substantial part of fixed assets so as to affect the going concern status of the Company.
- ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records on inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii) (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties in the register maintained under section 301 of the Companies Act, 1956. Accordingly sub-clauses iii (b) to iii(d) of Paragraph 4 of the Order is not applicable.
- (b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties in the register maintained under Section 301 of the Companies Act, 1956. Accordingly sub-clauses iii (f) to iii(g) of Paragraph 4 of the Order is not applicable.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls system.

- v) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public to which provisions of Sections 58 A and 58 AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 are applicable. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vii) *No formal Internal Audit* has been carried out. However, in our opinion, the Company has adequate control procedures to ensure reasonable internal checks of its financials and other records commensurate with the size and nature of its business.
- viii) In our opinion and according to the information and explanations given to us maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 has not been prescribed by the government.
- ix) (a) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income-tax, sales-tax, service tax, wealth tax, custom duty, excise-duty, cess and other statutory dues applicable to it .
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty were outstanding, as at 31st March, 2012 for a period of more than six months from the date they became payable.

## GLANCE FINANCE LTD.

- (c) According to the records of the Company, and information and explanations given to us due of sales tax, income tax, customs tax / wealth-tax excise duty / cess that have not been deposited on account of any disputes.
- x) The Company has neither any accumulated losses nor it has incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institution and bank.
- xii) Based on our examination of documents and records, we are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4(xii) of the aforesaid order are not applicable.
- xiii) The Company is not a nidhi / mutual benefit / society therefore paragraph 4(xiii) of the said order is not applicable.
- xiv) According to the information and explanations given to us and in our opinion, the company is dealing in shares, securities, debentures and other investments and proper records have been maintained of the transactions and contracts and timely entries have been made therein; also the shares, securities, debentures and other investments have been held by the Company in its own name except to the extent to the exemption, if any, granted under Section 49 of the Act;
- xv) The Company has not given any guarantee for loans taken by others from bank or financial institution.
- xvi) The Company has not raised term loans during the year.
- xvii) According to the information and explanations given to us and on the overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on short-term basis, which have been used for long term investments.
- xviii) The Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.



- xix) During the period covered by our audit report, the Company has not issued debentures and therefore paragraph 4 (xix) of the said order is not applicable.
- xx) During the period covered by our audit report, the Company had not raised money by Public Issues and therefore paragraph 4(xx) of the said order is not applicable
- xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

2, Gulmohar Complex,  
Station Road, Goregaon (E),  
Mumbai - 400 063.  
Place: Mumbai  
Date : 25th, May, 2012

For and on behalf of  
**P K J & CO**  
Firm Regn. No. 124115W  
Chartered Accountant

**(PADAM JAIN)**  
Partner  
Membership No. 71026

# GLANCE FINANCE LTD.

## BALANCE SHEET AS AT 31ST MARCH, 2012

I	Notes	As at 31 March 2012 Rs.	As at 31 March 2011 Rs.
<b>Equity and Liabilities</b>			
1 Shareholders Fund			
a) Share Capital	2	30,059,000	30,188,700
b) Reserves and Surplus	3	85,849,584	56,925,102
<b>2 Non-Current Liabilities</b>			
a) Long Term Provisions	4	1,027,524	1,680,273
<b>3 Current Liabilities</b>			
a) Trade payable	5	803,989	-
b) Other Current Liabilities	6	2,071,388	411,930
c) Short Term Provisions	4	2,328,190	1,521,123
<b>Total</b>		<b><u>122,139,675</u></b>	<b><u>90,727,128</u></b>
<b>ASSETS</b>			
<b>1 Non Current Assets</b>			
a) Fixed Assets			
Tangible Assets	7	4,555,573	3,440,320
b) Non current Investments	8	27,857,356	17,212,631
c) Deferred Tax Assets (Net)	9	358,300	383,600
d) Long Term Loans & Advances	10	948,672	263,272
		<u>33,719,901</u>	<u>21,299,823</u>
<b>2</b>			
a) Current Investments	11	49,451,493	21,210,573
b) Inventories	12	9,572,997	3,257,424
c) Trade receivables	13	3,314,283	8,142,436
d) Cash and Bank Balances	14	690,033	1,905,289
e) Short Term Loans and Advances	10	25,014,224	34,151,550
f) Other Current Assets	15	376,744	760,033
		<u>88,419,774</u>	<u>69,427,305</u>
<b>Total</b>		<b><u>122,139,675</u></b>	<b><u>90,727,128</u></b>

### Significant Accounting Policies

The accompanying notes are an integral part of the financial statements.

As per our Report of even date attached

For and on behalf of

**P K J & Co.**

Chartered Accountants

Firm Registration No. 124115W

For and on behalf of Board of Directors

**Mr. Tushar Agarwal**  
Director

**Mr. Hasmukh Gandhi**  
Director

**(Padam Jain)**

Partner

Membership No. 71026

Place : Mumbai

Date : 25th May, 2012

**Mrs. Vandana Vasudeo**  
Director

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

	Notes	Year Ended 31 March 2012 Rs.	Year Ended 31 March 2011 Rs.
<b>I INCOME</b>			
a) Revenue from Operations	16	64,923,661	46,652,664
b) Other Income	17	19,414	5,599
c) Share of Profit from Investment in Partnership Firm	18	1,069,578	4,964,453
<b>Total Revenue</b>		<b>66,012,653</b>	<b>51,622,716</b>
<b>II EXPENDITURE</b>			
a) Purchase of traded Goods	19	21,942,854	18,210,753
b) Changes in Inventories of Traded Goods	20	(6,315,573)	6,918,564
c) Employee Benefits Expenses	21	10,432,582	7,552,764
d) Depreciation and Amortization Expenses	22	430,526	348,123
e) Other Expenses	23	3,231,764	3,232,787
<b>Total Expenses</b>		<b>29,722,153</b>	<b>36,262,991</b>
<b>III Profit before Tax</b>		<b>36,290,500</b>	<b>15,359,725</b>
Less : Tax Expenses			
Current Income Tax		7,650,000	3,770,000
Deferred Tax		25,300	(237,600)
Earlier years adjustments		(309,282)	70,983
		<b>7,366,018</b>	<b>3,603,383</b>
<b>IV Profit of the year</b>		<b>28,924,482</b>	<b>11,756,342</b>
<b>V Earnings per Equity Share</b>			
(Nominal Value of share Rs. 10/- each)		27	
Basic		9.59	3.87
Diluted		9.59	3.87

**Significant Accounting Policies**

The accompanying notes are an integral part of these financial statements.

As per our Report of even date attached  
For and on behalf of  
**P K J & Co.**  
Chartered Accountants  
Firm Registration No. 124115W

For and on behalf of Board of Directors

**Mr. Tushar Agarwal**  
Director

**Mr. Hasmukh Gandhi**  
Director

**(Padam Jain)**

Partner  
Membership No. 71026  
Place : Mumbai  
Date : 25th May, 2012

**Mrs. Vandana Vasudeo**  
Director

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

### 1 Significant Accounting Policies

#### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the *Companies (Accounting Standards) Rules 2006, (as amended)* and the relevant provisions of the Companies Act, 1956 and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non Banking Finance Company. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

#### 1.2 CHANGE IN ACCOUNTING POLICY :

##### **Presentation and Disclosure of Financial Statement**

During the year ended 31-03-2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

#### 1.3 USE OF ESTIMATES :

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### 1.4 RECOGNITION OF INCOME AND EXPENDITURE

Revenue is recognized to the extent that is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria are met before revenue is recognized.

##### **a) Income from Professional Services**

Income from Professional Services are accounted for as and when the relevant services are rendered and revenue is recognized using completed service contract

method except where the recovery is uncertain in which case it is accounted for on receipt.

**b) Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Revenue from operation: in the statement of profit and loss.

**c) Dividend**

Dividend Income is recognized when the Company's Right to Receive dividend is established by the reporting date.

**d) Profit / Loss on sale of Investments / Inventories**

Profit / Loss on the sale of Investments / inventories is dealt with at the time of actual sale / redemption.

**1.5 INVENTORIES :**

The Securities acquired with the intention of trading are considered as stock in trade and disclosed as current assets. The Securities held as Stock in Trade under current asset and are valued at lower of Cost or Market value, whichever is less or FIFO Basis.

**1.6 TANGIBLE FIXED ASSETS :**

Tangible Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to it's working condition for it's intended use.

**1.7 DEPRECIATION ON TANGIBLE FIXED ASSETS :**

Depreciation on tangible fixed assets is provided on a Straight Line Method. In respect of assets sold, depreciation is provided upto the date of disposal. Depreciation is charged at the rate prescribed in the Schedule XIV to the Companies Act 1956.

**1.8 FOREIGN CURRENCY TRANSACTIONS****a) Initial recognition**

Foreign Currency Transactions are recorded in the reporting currency and the foreign currency at the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognized in the statement of Profit & Loss.

**b) Conversion**

Monetary assets and liabilities denominated in the foreign currencies as at the Balance Sheet date are translated at the closing exchange rates on that date. The exchange differences, if any, are Recognized in the statement of profit & loss account and related assets and liabilities are accordingly restarted in the Balance Sheet.

## 1.9 INVESTMENTS :

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.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term Investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. In the case of Mutual funds, the net asset value of units declared by the Mutual funds is considered as the fair value.

In accordance with the Revised Schedule VI to the Companies Act, 1956, the portion of the Long Term Investments classified above, and expected to be realised within 12 months of the reporting date, have been classified as current investments.

On disposal of investments, the difference between into carrying amount and the net disposal proceeds is charged or credited to the statement of profit & loss.

## 1.10 FUTURES AND OPTION CONTRACT

- a) Equity Index / Stock Futures are marked-to-market on a daily basis. Debit or credit balances, if any, disclosed under Loans and Advances or Current Liabilities respectively, in the "Mark-to-Market Margin - Index / Stock Futures Account", represents the net amount paid or received on the basis of movement in the prices of Index / Stock Futures till the Balance Sheet date.
- b) As at the Balance Sheet date, the profit / loss on open positions, if any, in Equity Index / Stock Futures are accounted for as follows :  
Credit balance in the "Mark-to-Market Equity Index / Stock Futures Account", being anticipated profit, is ignored and no credit is taken in the statement of Profit and Loss.  
Debit balance in the "Mark-to-Market Equity Index / Stock Futures Account", being anticipated loss, is recognizes in the statement of Profit and Loss.
- c) On final settlement or squaring-up of contracts for Equity Index / Stock Futures, the profit or loss is calculated as difference between settlement / squaring-up price and contract price. Accordingly, debit or credit balance pertaining to the settles / squared-up contract in "Mark to-Market Margin - Equity Index / Stock Futures Account" is recognized in the Statement of Profit and Loss upon expiry of the contracts. When more than one contract in respect of the relevant series of Equity Index / Stock Futures contract to which the squared-up contract pertains is outstanding at the time of the squaring up of the contract, the contract price of the contract so squared up is determined using First in First Out Method for calculating profit / loss on squaring-up.

**1.11 RETIREMENT BENEFITS :**

The Company has adopted Revised Accounting Standard 15- Employee Benefits. The policy followed by the Company in respect of its employee benefit scheme is set out below :

**a) Gratuity**

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees at retirement, death while in employment or on termination of employment. The liability for gratuity are provided for in accordance with actuarial valuation.

**b) Leave Encashment**

Provision for Leave encashment is made on accrual basis on estimates as at the year end and is charged to the Statement of Profit and Loss.

**1.12 SEGMENT REPORTING POLICIES****Identification of segments :**

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

**Unallocated Items :**

Unallocated items include income and expenses which are not allocated to any business segment.

**Segment Policies :**

The company prepares its segment information in conformity with the accounting policies for preparing and presenting the financial statements of the company as a whole.

**1.13 EARNINGS PER SHARE**

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 - Earning per share prescribed by the Companies (Accounting Standards) Rules, 2006.

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preferences dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The Weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share spilt, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

## **1.14 PROVISION FOR CURRENT TAX AND DEFERRED TAX**

- a) Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per applicable provisions of the Income Tax Act, 1961 and considering assessment orders and decision of appellate authorities.
- b) The deferred tax charge or benefit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantially enacted as at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realisation of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable / virtually certain (as the case may be) to be realised.

## **1.15 IMPAIRMENT OF ASSETS :**

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

## **1.16 CONTINGENT LIABILITY :**

A contingent liability is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in the financial statements. However contingent assets are assessed continually and if it is virtually certain that an economic benefit will rise, asset and related income are Recognized in the period in which the change occurs.



**1.17 PROVISIONS :**

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 amounts of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

**1.18 CASH & CASH EQUIVALENTS :**

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less, as per Accounting Standard 3 "Cash Flows".

# GLANCE FINANCE LTD.

Share Capital	31 March 2012	31 March 2011
<b>Authorised Shares</b>	<b>Rs.</b>	<b>Rs.</b>
Equity Shares		
31,00,000 (31 March 2011 : 31,00,000) Equity Shares of Rs. 10 each	31,00,000	31,00,000
Preference Share Capital		
40,000 (31 March 2011 : 40,000) 0% Preference Shares (Convertible) of Rs. 100 each	4,00,000	4,00,000
	<b><u>35,00,000</u></b>	<b><u>35,00,000</u></b>
<b>Issued, Subscribed and Fully Paid up Shares</b>		
Equity Shares		
30,05,900 (31 March 2011 : 30,36,100) Equity Shares of Rs. 10/- each fully paid	30,188,700	30,361,000
Less : Calls in arrears	-	172,300
Add : Calls in arrears received	63,300	-
Less : Share Forfeiture	193,000	-
	<b><u>30,05,900</u></b>	<b><u>30,188,700</u></b>

## 2.1 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

	31 March 2012		31 March 2011	
	Nos.	Rs.	Nos.	Rs.
Equity Shares				
At the beginning of the year	3,036,100	30,188,700	3,036,100	30,361,000
Less : Calls in arrears	-	-	-	172,300
Add : Calls in arrears received	-	63,300	-	-
Less : Share Forfeiture	30,200	193,000	-	-
At the end of the year	<b><u>3,005,900</u></b>	<b><u>30,059,000</u></b>	<b><u>3,036,100</u></b>	<b><u>30,188,700</u></b>

## 2.2 Terms / Rights attached :

### Equity Shares :

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## 2.3 Details of Shareholders more than 5% share in the company

	31 March 2012		31 March 2011	
	Nos.	%	Nos.	%
<b>Equity shares of Rs. 10 each fully paid</b>				
Tushar Agarwal	424,200	14.11 %	424,200	13.97%
Ashish Commercials Private Limited	399,000	13.27 %	399,000	13.14%
Reena Agarwal	393,000	13.07%	393,000	12.94%
Bhadrasila Finance Private Limited	350,000	11.64%	350,000	11.53%
Chitrakut Shreshoppe Private Limited	350,000	11.64%	350,000	11.53%
Gopal Krishan Agarwal	268,000	8.92%	268,000	8.83%

As per the records of the Company, including its register of shareholder/Members and other declaration received from shareholders regarding beneficial interest the above shareholding represents both legal and beneficial ownership of shares.

# GLANCE FINANCE LTD.

3 Reserves and Surplus	31 March 2012	31 March 2011		
<b>3.1 Capital Redemption Reserve :</b>	<b>Rs.</b>	<b>Rs.</b>		
Balance as per the last financial statements	1,400,000	-		
Add : Additions during the year	-	1,400,000		
Less : Deduction during the year	-	-		
Closing Balance	<u>1,400,000</u>	<u>1,400,000</u>		
<b>3.2 Securities premium account :</b>				
Balance as per the last financial statements	12,600,000	12,600,000		
Add ; Received during the year	-	-		
Less : Amounts utilized	-	-		
Closing Balance	<u>12,600,000</u>	<u>12,600,000</u>		
<b>3.3 Surplus in the statement of profit and loss</b>				
Balance as per the last financial statements	42,925,102	32,568,760		
Add : Profit for the year	28,924,482	11,756,342		
Less : Appropriations				
Transferred to Capital Redemption Reserve	-	1,400,000		
Net Surplus in the statement of profit and loss	<u>71,849,584</u>	<u>42,925,102</u>		
Total reserves and surplus	<u><b>85,849,584</b></u>	<u><b>56,925,102</b></u>		
<b>4 Provisions</b>	<b>Long - Term</b>	<b>Short - Term</b>		
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	Rs.	Rs.	Rs.	Rs.
<b>4.1 Provisions for employees benefits</b>				
Salary	-	-	612,938	482,991
Bonus & Leave Salary	-	-	1,030,318	607,236
Gratuity	1,027,524	881,346	100,894	-
	<u>1,027,524</u>	<u>881,346</u>	<u>1,744,150</u>	<u>1,090,227</u>
<b>4.2 Other Provisions</b>				
Provision for Income Tax	-	798,927	-	-
Provision for Warranties	-	-	-	-
Provision for Litigations	-	-	-	-
Provision for Loss on Equity Index/ Stock in futures	-	-	498,337	430,896
Others	-	-	85,703	-
	<u>-</u>	<u>798,927</u>	<u>584,040</u>	<u>430,896</u>
	<u><b>1,027,524</b></u>	<u><b>1,680,273</b></u>	<u><b>2,328,190</b></u>	<u><b>1,521,123</b></u>
<b>5 Trade Payables</b>			<b>31 March 2012</b>	<b>31 March 2011</b>
			<b>Rs.</b>	<b>Rs.</b>
Sundry Creditors			<u>803,989</u>	-
			<u><b>803,989</b></u>	-
<b>6 Other Current Liabilities</b>				
Auditors Remuneration Payable			38,700	38,700
Interest received in advance			92,667	-
Advance from Customer against expenses			50,000	-
Professional Tax Payable			3,925	3,100
Service Tax Payable			-	192,391
Other Expenses			254,992	79,109
Fringe Benefit Tax Payable			-	430
TDS Payable			145,455	98,200
Other Liabilities			1,485,649	-
			<u>2,071,388</u>	<u>411,930</u>

# GLANCE FINANCE LTD.

## 7. Tangible Assets

	Air Conditioner	Computers	Motor Cars	Office Equipments	Furniture & Fixtures	Total
<b>Cost or Valuation</b>						
<b>At 1 April 2010</b>	313,118	1,008,909	3,382,418	147,722	141,613	4,993,780
Additions	11,400	144,400	2,195,061	-	12,038	2,362,899
Disposals	-	-	2,357,218	-	-	2,357,218
<b>At 31 March, 2011</b>	324,518	1,153,309	3,220,261	147,722	153,651	4,999,461
Additions	-	33,900	1,361,099	175,988	-	1,570,987
Disposals	-	-	51,000	-	-	51,000
<b>At 31 March, 2012</b>	<b>324,518</b>	<b>1,187,209</b>	<b>4,530,360</b>	<b>323,710</b>	<b>153,651</b>	<b>6,519,448</b>
<b>Depreciation</b>						
<b>At 1st April 2010</b>	85,571	850,447	794,852	43,744	39,321	1,813,935
Charge for the year	15,214	56,835	259,914	7,017	9,142	348,122
Disposals	-	-	602,917	-	-	602,917
<b>At 31 March, 2011</b>	100,785	907,282	451,849	50,761	48,463	1,559,140
Charge for the year	15,415	77,305	317,331	10,749	9,726	430,526
Disposals	-	-	25,791	-	-	25,791
<b>At 31 March, 2012</b>	<b>116,200</b>	<b>984,587</b>	<b>743,389</b>	<b>61,510</b>	<b>58,189</b>	<b>1,963,875</b>
<b>At 31 March, 2011</b>	223,733	246,027	2,768,412	96,961	105,188	3,440,321
<b>At 31 March, 2012</b>	<b>208,318</b>	<b>202,622</b>	<b>3,786,971</b>	<b>262,200</b>	<b>95,462</b>	<b>4,555,573</b>

	<u>31 March 2012</u>	<u>31 March 2011</u>
	<u>Rs.</u>	<u>Rs.</u>
<b>Non Current Investments</b>		
<b>Non Trade Investments</b>		
(valued at cost unless stated otherwise)		
Investment in Equity Instruments (Quoted)		
Nil (31 March 2011 : 10,519) Equity shares of Hardcastle & Waud Co. Ltd. of Rs. 10/- each fully paid up	-	767,175
749,700 (31 March 2011 : 7,49,700) Equity shares of Texplast Industries Ltd. of Rs. 10/- each fully paid up	1,819,661	1,819,661
	<u>I</u> 1,819,661	<u>2,586,836</u>
Investment in Equity Instruments (Unquoted)		
Nil (31 March 2011 : 38,430) Equity shares of UFO Moviez India Ltd. of Rs. 10/- each fully paid up	-	128,100
Nil (31 March 2011) Equity shares of A Little World Pvt. Ltd. of Rs. 10/- each fully paid up	-	1,930,000
	<u>II</u> -	<u>2,058,100</u>
Investment in Share Warrants ((Quoted)		
1,00,000 (31 March 2011 : 1,00,000) Shares Warrants of Jyoti Structures Limited (The above Warrants are received on account of right issue of 2 Detachable Warrant for every 8 Equity Shares held in Jyoti Structures Ltd.)	-	-
	<u>III</u> -	<u>-</u>
Debentures (Quoted)		
8,374 units (31 March 2011 : Nil) Secured Non Convertible debentures of Rs. 1,000/- each fully paid up in Shriram City Union Finance Ltd. Option-I	8,374,000	-
	<u>IV</u> 8,374,000	<u>-</u>
Bonds (Quoted)		
5,696 units (31 March 2011 : Nil) Taxfree Bonds of Power Finance Corporation Tranche-1 (Series II) of Rs. 1,000/- each fully paid up	5,696,000	-
	<u>V</u> 5,696,000	<u>-</u>
Investment in Units of Mutual Funds (Unquoted)		
1,74,534.284 units (31 March 2011 : 1,74,534.284) LIC MF Bond Fund Growth	4,500,000	4,500,000
1,00,350.547 units (31 March 2011 : 1,00,350.547) Birla Sunlife Gilt Plus Regular Growth	3,167,695	3,167,695
92,095.636 units (31 March 2011 : 92,095.636) HDFC Gilt Fund Long Term Plan Growth	1,800,000	1,800,000
1,30,361.100 units (31 March 2011 : 1,30,361.100) Pru ICICI Gilt Fund Investment Plan PF Option	2,500,000	2,500,000
	<u>VI</u> 11,967,695	<u>11,967,695</u>
Partnership Firm		
Fixed Capital Account	VII	600,000
M/s. Zenstar Impex	-	600,000
	<u>-</u>	<u>600,000</u>
<b>Total (I+II+III+IV+V+VI+VII)</b>	<u><b>27,857,356</b></u>	<u><b>17,212,631</b></u>

# GLANCE FINANCE LTD.

## Aggregate amount of Quoted Investments

Equity Shares	1,819,661	2,586,836
Shares Warrants	-	-
Debentures	8,374,000	-
Bonds	5,696,000	-
<b>Total</b>	<b>15,889,661</b>	<b>2,586,836</b>

## Aggregate Market Value of Quoted Investments

Equity Shares	7,422,030	11,442,928
Shares Warrants	295,000	975,000
Debentures	5,340,519	-
Bonds	5,872,690	-
<b>Total</b>	<b>18,930,238</b>	<b>12,417,928</b>

## Aggregate amount of Unquoted Investments

Equity Shares	-	2,058,100
Mutual Funds	11,967,695	11,967,695
Partnership Firm	-	600,000
	<b>11,967,695</b>	<b>14,625,795</b>

## Details of Investments in Partnership Firm

Name of the Firm	Name of the Partners	Profit Sharing Ratio	Total Capital	
			as on 31/03/2012	as on 31/03/2011
Zenstar Impex	Glance Finance Ltd.	80%	Nil	Rs. 598.86 Lacs
	Florence Distributors Pvt. Ltd.	20%		

During the year, the above partnership was dissolved with effect from 31st December, 2011

## 9 Deferred Tax Assets (Net)

	31 March 2012	31 March 2011
	Rs.	Rs.
<b>Deferred Tax Assets</b>		
Speculation loss	201,337	153,764
Provision of Gratuity	348,681	285,953
<b>Gross deferred tax assets</b>	<b>550,018</b>	<b>439,717</b>

## Deferred Tax Liability

Fixed Assets :

Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting

	191,684	56,078
<b>Gross deferred tax liability</b>	<b>191,684</b>	<b>56,078</b>
<b>Net deferred tax assets</b>	<b>358,333</b>	<b>383,639</b>
<b>(Rounded Off)</b>	<b>358,300</b>	<b>383,600</b>

# GLANCE FINANCE LTD.

10 Loans and Advance	Non-Current		Current	
	31 March 2012 Rs.	31 March 2011 Rs.	31 March 2012 Rs.	31 March 2011 Rs.
<b>10.1 Security Deposits</b>				
Unsecured, considered good				
Telephone deposit	-	2,000	-	-
Internet Router Deposit	15,000	16,000	-	-
	<u>15,000</u>	<u>18,000</u>	-	-
<b>10.2 Advances recoverable in cash or kind</b>				
Unsecured, considered good				
Bharat Petroleum Corporation Limited	-	-	2,536	8,788
Service Tax recoverable	-	-	3,366	3,601
Current Capital in partnership firm	-	-	-	34,139,161
	-	-	<u>5,902</u>	<u>34,151,550</u>
<b>10.3 Other Loans and Advances</b>				
Income Tax Deposits (Net of Provisions)	801,672	-	-	-
Prepaid Insurance Premium	-	15,190	-	-
Prepaid Membership Fees	132,000	211,648	-	-
Equity Index/ Stock Option Premium Account	-	18,434	-	-
Loans to Employees	-	-	71,000	-
Inter Corporate Deposits (ICD's)	-	-	25,000,000	-
	<u>933,672</u>	<u>245,272</u>	<u>25,071,000</u>	<u>-</u>
Less : Statutory Provision on Standard Assets as per RBI directions	-	-	62,678	-
	<u><b>948,672</b></u>	<u><b>263,272</b></u>	<u><b>25,014,224</b></u>	<u><b>34,151,550</b></u>

**Note :**

1. Income Tax Deposits is net of provision for tax includes :

	31 March 2012 Rs.	31 March 2011 Rs.
Income Tax Deposits	14,871,672	7,461,073
Less : Provision for Income Tax	<u>(14,070,000)</u>	<u>(8,260,000)</u>
	<u><b>801,672</b></u>	<u><b>(798,927)</b></u>

2. Loans to employees include

Dues from officers

-	-
<u>-</u>	<u>-</u>

**11 Current Investments**

Non-Trade Investments

(Valued at lower of cost or fair value unless stated otherwise)

Units of Mutual Funds (Unquoted)

	31 March 2012 Rs.	31 March 2011 Rs.
1,502,793.877 (31 March 2011 : Nil) Tata Floater Fund - Weekly Dividend - Reinvest	15,164,269	-
28,723.9270 (31 Mar. 2011: Nil) SBI Premier Liquid Fund-Institutional-Daily Dividend-Reinvest	28,817,280	-
1 (31 March 2011 : Nil) HDFC Cash Management Treasury Advantage Plan	11	-
Nil (31 March 2011 : 1,108,056.003) Tata Money Market Fund - Daily Dividend	-	11,097,402
54,674.723 units (31 March 2011 : 7,10,997.148) Birla Sunlife Cash Manager - Daily Dividend	5,469,933	7,113,171
Nil(31 March 2011 : 3,00,000.000) SBI Debt Fund Series - 370 days - 12 dividend - payout	-	3,000,000
<b>Total</b>	<u><b>49,451,493</b></u>	<u><b>21,210,573</b></u>

Aggregate amount of Unquoted Investments

Units of Mutual Funds

49,451,493	21,210,573
<u>49,451,493</u>	<u>21,210,573</u>

# GLANCE FINANCE LTD.

	<b>31 March 2012</b>	<b>31 March 2011</b>
	<u>Rs.</u>	<u>Rs.</u>
<b>12 Inventories</b>		
Equity Shares (as valued & certified by the management)	<u>9,572,997</u>	<u>3,257,424</u>
	<u>9,572,997</u>	<u>3,257,424</u>
<b>13 Trade receivable :</b>		
<b>Outstanding for a period less than six months from the date they are due for payment</b>		
Unsecured, Considered goods unless stated otherwise		
India Infoline Ltd.	1,000	5,079
J M Financial Services Pvt. Ltd.	-	5,767,994
Bhagyanagar Polymers P. Ltd.	-	32,759
Isibars Ltd. (SMS Division)	-	218,394
India Steel Works	1,323,600	1,479,123
Jyoti Structures Ltd.	1,433,900	124,087
Valuable Technologies INC	555,783	300,000
Sky Industries	-	215,000
	<u>3,314,283</u>	<u>8,142,436</u>
<b>14 Cash and Bank Balances</b>		
Cash and Cash equivalents :		
Cash on hand	72,566	276,486
Balance with banks :		
In Current Accounts	617,467	1,628,803
	<u>690,033</u>	<u>1,905,289</u>
<b>15 Other Current Assets</b>		
Unsecured, considered good	-	-
Advance Recoverable in cash or kind		
Brokerage Receivable	-	42,784
Income Tax Refund Receivable	376,744	717,249
	<u>376,744</u>	<u>760,033</u>



# GLANCE FINANCE LTD.

16 Revenue from Operations	31 March 2012 Rs.	31 March 2011 Rs.
<b>16.1 Interest Income</b>		
Bonds	87,637	-
Debenture	601,846	
Others	1,418,098	350,457
	<u>2,107,581</u>	<u>350,457</u>
<b>16.2 Revenue From Financial Services</b>		
Professional Fees	26,824,939	18,420,330
Commission	-	33,000
Brokerage Income	1,023,438	1,229,612
	<u>27,848,377</u>	<u>19,682,942</u>
<b>16.3 Sale of Traded Goods</b>		
Sale of Equity Shares	14,036,928	24,969,479
Sale of Channa	1,902,082	-
	<u>15,939,010</u>	<u>24,969,479</u>
<b>16.4 Other Operating Income</b>		
Profit on sale of Investments	14,686,094	-
Loss on sale of Commodity Derivatives	(48,993)	-
Profit on sale of Mutual Fund	125,304	(58,956)
Profit on Equity Derivatives	599,623	956,222
Dividend Income	3,666,665	752,520
	<u>19,028,693</u>	<u>1,649,786</u>
	<b><u>64,923,661</u></b>	<b><u>46,652,664</u></b>
<b>17 Other Income</b>		
Exchange Fluctuation Gain	3,516	-
Miscellaneous Income	1,107	-
Profit on sale of car	14,791	-
Prior Period Income	-	5,599
	<u>19,414</u>	<u>5,599</u>
<b>18 Share of Profit from Investment in Partnership Firm</b>		
M/s. Zenstar Impex	1,069,578	4,964,453
	<u>1,069,578</u>	<u>4,964,453</u>
<b>19 Purchases of Traded Goods</b>		
Purchase of Equity Shares	20,438,891	18,210,753
Purchase of Channa	1,503,963	-
	<u>21,942,854</u>	<u>18,210,753</u>

# GLANCE FINANCE LTD.

	31 March 2012 Rs.	31 March 2011 Rs.	Increase/ Decrease
<b>20 Changes in Inventories of traded goods</b>			
Details at the end of the year			
Equity Shares	9,572,997	3,257,424	6,315,573
	<u>9,572,997</u>	<u>3,257,424</u>	<u>6,315,573</u>
Details at the beginning of the year			
Equity Shares	3,257,424	10,175,988	(6,918,564)
	<u>3,257,424</u>	<u>10,175,988</u>	<u>(6,918,564)</u>
<b>21 Employee Benefits Expenses</b>			
Salary & Wages	7,330,018	4,581,701	
Director's remuneration	2,600,000	2,600,000	
Staff Welfare Expenses	151,646	-	
Gratuity (refer Note No. 24)	350,918	371,063	
	<u>10,432,582</u>	<u>7,552,764</u>	
<b>22 Depreciation and amortisation Expenses</b>			
Depreciation on Tangible asset	430,526	348,123	
	<u>430,526</u>	<u>348,123</u>	

	31 March 2012 Rs.	31 March 2011 Rs.
23 Other Expenses		
Advertisement	42,396	29,925
Annual listing fees to BSE	27,000	22,000
Bank Charges	14,333	6,372
Books & Periodicals	1,859	1,779
Business Promotion Expenses	106,870	41,682
Commission Paid	24,000	-
Concierge Expenses	-	120,000
Conveyance Expenses	89,762	33,658
Custody Charges	69,680	2,399
Demat Charges	723	-
Director's Sitting fees	16,000	16,000
Donation	-	8,000
Electricity Charges	102,494	106,052
Exchange Fluctuation Loss	-	208,800
Internet charges	44,667	47,110
Insurance	57,782	51,324
Legal and Professional charges	333,452	697,746
Loss on sale of Motor car	-	191,854
Membership & Sunscription fees	211,649	71,478
Miscellaneous Expenses	35,670	25,576
Motor Vehicle Expenses	609,085	412,187
Office Expenses	259,461	181,106
Payment to Auditors		
Audit Fees	43,000	43,000
Placement charges	119,235	48,829
Postage & Courier	64,246	28,380
Printing and Stationery	220,390	100,589
Profession tax	2,500	2,500
Provision for standard asset	62,678	-
Rent Rates & Taxes	99,501	90,000
Repairs and Maintenance - Others	91,668	161,047
Security Transaction Tax Charges (investments)	6,332	143,141
Security Transaction Tax Charges (Trading)	315,751	52,541
Software	-	10,100
Telephone Expenses	138,960	201,583
Travelling Expenses (Including foreign travel)	20,620	76,029
	<b><u>3,231,764</u></b>	<b><u>3,232,787</u></b>

# GLANCE FINANCE LTD.

## 24 Gratuity and Other post employment benefit plans (AS - 15)

The company has an unfunded defined benefit gratuity plan. Every employee who has completed 5 years or more of service is eligible for a gratuity on departure at 15 days salary (last drawn salary) per each completed year of service. Consequent to the adoption of revised AS-15 Employee Benefits issued under Companies (Accounting Standards) Amendment Rules 2008, the following disclosures have been made as required by the standard.

The following tables summarize the components of the net employee benefit expenses recognized in the profit and loss account, and the fund status and mount recognized in the balance sheet for the gratuity benefit plan.

Mortality	LIC 1994-96 (Ultimate)	LIC 1994-96 (Ultimate)
Interest/ Discount Rate	8.00 %	7.00 %
Rate of Increase in compensation	7.00 %	7.00 %
Expected Average Remaining Service	-	-
Employee attrition rate (Past Service [PS])	5.00 %	4.00 %
<b>b) Changes in Present value of obligations :</b>		
PVO at the beginning of period	881,346	567,975
Interest cost	66,354	43,130
Current Service Cost	133,125	75,337
Benefit paid	(103,846)	(57,692)
Acturial (gain) / loss on obligation	151,439	(206,330)
PVO at the end of period	1,128,418	881,346
<b>c) Amount recognized in the Balance Sheet as at the end of the year :</b>		
Present Value of Defined Benefit Obligation	1,128,418	881,346
Fair Value of PLaN Assets	Nil	Nil
Funded status - Surplus/(Deficit)	(1,128,418)	(881,346)
Net Asset/ (Liability)	(1,128,418)	(881,346)
<b>d) Expense recognized in the statement of Profit &amp; Loss Account :</b>		
Current Service Cost	133,125	75,337
Interest Cost	66,354	43,130
Net Acturial (gain)/loss recognized for the period	151,439	(206,360)
Expenses recognized in the statement of P & L	350,918	371,063

The above figures are certified by actuary and relied upon by the auditor

## 25 Segment Reporting (AS - 17)

### Basis of Preparation :

Information is given in accordance with the requirements of Accounting Standard 17 on Segment Reporting issued by the Institute of Chartered Accountants of India. Revenues and expenses directly attributable to the Segments are allocated to the respective segments. Those revenues and expenses which cannot be directly allocated to the Segments are apportioned on a reasonable basis. Segment Capital employed represents the net assets in that Segment. It excludes Capital reserve and tax related assets

### Business Segments :

The Company's business is organized and management reviews the performance based on the business segments. The Company's business may be divided into two major Segments.

- (A) Income from Shares & Securities; and
- (B) income from Financial Consultancy Services.

### Geographical Segments :

The Company's operations are solely in one Geographic segment namely "Within India" and hence no separate information for Geographic segment wise disclosure is required.

### INFORMATION ABOUT BUSINESS SEGMENT FOR THE PERIOD ENDED 31ST MARCH, 2012

Particulars	Shares & Securities	Financial Consultancy Services	Unallocated	Year Ended 31-March-2012
Segment Revenue	349.68	268.28	42.16	660.13
Previous Year	266.19	184.20	65.83	516.23
Less Inter Segment Revenue	-	-	-	-
Previous Year	-	-	-	-
Total	349.68	268.28	42.16	660.13
Previous Year	266.19	184.20	65.83	516.23
<b>Result :</b>				
Segment Result	189.24	263.68	(90.01)	362.90
Previous Year	12.92	173.96	(33.28)	153.60
Provision for Tax	-	-	(76.50)	(76.50)
Previous Year	-	-	(37.70)	(37.70)
Deferred Tax	-	-	(0.25)	(0.25)
Previous Year	-	-	2.38	2.38
Income Tax Adjustments	-	-	3.09	3.09
Previous Year	-	-	(0.71)	(0.71)
Total Results	189.24	263.68	(163.37)	289.24
Previous Year	12.92	173.96	(69.32)	117.56
<b>Capital Employed :</b>				
Segment Assets	774.41	33.14	413.85	1,221.40
Previous Year	438.21	81.85	387.21	907.27
Segment Liabilities	13.02	-	49.29	62.31
Previous Year	4.31	-	31.82	36.13
Net Segment Assets	761.39	33.14	364.56	1,159.09
Previous Year	433.90	81.85	355.38	871.14
<b>Other Information :</b>				
Capital Expenditure	-	-	-	-
Previous Year	-	-	-	-
Depreciation	-	-	-	-
Previous Year	-	-	-	-

# GLANCE FINANCE LTD.

## 26 Related Party Disclosures (AS-18)

### A. Related parties and nature of relationship

#### i) Key Management Personnel

Mr. Narendra Karnavat, Chairman

Mr. Tushar Agarwal, Whole Time Director

#### ii) **Enterprises & Other parties which are significantly influenced by the Company (either individually or with others) with whom transactions has taken place during the year :**

Sampoorna Investments Pvt. Ltd.

Excelsior Electric Company

### B. Material Transactions with related parties during the year (Rs.)

Particulars	Key Management Personnel (KMP)		Enterprises & Other parties which are significantly influenced by the Company (either individually or with others)	
	2011-2012	2010-2011	2011-2012	2010-2011
Salary	2,400,000	2,400,000	-	-
Bonus	200,000	200,000	-	-
Sitting Fees	16,000	16,000	-	-
Compensation paid for use of :				
- Furniture & Fixtures	-	-	75,000	75,000
- Office	-	-	15,000	15,000

## 27 Earnings Per Share (AS-20)

	31-March 2012	31-March, 2011
	Rs.	Rs.
Profit after tax as reported	28,924,482	11,756,342
No. of Equity Shares used in computing Weighted Average EPS	3,015,967	3,036,100
Basic / Dilluted EPS	9.59	3.87
Nominal Value Per Share (Rs.)	10	10

28 The Company believes that no impairment of assets has arisen during the year as per the accounting standard - 28 "Impairment of asset"

### 29 Contingent Liabilities

There are no contingent liability as on balance sheet for which the company is required to make provision in the books of accounts.

30 Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

The Company has not received any information from it's vendors regarding their status under the Micro, small & medium enterprises & development act, 2006 and hence disclosure if any, required under the said act has not been made.

**31 Additional Disclosures as required in terms of Paragraph 13 of NonBanking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 issued by Reserve Bank of India.**

**Particulars** **(Rs. in lakhs)**  
**Liabilities Side**

	Amt. O/S	Amt. Overdue
Loans and advances availed by the non banking financial		
1 Company inclusive of interest accrued thereon but not paid :		
a) Debentures :		
Secured	Nil	Nil
Unsecured	Nil	Nil
(Other than failing within the meaning of public deposits)		
b) Deferred Credits	Nil	Nil
c) Term Loans	Nil	Nil
d) Inter Corporate loans and borrowings	Nil	Nil
e) Commercial Paper	Nil	Nil
f) Other Loans (Specify nature)	Bank O/D	Nil
Total	Nil	Nil

**Assets Side** **Amount Outstanding**

2 Breakup of Loans and Advances including bills receivable (other than those included in (4) below) :		
a) Secured		Nil
b) Unsecured		Nil
3 Breakup of Leased Assets and stock on hire and other assets counting towards AFC activities		
i) Lease assets including lease rentals under sundry debtors :		
a) Financial Lease		N.A.
b) Operating Lease		N.A.
ii) Stock on Hire including hire charges under sundry debtors :		
a) Assets on hire		N.A.
b) Repossed Assets		N.A.
iii) Other loans counting towards AFC activities		
a) Loans where assets have been repossessed		N.A.
b) Loans other than (a) above		N.A.

# GLANCE FINANCE LTD.

## 4 Breakup of Investments :

Amount  
Outstanding

Current Investments :

### 1. Quoted :

i) Shares : (a) Equity	Nil
(b) Preference	Nil
ii) Debentures and Bonds	
iii) Units of mutual funds	Nil
iv) Government Securities	Nil
v) Others (please specify)	Nil
- Certificate of Deposits	

### 2. Unquoted :

i) Shares : (a) Equity	Nil
(b) Preference	Nil
ii) Debentures and Bonds	Nil
iii) Units of mutual funds	494.51
iv) Government Securities	Nil
v) Others (please specify)	Nil

Long Term Investments :

### 1. Quoted :

i) Shares : (a) Equity	18.20
(b) Preference	Nil
ii) Debentures and Bonds	140.70
iii) Units of mutual funds	Nil
iv) Government Securities	Nil
v) Others (please specify)	Nil

### 2. Unquoted :

i) Shares : (a) Equity	Nil
(b) Preference	Nil
ii) Debentures and Bonds	Nil
iii) Units of mutual funds	119.68
iv) Government Securities	Nil
v) Others (please specify)	Nil



5 Borrower groupwise classification of assets financed as in (2) and (3) above :

<u>Category</u>	<u>Amount net of Provisions</u>		
	<u>Secured</u>	<u>Unsecured</u>	<u>Total</u>
1. Related Parties			
a) Subsidiaries	Nil	Nil	Nil
b) Companies in the same group	Nil	Nil	Nil
c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

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

<u>Category</u>	<u>Market</u>	<u>Book Value</u>
	<u>Value / Break</u>	<u>(net of</u>
<u>Provisions)</u>	<u>up or fair</u>	<u>(net of</u>
	<u>v a l u e</u>	<u>o r</u>
		<u>N A V</u>
1. Related Parties		
a) Subsidiaries		-
b) Companies in the same group	-	-
c) Other than related parties		-
2. Other than related parties	803.49	773.09
<b>Total</b>	<b>803.49</b>	<b>773.09</b>

7 Other information

i) Gross Non Performing Assets		
a) Related Parties	Nil	Nil
b) Other than related parties	Nil	Nil
ii) Net Non Performing Assets	Nil	Nil
a) Related Parties	Nil	Nil
b) Other than related parties	Nil	Nil
iii) Assets acquired in satisfaction of debt	Nil	Nil

# GLANCE FINANCE LTD.

## 32 Earnings in Foreign Currency

Professional Fees Rs. 5,119,939/- (31 MArch 2011 - Rs. 3,900,000/-)

33 In the opinion of the Board of Directors, the Current Assets, Non-Current Assets have a value on realization in the normal course of business atleast equal to the value at which they are stated in the Balance Sheet.

## 34 Previous year figures

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 period 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. Except accounting for dividend on investments in subsidiaries, 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.

As per our Report of even date attached  
For and on behalf of

**P K J & Co.**

Chartered Accountants

Firm Registration No. 124115W

For and on behalf of Board of Directors

**Mr. Tushar Agarwal**  
Director

**Mr. Hasmukh Gandhi**  
Director

**(Padam Jain)**

Partner

Membership No. 71026

Place : Mumbai

Date : 25th May, 2012

**Mrs. Vandana Vasudeo**  
Director

# GLANCE FINANCE LTD.

## CASH FLOW STATEMENT FORMAT AS PER THE CLAUSE 32 OF THE LISTING AGREEMENT

(Rs. in lacs)

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

31/3/2012

31/3/2011

#### A. CASH FLOW FROM OPERATING ACTIVITIES

**Net Profit before taxation and extraordinary items** 362.91 153.60

**Adjustments for:**

Depreciation 4.31 3.48

Provision for Expenses 4.40 12.11

Prepaid Expenses (1.32) (2.27)

Provision for Gratuity written back 3.51 3.71

(Profit)/Loss on Sale of Investments (146.86) 0.59

Loss on Sale of Commodities 0.49 --

Exchange (Gain) / Loss (0.04) --

Interest on ICD's (14.18) --

Profit on Sale of Mutual Fund (1.25) --

Dividend Income on Mutual Funds (36.67) (6.92)

Loss / (Profit) on Sale of Car (0.15) 1.92

Prior Period Items -- (0.06)

Share of Profit from Partnership Firm (10.70) (49.64)

**Operating Profit before working capital changes** **164.45** **116.52**

Increase/(Decrease) in Sundry Payable (46.35) 34.15

(Increase)/Decrease in Trade & Other Receivables 135.27 58.13

(Increase)/Decrease in Inventories (63.16) 69.19

**Cash generated from operations** **190.21** **277.98**

Less : Direct Taxes Paid (80.44) (26.08)

**Net Cash Flow from operating activities before extraordinary Items** **109.77** **251.90**

Adjustments for Prior Period Items -- 0.06

**Net Cash from operating activities (A)** **109.77** **251.96**

#### B. CASH FLOW FROM INVESTING ACTIVITIES

Sale of Fixed Assets 0.40 1.25

Sale of Long Term Investments 333.28 223.29

Share of Profit from Partnership Firm 10.70 49.64

(Increase)/Decrease of Investments in Partnership Firm 342.63 (388.17)

Purchase of Fixed Assets (15.71) (23.63)

Dividend Income on Mutual Funds 36.67 6.92

Purchase of Investments (580.52) (286.78)

Intercorporate Loan given (250.00) -

**Net Cash from/(used) in investing activities (B)** **(122.55)** **(417.47)**

# GLANCE FINANCE LTD.

## C. CASH FLOW FROM FINANCING ACTIVITIES

Calls in arrears received	0.63	--
Redemption of preference shares	--	(14.00)
<b>Net Cash from/(used) in financing activities (C)</b>	<b>0.63</b>	<b>(14.00)</b>
Net Increase/(Decrease) in cash & Cash Equivalents		
<b>(A+B+C)</b>	<b>(12.15)</b>	<b>(179.52)</b>
Cash & Cash Equivalents as at beginning of period	19.05	198.57
Cash & Cash Equivalents as at end of period	6.90	19.05

**Notes:**

1. Cash and cash equivalents consist of cash on hand and balances with banks. The amount included in the cash flow statement comprise the following balance-sheet amounts.

	31.03.2012	31.03.2011
Cash on hand and balance in current accounts	19.05	19.05
Balance in Fixed Deposit accounts	--	--
	<u>19.05</u>	<u>19.05</u>
Effect of Exchange rate changes	--	--
Cash & Cash Equivalents as restated	<u>19.05</u>	<u>19.05</u>

2. Cash flow statement has been prepared under the indirect method as set out in Accounting Standard -3 issued by the ICAI.
3. Previous Year's figures has been regrouped/recasted wherever considered necessary.
4. Figures in negative/brackets represents outflow.
5. Direct Tax paid are treated as arising from operating activity and not bifurcated investment and financing activities.

This is the Cash Flow Statement referred to in our report of even date attached.

For & on behalf of

**P K J & CO**

**Firm Regn. No. 124115W**

Chartered Accountants

**(PADAM JAIN)**

Partner

Membership No. 71026

For & on behalf of the Board of Directors

**Mr. Tushar Agarwal - Director**

**Mr. Hasmukh Gandhi - Director**

**Mrs. Vandana Vasudeo - Director**

**Place : Mumbai**

**Date : 25th May, 2012**

**GLANCE FINANCE LIMITED**

Registered Office : 5, Kitab Mahal, 192, Dr. D. N. Road, Fort, Mumbai - 400 001.

**ATTENDANCE SLIP**

Reg. Folio No. \_\_\_\_\_

I Certify that I am registered shareholder / proxy for the registered shareholder of the company.

I hereby record my presence at the Eighteenth ANNUAL GENERAL MEETING of the Company at 9.00 a.m. on Thursday, the 27th day of September, 2012 at Azad Mahila Sangh, Plot No. 91, Road No. 25, Sion (West), Mumbai - 400 022.

Member's / Proxy's Name  
(in Block Letters)

Member's / Proxy's Signature

..... Tear Here .....

**GLANCE FINANCE LIMITED**

Registered Office : 5, Kitab Mahal, 192, Dr. D. N. Road, Fort, Mumbai - 400 001.

**PROXY FORM**

Reg. Folio No.

I/We .....  
of ..... being a member/members of the above named Company  
hereby appoint Shri/Smt. .... of .....  
or failing him/her Shri/Smt. .... of .....

as my/our proxy to vote for me/us and on my/our behalf at the Eighteenth ANNUAL GENERAL MEETING of the Company at 9.00 a.m. on Thursday, the 27th day of September, 2012 at Azad Mahila Sangh, Plot No. 91, Road No. 25, Sion (West), Mumbai - 400 022.

Signed This . . . . . day of . . . . . 2012

**Affix a  
One  
Rupee  
Revenue  
Stamp**

Note : The Proxy form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

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