

INDERGIRI FINANCE LIMITED

Regd Office: 502, Chartered House, 292 Dr. C.H. Street, Near Marinelines Church, Mumbai- 400 002

NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of the members of INDERGIRI FINANCE LIMITED will be held at Hotel Sai Comfort, Film City Road, Goregaon (East), Mumbai 400063 on Monday, the 30th day of September 2013 at 11.00 a.m. to transact following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Statement of Profit & Loss for the year ended on 31st March 2013 and the Balance Sheet as on that date together with the Auditors' Report and Directors' report.
2. To appoint a director in place of Mr. Dilip Arora, who retires by rotation, and being eligible, offers himself for reappointment.
3. To appoint M/s S. K. Rathi & Co. Chartered Accountants as Auditors and fix remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit pass with or without modification following resolution as Special Resolution:

Re-Appointment of Managing Director

"RESOLVED THAT, pursuant to the provisions of Section 198,269,309 and other applicable provisions, if any, of the Companies Act, 1956(hereinafter referred as "the said Act") including Schedule XIII to the said Act as amended up to-date, consent be and is hereby accorded that Mr Laxmi Narayan Sharma be reappointed as Managing Director of the Company, for a period of five years with effect from 15th August, 2013 on the terms and conditions set out in the draft Agreement to be entered into between the Company and Mr Laxmi Narayan Sharma, a copy whereof initialed by the chairman of the Company, for the purpose of identification has been placed before this meeting, the draft agreement is hereby specifically approved with the liberty to the Board to alter and vary terms and conditions of the said agreement as may be agreed to between the Board of Directors and Mr Laxmi Narayan Sharma provided however that the remuneration payable to Mr Laxmi Narayan Sharma shall not exceed the maximum limits for payment of managerial remuneration prescribed under Schedule XIII of the Companies Act, 1956."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the remuneration and perquisite as set out in the aforesaid draft Agreement shall be paid to Mr Laxmi Narayan Sharma as minimum remuneration."

"RESOLVED FURTHER THAT The terms and conditions of the aforesaid reappointment and / or Agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit within the maximum amount payable to Managing Director in accordance with the limits specified in Schedule XIII to the Companies Act, 1956 or any amendments made herein in this regard."

" RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, and things and to execute any agreements, documents or instructions as may be required to give effect to the aforesaid resolution."

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE MEMBER OF THE COMPANY.THE PROXIES IN ORDER TO BE EFFECTIVE, SHOULD BE DULY STAMPED, SIGNED, COMPLETED AND LODGED AT THE REGISTERE DOFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. Members are requested to notify immediately change in their address, if any, to Share Transfer Agents, SYSTEM SUPPORT SERVICES,209, Shivai Industrial Estate, Next to Parke Davis,89, Andheri Kurla Road, Saki Naka, Mumbai 400 072.
3. Register of Share transfer and members will remain closed from Friday 27th September 2013 to Monday the 30th September 2013 (inclusive of both days).
4. Members are requested to bring their Annual Report and the Attendance Slip with them at the Annual General Meeting.

For and on behalf of the Board of Directors

Laxminarayan Sharma **Kishan Sharma**
 Managing Director Director

Place : Mumbai
 Date : 30th May 2013

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE ACT

Item no. 4

Mr. Laxmi Narayan Sharma was appointed as a managing director of the Company for a period of five years effective from 16th August 2008 by the member of the Company in the extraordinary general meeting of the Company held on 27th December 2008. Mr Laxmi Narayan Sharma who has been associated with the Company since 16 years and has also been serving as Managing Director of the Company.

The Board of Directors has approved their appointment in their Board Meeting held on 30th May 2013 and approval of the shareholders seeking by the resolution.

The Explanatory statement together with the accompanying Notice should be treated as an abstract of the terms of the Agreement and Memorandum of concern or interest under section 302 of the Company's Act, 1956.

None of the Director except Mr. Laxmi Narayan Sharma who is being reappointed is interested in the above resolution.

For and on behalf of the Board of Directors

Laxminarayan Sharma **Kishan Sharma**
 Managing Director Director

Place : Mumbai
 Date : 30th May 2013

As required under the listing agreement, the particulars of Directors who are proposed to be appointed/ re-appointed are given below:

1. Name	Dilip Arora
Age	55 years
Qualification	Chartered Accountant
Experience	30 years of in the field of accountancy, finance and Corporate laws. Director of the Company since 1997. Member of the audit and remuneration committee of the Company.
Other directorship	Roomali Finance Limited.

DIRECTOR'S REPORT

To,
The Members,

The Directors are pleased to present Nineteenth Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2013.

1. FINANCIAL RESULTS

The financial results of the company are summarized as below :

	(Rs. in lacs) Year Ended 31/3/2013	(Rs. in lacs) Year Ended 31/3/2012
Income	39.94	50.11
Profit/(Loss) before tax	4.47	2.40
Profit after Tax and adjustments	4.46	2.40
Balance carried to Balance Sheet	(16.38)	(20.84)

2. REVIEW OF OPERATIONS

During the FY 2013, your company has earned a net profit of Rs. 4.46 lacs after taking into account tax provisions and MAT credit entitlement as against Rs. 2.40 lacs during FY 2012.

3. DIVIDEND

The Directors have decided not to recommend any dividend for the year ended March 31, 2013 in view of inadequate profit for the year.

4. FUTURE OUTLOOK

The Company has been operating with its own limited resources. Financial market is facing lot of new challenges interest rates are constantly changing, recoveries have become major concern. In the present scenario and based on the present business model the growth potential in its business is limited.

5. DISCLOSURE UNDER THE LISTING AGREEMENT UNDER CLAUSE 32

Cash flow statement pursuant to Clause 32 of listing agreement is annexed herewith as Annexure "A" and forming part of this report.

6. DIRECTORS' RESPONSIBILITY STATEMENT

In the preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.

We had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at 31st March, 2013 and of the profit of the Company for the year ended on that date.

We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for the preventing and detecting fraud and other irregularities.

The accompanying financial statements of the company have been prepared by us on a going concern basis.

7. AUDIT COMMITTEE

The audit committee comprises of four Directors viz. Mr. B.P. Rauka, Mr. Kishan Sharma, Mr. D.L. Arora and Anand Bagwe, the Committee met four times during the year. For more details refer the corporate governance.

8. DIRECTORS

Pursuant to Article 58 of The Article of Association of the Company Mr Dilp Arora retires by rotation and being eligible offers himself for reappointment Mr Dilp Arora is a Chartered Accountant and possesses about 30 years of experience in the field in the field of accountancy, finance and Corporate laws. He associates with Company as a director since 1997.

9. DEPOSITS

The company has not accepted fixed deposits since inception.

10. AUDITORS' REPORT

The notes referred to by the Auditors in their report are self explanatory and do not require any further clarification except in respect of shares of Somani Securities Pvt Ltd, for which the Company has taken up the matter with the Company for non receipt of share certificates and is pursuing the matter and legal course will be evaluated if required.

11. AUDITORS

M/s R.N. Bhutra & Co., Chartered Accountants expressed their inability for reappointment. M/s S. K. Rathi & Co. to be appointed as auditors of the Company and given their consent and if appointed will be within the ceiling provided under the Companies Act, 1956.

12. INSURANCE

The Company does not possess any material properties, which need insurance.

13. STATUTORY INFORMATION

- i. The particulars under the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 require disclosure of particulars regarding conservation of energy in Form A and technology absorption in Form B prescribed by the rules. The Company not brings an industry under the Schedule Form A & B disclosures are not applicable.
- ii. The Company has no foreign exchange earnings and out go.
- iii. None of the employees was in receipt of remuneration in excess of limits prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) rules, 1975.
- iv. The Company does not have any subsidiary with in meaning of Section 4 of the Companies Act, 1956.

14. ACKNOWLEDGEMENTS

The Company gratefully acknowledges the co-operation and supports extended by the Bankers, Shareholders and Clients of the Company and place on record its appreciation for the active support and assistance of the employees for the performance.

For and on behalf of the Board of Directors

Laxminarayan Sharma Kishan Sharma
Managing Director Director

Place : Mumbai
Date : 30th May 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS**NBFC- INDUSTRY STRUCTURE AND BUSINESS DEVELOPMENTS**

The Company is engaged in the NBFC activities & Financial Management and Advisory Services.

The NBFCs sector is undergoing a significant transformation at present and has come to be recognized as an important element of the financial system. The recent issue in financial sector has highlighted the necessity, importance and significant role, the NBFCs play in development of nation's infrastructure. In the financial system of India, importance of NBFCs has been much discussed. RBI has been setting right its regulatory and supervising policies from time to time to keep pace with the changes in the environment.

NBFCs have been actively fuelling the growth of the economy – especially the infrastructure part of the economy and have been supplementing the Banking system effectively and thus enhancing competition and diversification in the financial sector

The NBFCs have attracted substantial investments during the recent years both from the retail and from the wholesale side. The growth also has been significant during this year. The NBFCs have been catalysts in accelerating the growth in the semi urban and rural areas. The projection made by RBI and other financial forecasts gives substantial growth opportunities for the industry in the coming years.

Looking at ample growth opportunities, the Company intends to continue focusing on NBFC activities including financing, Inter- corporate Investments & Capital Market activities.

OPPORTUNITIES & THREATS, RISKS & CONCERNS, PERFORMANCE AND OUTLOOK

Opportunities: The NBFC industry holds good potential and the Government of India's increased focus towards Financial Inclusion has created various opportunities for existing NBFCs to leverage on their established customer base in rural areas. The recent steps by the Government of India to create Infrastructure for NBFC and to provide banking license for NBFCs is a positive signal.

Threats: These above opportunities have made the Industry highly competitive with the emergence of new category of systematically important NBFCs, along with existing local and Multinational players leading to tough competition within the industry as well as current elevated rates of inflation pose significant risks to future growth.

Risk: As an NBFC, your Company is subjected to both external risk and internal risk. External risk due to interest rate fluctuation, slowdown in economic growth rate, political instability, market volatility, decline in foreign exchange reserves, etc. Internal risk is associated with your Company's business which includes deployment of funds in specific projects, diversification into other business operations, retention of talented personnel, managing effective growth rate, volatility in interest rate, NPAs in portfolio, changes in compliance norms and regulations, contingent liabilities and other legal proceedings.

Concern: Your Company recognizes the importance of risk management. The Company on regular basis reviews its Risk Management Policy and takes proactive steps to safeguard and minimize any adversity.

FINANCIAL

The financial performance of the Company is given as under:-

PERFORMANCE	Year ended 31-3-2013 Amount in Rs.	Year ended 31-3-2012 Amount in Rs.
Gross Profit before Depreciation and Provisioning	451,969	242,364
Less: Depreciation	4,620	2,364
Less : Provision for Income Tax (net of MAT Entitlement) including deferred tax	1,148	22
Add/(Less) Income Tax of earlier year	-	-
Net Profit/(Loss)	446,201	240,022

OUTLOOK

The Company has been operating with its own limited resources. Financial market is facing lot of new challenges interest rates are constantly changing, recoveries have become major concern. In the present scenario and based on the present business model the growth potential in its business is limited.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate internal control system and well laid-down policies and procedures for all its operations and financial functions. The procedures are aligned to provide assurance for maintaining proper accounting controls, monitoring efficient and proper usage of all its assets and reliability of financial and operational reports. The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. The Company's Board has an Audit Committee which comprises of four members with majority being Independent Directors. The Audit Committee reviews significant findings of the internal audit.

HUMAN RESOURCES

As the business model of the Company is driven more by relationship based model, Human Resource is valued as one of the most important asset by the Company. The Human Resource Development Process promotes co-operation and innovation within the employees and provides flexibility to keep current with the business needs of the Company and therefore the Company takes continuous HR initiatives to ensure that the teams are fully empowered to perform and deliver to their fullest extent towards achieving the set business targets.

DISCLAMIR

Statement in this report of the Company's objective, projections, estimates, exceptions, and predictions are forward looking statements subject to the applicable laws and regulations. The statements may be subjected to certain risks and uncertainties. Company's operations are affected by many external and internal factors which are beyond the control of the management. Thus the actual situation may differ from those expressed or implied.

For and on behalf of the Board of Directors

Laxminarayan Sharma **Kishan Sharma**
 Managing Director Director

Place : Mumbai
 Date : 30th May 2013

CORPORATE GOVERNANCE – 2012-13

Indergiri Finance Ltd. believes in good Corporate Governance, which results in corporate excellence and attaining maximum level of transparency disclosures, accountability and equity in all its interaction with its Shareholders. Your Company continued to recognize the importance of Corporate Governance to ensure fairness of the Shareholders. Corporate Governance envisages disclosures on various facets of Company’s operations to achieve corporate excellence. The Company continued to shares with you from time to time various information through public notices, press releases and through Annual Reports. In addition, we give below the information on areas covered under Corporate Governance.

In terms of the Company’s Corporate Governance Policy, all statutory and other significant and material information are placed before the Board.

As on 31st March 2013, the Board of Directors of your Company consisted of five directors.

The Composition of Board of Directors as of 31.03.2013 was as follows:

Sr. No.	Name	No. of Outside Directorships held	No. of Membership in Committee of Board
1	Mr. B.P.Rauka	14	3
2	Mr. Kishan Sharma	6	3
3	Mr. D.L.Arora	1	2
4	Mr. L.N.Sharma	-	-
5	Mr. Anand D Bagwe	1	2

Details of Board meeting held during the year 2012-13.

Meeting No.	Dates of meting
1/2012	31.05.2012
2/2012	14.08.2012
3/2012	10.11.2012
1/2013	08.02.2013
2/2013	18.03.2013

Attendance record of the Directors at the Board meetings held during the financial year 2012 –13 and the last AGM held on 28.09.2012

Name	No. of Board meeting attended	Whether last Annual General meeting Attended
Mr. B.P. Rauka	5	YES
Mr. Kishan Sharma	5	YES
Mr. D.L. Arora	5	YES
Mr. L.N. Sharma	5	YES
Mr. Anand D Bagwe	3	YES

AUDIT COMMITTEE

The Audit committee consists of the Company continued to oversea the functions of the Audit committee under the Companies Act as well as Audit Committee under the listing agreement. As on 31.03.2013 the Audit committee consists of 4 Directors – Mr. B.P.Rauka, Mr. Kishan Sharma, Mr. D.L. Arora and Mr. Anand Bagwe. Mr. B.P. Rauka acts as the secretary of the Committee during the year the committee met four times held on 31.05.2012, 14.08.2012, 10.11.2012 and 08.02.2013.

Audit committee attendance during 2012 – 13.

Sr. No.	Name of the Audit Committee Member	No. of Meeting Attended
1	Mr. B.P. Rauka	4
2	Mr. Kishan Sharma	4
3	Mr. D.L. Arora	4
4	Mr. Anand Bagwe	3

REMUNERATION COMMITTEE

The remuneration committee met once during the year and all the four member viz. B.P.Rauka, Kishan Sharma, D.L. Arora and Anand Bagwe attended the meetings held on 30.04.2012.

SHAREHOLDERS COMMITTEE / TRANSFER COMMITTEE

Shareholders Committee consists of two Directors. Mr. B.P. Rauka & Kishan Sharma. The Committee looks into the redressing of shareholders & investors complaints like transfer of shares, non-receipt of annual Report etc. During the year the committee met 4 times.

Mr. Kishan Sharma Director monitors the activities of Registrar & transfers Agent & look after the issues relating to shareholders. Share transfers / transmission are approved by a sub-committee 1,100 transfers has taken place from 01.04.2012 to 31.03.2013.

Mr. Kishan Sharma is the Compliance officer in terms of the Requirement of the Stock Exchange.

The Company has around 1491 shareholders. The Company regularly interacts with the shareholders through letters and at the AGM wherein the activities of the Company, its performance, its future plans are provided for information of the shareholders. The quarterly results are published in the newspapers.

The numbers of shares transferred during the last three years are as given below:

	2012 –13	2011 –12	2010 –11
Number of meetings for transfer of shares	4	9	9
Average number of shares transfers per meeting	275	53,578	867
Number of shares transferred	1,100	482,200	7,800

Shares demated / remated during the year 2012-13 : 6,300

Total number of shares demated till 31st March 2013 : 4,562,800

The Company has also been taking all steps to ensure that shareholders related activities are given due priority and matters are resolved at the earliest.

GENERAL BODY MEETING

Details of location, time & date of last three AGM & one EGM are given below:

Sr. No.	Date	Location	Time	Meeting
1	28.09.2012	Sai Comfort, Goregaon East	10.00 A.M.	AGM
1	10.09.2011	Registered office	10.00 A.M.	AGM
2	25.09.2010	Registered office	03.00 P.M.	AGM

Key special business if any transacted during the last three years at the General Body Meeting in the order of Sr. No. as given above.

Sr. No.	Special Business	Type of Resolution	Date of Meeting
1	N.A	N.A	28.09.2012
1	N.A	N.A	10.09.2011
2	N.A	N.A	25.09.2010

Although the notification prescribing the important items to be considered by postal ballot was issued by the Government of India, as far as the Company is concerned the necessity of passing such resolutions relating to business specified in the Rules did not arise.

DISCLOSURES

There was no material transaction with directors or the management or their relatives having potential conflict with the interest of the Company at large,

There have been no instances of non compliance by the Company, Penalty / Structures / imposed on the Company by the Stock Exchange or SEBI or any Statutory Authorities on any matter related to Capital Market during the Last three years.

MEANS OF COMMUNICATION

Your directors take on record the unaudited Financial Results, in the Prescribed Performance of every quarter & announce the results to all the listed Stock Exchanges.

GENERAL INFORMATION TO SHAREHOLDERS

Number of AGM	19 th
Day & time	Monday, 30 th September, 2013, At 11:00 A.M.
Venue	Hotel Sai Conforts, Film City Road, Goregaon
Book Closure	Friday 27 th September 2013 to Monday, 30 th September , 2013 (Both days inclusive)
Proposal Dividend	NIL

The Company has paid listing fees of the Stock Exchange, Mumbai upto 2012-13
Code Number:

Stock Exchange :Mumbai, Stock Code: 531505, Trade Symbol: INDERGIRI FN ISN NO for Dematerialized Shares: INE628F01019

Shares Price movement in the Stock Exchange Mumbai from April 2012 to 31st March 2013

MONTH	NO. OF SHARES TRADED	HIGH	LOW
Apr-12	1,64,070	10.76	8.32
May-12	1,55,630	9.6	8.08
Jun-12	2,500	9.41	8.06
Jul-12	41,830	10.89	8.45
Aug-12	1,179	8.92	7.71
Sep-12	8,997	9.36	7.00
Oct-12	77,155	9.82	8.36
Nov-12	13,000	8.55	6.67
Dec-12	1,35,661	10.89	7.82
Jan-13	42,872	10.03	6.85
Feb-13	4,42,512	10.5	8.67
Mar-13	52,272	10.58	7.02

REGISTRAR & TRANSFER AGENT

System Support Services, 209, Shivai Industrial Estate 89, Andheri Kurla Road, Next to Parke Davis, Andheri (East) 400072

SHARES TRANSFER SYSTEM

A committee of directors of the Company is authorized to approve transfer of shares, transmission, transposition etc and dematerialization of shares. If the transfer documents are in order, the transfer of share(s) is registered within 15 days of receipt of transfer documents.

1,100 Shares were transferred during the year and 6,300 shares were received for dematerialization during the year under review. There is no pending request for dematerialization of shares.

DEMATERIALIZATION OF SHARES & LIQUIDITY

The shares of the Company are under the category of compulsory delivery in dematerialization mode by all categories of investors.

As on 31st March 2013, 4,562,800 Shares constituting 90.16 % shares of the Company were dematerialized. For details and status of dematerialized shares refer the details given herein after.

Distribution of shares as on 31.03.2013

Shareholding of Nominal Value	No of Shareholders			No of Shares			% of holding		
	Demat	Physical	Total	Demat	Physical	Total	Demat	Physical	Total
Upto 1000	278	1033	1311	94936	272000	366936	1.88	5.37	7.25
1001-5000	68	55	123	154219	122000	276219	3.05	2.41	5.46
5001-10000	15	3	18	118450	21300	139750	2.34	0.42	2.76
10001 & above	36	3	39	4195195	82900	4278095	82.89	1.64	84.53
Total	397	1094	1491	4562800	498200	5061000	90.16	9.84	100.00

Shareholdings Pattern as on 31.03.2013

Shares held by	No. of shares		Total Shares	Percentage
	Physical	Demat		
Mutual Funds	Nil	Nil	Nil	Nil
FII	Nil	Nil	Nil	Nil
NRI	Nil	300	300	00.01
Employees	Nil	Nil	Nil	Nil
Bodies Corporate other than promoters holding	91,800	1,202,078	1,293,878	25.56
Indian Public	403,900	1,159,802	1,563,702	30.90
Promoters	2,500	2,200,620	2,203,120	43.53
Total	498,200	4,562,800	5,061,000	100.00

The Company has not issued any GDR / ADR / Convertible instruments.

Address for Correspondence:

502, Chartered House, 292 Dr. C.H. Street, Near Marinelines Church,

Mumbai 400 002 Phone 022 2201 6956

Email. Kishan1107@hotmail.com / benibeni@rediffmail.com

For and on behalf of the Board of Directors

Laxminarayan Sharma **Kishan Sharma**
 Managing Director Director

Place : Mumbai

Date : 30th May 2013

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To,

The Members

Indergiri Finance Ltd..

We have examined the compliance of conditions of Corporate Governance by Indergiri Finance Ltd. for the year ended 31st March 2013, 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 has been limited to review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the directors and Management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in Clause 49 of the listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending as on 31.03.2013 against the Company as per the records maintained by the Shareholders/Transfer Committee.

We further state that such compliance is neither an assurance as to the further viability of the Company nor of the efficiency of the effectiveness with which the management has conducted the affairs of the Company.

For R. N. Bhutra & Co.
Chartered Accountants

Ram Niranjn Bhutra
Proprietor
M. No. 117873

Place:-Mumbai

Date:-30th May 2013

AUDITORS REPORT

To

The Members of Indergiri Finance Limited

1. We have audited the annexed Balance Sheet of **Indergiri Finance Limited** as at 31st March, 2013, Statement of Profit and Loss and Cash Flow Statement of the Company for the period 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 the 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 from any 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order, 2003, as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose 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:
 - a) We have obtained all information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - b) In our opinion, the Company has kept proper books of accounts as required by law so far as appears from our examination of the books.
 - c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit & Loss and the 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.
 - e) On the basis of written representations received from the directors, as on 31st March 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with Significant Accounting Policies and notes thereon, 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:
 - i) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2013; and
 - ii) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date.
 - iii) In the case of Cash flow statement, of the Cash Flows for the year ended on that date.

For R. N. Bhutra & Co.
Chartered Accountants

Ram Niranjn Bhutra
Proprietor
M. No. 117873

Place:-Mumbai
Date:-30th May 2013

ANNEXURE TO THE AUDITORS' REPORT**Re: Indergiri Finance Limited ('the Company')**

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:

- (i)
 - (a) The Company is in process to prepare and maintain proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) All fixed assets have not been physically verified by the management during the year but there is a programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.
 - (c) There was no substantial disposal of fixed assets during the year.
- (ii)
 - (a) The inventories of securities have been physically verified with stock statement by the management during the year. In our opinion the frequency of verification is reasonable.
 - (b) The procedure of physical verification of the inventories followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.
 - (c) The Company has maintained proper records of inventory and no discrepancies were noticed on physical verification.

- (iii) (a) As informed to us, the Company has not granted any loans secured or unsecured to companies, firms or parties covered in the register maintained under section 301 of the Companies Act, 1956 and hence the clause iii (b), (c) & (d) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (b) As informed to us, the Company has taken interest free temporary advance from one of the party covered in the register maintained under section 301 of the Act and maximum amount outstanding during the year is Rs 5.50 lacs and year end balance is NIL.
- (c) In our opinion, the rate of interest and other terms and conditions of temporary advance taken by the Company is not prima facie, prejudicial to the interest of the Company.
- (d) The temporary advance has been repaid during the year.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size and the nature of business with regard to nature and size of business. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information provided by management, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market price at the relevant time.
- (vi) The Company has not accepted any deposits from the public. Hence the provisions of this clause are not applicable.
- (vii) In our opinion, the company has an adequate internal audit system commensurate with the size and the nature of its business.
- (viii) The company is not required to maintain any cost records under section 209 (1) (d) of the Companies Act, 1956
- (ix) (a) The Company is regular in depositing with appropriate authorities all undisputed statutory dues. There are no undisputed amounts payable in respect of sales tax, wealth tax, custom duty, excise duty, cess were in arrears, as at 31/03/2013 for a period of more than six months from the date they become payable. It is evident that all the statutory dues are paid now.
- (b) There are no dues, sales tax, income tax, wealth tax, custom duty, excise duty, cess which have not been deposited on account of any dispute.
- (x) The Company has accumulated losses amounting to Rs. 16.38 lacs as at the end of the year and the company has not incurred cash losses during current year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a bank.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a *chit fund* or a *nidhi* mutual benefit fund/ society. Therefore, the provisions of clause (xiii) (a), (b), (c) & (d) of the companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) The company is engaged in dealing and trading 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. The shares, securities, debentures and other investments have been held by the company in its own name **except shares of Somani Securities Private Limited, certificates in respect of which not yet received by the Company.**
- (xv) The Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) The Company has not taken and availed any term loans.
- (xvii) The Company has not raised any fund either on short term basis or long term basis hence the utilization for long term or short investment does not apply
- (xviii) The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. Therefore, the question of reporting on whether the price at which such shares have been issued is prejudicial to the interest of the Company does not arise.
- (xix) The Company has not issued any debentures during the year. Therefore, the question of creating a security or charge for debentures does not arise.
- (xx) The Company has not raised any monies from public issue during the year. Accordingly, the provisions of clause 4(xx) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
- (xxi) During the course of our examination of the books of accounts, carried out in accordance with generally accepted accounting practices in India and according to the information and explanation given to us, we have neither come across any incidence of fraud on or by the company, noticed or reported during the year, nor have we been informed of any such case by the management.

For R. N. Bhutra & Co.
Chartered Accountants

Ram Niranjana Bhutra
Proprietor
M. No. 117873

Place:-Mumbai
Date:-30th May 2013

INDERGIRI FINANCE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2013

	Notes	As At 31-03-2013 (Rupees)	As At 31-03-2012 (Rupees)
I. EQUITY AND LIABILITIES			
1 Shareholders' Fund			
Share Capital	2	50,610,000	50,610,000
Reserves and Surplus	3	<u>(1,638,140)</u>	<u>(2,084,341)</u>
2 Non-Current Liabilities			
Deferred Tax Liabilities (Net)	4	6,200	5,109
		<u>6,200</u>	<u>5,109</u>
3 Current Liabilities			
Other Current Liabilities	5	365,950	331,816
Short Term Provisions	6	84,650	194,350
		<u>450,600</u>	<u>526,166</u>
Total		<u>49,428,660</u>	<u>49,056,935</u>
II. ASSETS			
1 Non Current Assets			
Fixed Assets			
Tangible Assets	7	13,737	18,357
		<u>13,737</u>	<u>18,357</u>
Non Current Investments	8	50,000	50,000
Long Term Loans and Advances	9	4,848,950	4,825,700
Inventories	10	390,525	390,525
		<u>5,303,212</u>	<u>5,284,582</u>
2 Current Assets			
Inventories	10	1,163,292	-
Trade Receivables	11	4,46,433	4,250,703
Cash and Bank Balances	12	420,470	100,829
Short Term Loans and Advances	9	38,135,252	39,420,820
		<u>44,125,448</u>	<u>43,772,353</u>
Total		<u>49,428,660</u>	<u>49,056,935</u>

Significant Accounting Policies 1
The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached

For R. N. Bhutra & Co.
Chartered Accountants

Ram Niranjana Bhutra
Proprietor
M. No. 117873
Place:-Mumbai
Date:-30th May 2013

For and on behalf of the Board of director

Laxminarayan Sharma Managing Director
Kishan Sharma Director
Beni Prasad Rauka Director
Place:-Mumbai
Date:-30th May 2013

INDERGIRI FINANCE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

	Notes	Year Ended 31-03-2013 (Rupees)	Year Ended 31-03-2012 (Rupees)
I. INCOME			
Revenue from Operations	13	3,994,438	5,011,066
Total Revenue		<u>3,994,438</u>	<u>5,011,066</u>
II. EXPENSES			
Purchases of Traded Goods	14	3,126,430	2,987,450
Changes in Inventories of Traded Goods	15	(1,163,292)	(16,625)
Employee Benefit Expenses	16	1,248,000	1,336,400
Depreciation and Amortization Expenses	17	4,620	2,364
Other Expenses	18	331,331	461,476
Total Expenses		<u>3,547,089</u>	<u>4,771,065</u>
III. Profit before Exceptional Items and Tax		<u>447,349</u>	<u>240,000</u>
IV. Profit before Tax		<u>447,349</u>	<u>240,000</u>
Less: Tax Expenses			
Current Tax		85,300	45,000
Less: MAT Credit Entitlement		<u>85,242</u>	<u>44,496</u>
		58	504
Deferred Tax		<u>1,090</u>	<u>(526)</u>
		<u>1,148</u>	<u>(22)</u>
V. Profit for the year		<u>446,201</u>	<u>240,022</u>
VI. Earnings per Equity Share Before Exceptional Items			
(Nominal Value of share Rs.10/- each)	21		
Basic		0.09	0.05
Diluted		0.09	0.05
Earnings per Equity Share After Exceptional Items			
(Nominal Value of share Rs.10/- each)	21		
Basic		0.09	0.05
Diluted		0.09	0.05
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

For R. N. Bhutra & Co.
Chartered Accountants

Ram Niranjana Bhutra
Proprietor
M. No. 117873
Place:-Mumbai
Date:-30th May 2013

For and on behalf of the Board of director

Laxminarayan Sharma Managing Director
Kishan Sharma Director
Beni Prasad Rauka Director
Place:-Mumbai
Date:-30th May 2013

CASH FLOW STATEMENT PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

	Year Ended 31-03-2013 (Rupees)	Year Ended 31-03-2012 (Rupees)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/Loss(-) Before Tax and Extraordinary Items	447,349	240,000
Adjustment for :		
Loss on impairment of assets	-	10,070
Depreciation	<u>4,620</u>	<u>2,364</u>
	4,620	12,434
Operating Profit Before Working Capital Changes	451,969	252,434
Adjustment for :		
Sundry Debtors	(155,730)	1,042,094
Loans & Advances	1,262,318	(967,062)
Inventories	(1,163,292)	(16,625)
Trade & Other payable	<u>(75,567)</u>	<u>(477,580)</u>
(Increase)/Decrease in Net Current Assets	(132,271)	(419,173)
Tax Adjustment	<u>(58)</u>	<u>(504)</u>
Cash Generated From Operations	319,640	(167,243)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net Cash used in Investing Activities	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net increase in Cash and Cash Equivalents	<u><u>319,640</u></u>	<u><u>(167,243)</u></u>
Cash and Cash Equivalents at the beginning of the year	100,829	268,072
Cash and Cash Equivalents at the close of the year	420,469	100,830

This is the cash flow statement referred to in our report of even date

For R. N. Bhutra & Co.
Chartered Accountants

For and on behalf of the Board of director

Ram Niranjn Bhutra
Proprietor
M. No. 117873

Laxminarayan Sharma Managing Director
Kishan Sharma Director
Beni Prasad Rauka Director

Place:-Mumbai
Date:-30th May 2013

Place:-Mumbai
Date:-30th May 2013

AUDITORS CERTIFICATE

We have verified the above Cash Flow Statement of INDERGIRI FINANCE LTD, derived from the audited financial statements for the year ended March 31, 2013 and for the year ended March 31, 2012 and found the same to be drawn in accordance and also with the requirements of clause 32 of the listing agreement with Stock Exchanges.

For R. N. Bhutra & Co.
Chartered Accountants

Ram Niranjn Bhutra
Proprietor
M. No. 117873

Place:-Mumbai
Date:-30th May 2013

Notes to Financial Statements for the year ended 31 March, 2013

1. Significant Accounting Policies

1.1 Basis of preparation

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 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 its working condition for its intended use.

1.5 Depreciation on Tangible Fixed Assets

Depreciation on tangible fixed assets is provided on a straight line basis from the date the asset is ready to use or put to use, whichever is earlier at the rates prescribed in the Schedule XIV to the Companies Act 1956. In respect of assets sold, depreciation is provided upto the date of disposal.

1.6 Impairment of Tangible and Intangible 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.

1.7 Investments:

Investments are classified as long term and current in accordance with the Accounting Standard on 'Accounting for Investments' (AS 13) issued by the Institute of Chartered Accountants of India. Long-term investments are valued at acquisition cost unless the fall in value is of permanent nature. Current investments are valued at lower of cost and market value and in case of unquoted shares lower of cost or break up value. The break up value of unquoted investment is determined as per the Non Banking Prudential Norms Directions, 1998. Provision for diminution in the value of investments is made in accordance with the directions issued by Reserve Bank of India and recognized through provision for diminution in the value of investments.

In accordance with the Note No. 1 of 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 an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

1.08 Stock in Trade

The securities acquired with the intention of short term holding and trading positions are considered as stock-in-trade and disclosed as current assets. Stock in trade of shares being current in nature is valued in accordance accounting policy mentioned under the head investments.

1.09 Revenue Recognition

Revenue is recognized to the extent that it 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 Advisory Services

Income from Advisory Services are accounted for as and when the relevant services are rendered and revenue is recognised 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 Operations" in the statement of profit and loss.

c) Dividends

Dividend income is recognized when the company's right to receive dividend is established on the reporting date.

d) Profit/ Loss on sale of Investments/ Stock in Trade

Profit/loss on the sale of investments/ stock in trade is dealt with at the time of actual sale except for shares held as stock in trade if the fall in value is other than temporary, the valuation of the same is done as per RBI prudential

1.10 Retirement and other employee benefits

The Company has adopted the revised Accounting Standard 15 – Accounting for Employee Benefits. The accounting policy followed by the Company in respect of its employee benefit schemes is set out below:

Gratuity: Short term employee benefits are accounted in the period during which the services have been rendered. Defined contribution plans such as Provident Fund Act 1952 is not applicable to the Company

Leave Encashment:

The employees of the Company are entitled to leave as per the leave policy of the Company however no carry forward is permitted and the same if any remain balance is encashed at the end of the year.

1.11 Income Taxes

Income tax expenses comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) & the deferred tax charge or benefit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

Deferred Taxation:

The deferred tax charge or benefit and the corresponding deferred tax liabilities and assets are recognised using the tax rates that have been enacted or substantially enacted as at the balance sheet date. Deferred tax assets are recognised 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 recognised 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.

1.12 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.

1.13 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.

1.14 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.

1.15 Contingent Liabilities / Assets

A contingent liabilities 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 recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised 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 recognised in the period in which the change occurs.

1.16 Cash and Cash Equivalents

Cash and Cash Equivalents for the purposes 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".

INDERGIRI FINANCE LIMITED

Notes to Financial Statements for the year ended 31 March, 2013

	31-03-2013 Rs.	31-03-2012 Rs.
2. Share Capital		
Authorized Shares		
5,500,000 (31 March 2012: 5,500,000) Equity Shares of Rs. 10 each	55,000,000	55,000,000
	<u>55,000,000</u>	<u>55,000,000</u>
Issued, Subscribed and fully paid up Shares		
5,061,000 (31 March 2012: 5,061,000) Equity Shares of Rs.10/- Each fully paid up	50,610,000	50,610,000
	<u>50,610,000</u>	<u>50,610,000</u>

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

Equity Shares:	31-03-2013		31-03-2012	
	Nos.	Rs.	Nos.	Rs.
At the beginning of the period	5,061,000	50,610,000	5,061,000	50,610,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	<u>5,061,000</u>	<u>50,610,000</u>	<u>5,061,000</u>	<u>50,610,000</u>

2.2 Terms/Rights attached to equity shares:

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

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

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be proportional to the number of equity shares held by the shareholders.

2.3 Details of shareholders holding more than 5% share in the company

Equity Shares of Rs. 10 each fully paid up:	31-03-2013		31-03-2012	
	Nos.	%	Nos.	%
Beni Prasad Rauke	380,860	7.53	380,860	7.53
Indergiri Securities Pvt Ltd	460,000	9.09	460,000	9.09
Indergiri Share And Stock Brokers Pvt Ltd	392,500	7.75	392,500	7.75
Manoo Investment & Finance Pvt Ltd	360,000	7.11	360,000	7.11
Shri Parsaram Holding Pvt Ltd	407,658	8.05	407,658	8.05

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

		31-03-2013 (Rupees)	31-03-2012 (Rupees)
3. Reserve and Surplus			
3.1 Surplus / (Deficit) in the statement of profit and loss			
Balance as per the last financial statements		(2,084,341)	(2,324,363)
Profit for the year:		446,201	240,022
Net surplus in the statement of profit and loss		<u>(1,638,140)</u>	<u>(2,084,341)</u>
1 Total Reserves and Surplus		<u>(1,638,140)</u>	<u>(2,084,341)</u>
4. Deferred Tax Liabilities (Net)			
(Disclosure as per AS-22 "Accounting for Taxes on Income")			
Deferred Tax Liabilities			
Excess of WDV of the assets as per Financial Books over the WDV as per Income Tax Act, 1961.			
		6,199	5,109
Deferred Tax Liabilities		<u>6,199</u>	<u>5,109</u>
5. Other Current Liabilities:			
Other Payables			
Sundry Creditors for expenses		365,949	331,816
		<u>365,949</u>	<u>331,816</u>
6. Short Term Provisions			
6.1 Provisions for employee benefits:			
Salary and Reimbursements		84,650	108,350
Bonus		-	86,000
		<u>84,650</u>	<u>194,350</u>

7. Fixed Assets

	Rate of Depreciation	GROSS BLOCK				DEPRECIATION / AMORTIZATION			NET BLOCK		
		Cost as at 01.04.2012	Additions / Disposals	Other Adjustments	Cost as at 31.03.2013	As at 01.04.2012	For the year	Adjustments	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
7.1 Tangible Assets											
Computers	16.21%	28,500	-	-	28,500	10,143	4,620	-	14,763	13,737	18,357
Current Year Rs		28,500	-	-	28,500	10,143	4,620	-	14,763	13,737	18,357
Previous Year Rs		229,900	-	201,400	28,500	199,109	4,620	193,586	10,143	18,357	30,791

		31-03-2013 (Rupees)	31-03-2012 (Rupees)
8 Non Current Investments			
8.1 Non-trade Investments , Unquoted			
(valued at cost unless stated otherwise)			
Investment in Equity Instruments			
Other than related parties			
50,000 (50,000) Equity Shares of Rs. 10/- each fully paid up of Somani Securities Private Limited			
		500,000	500,000
Less : Provision for diminution in the value of investment		(450,000)	(450,000)
		<u>50,000</u>	<u>50,000</u>
Aggregate amount of Unquoted Investments		<u>50,000</u>	<u>50,000</u>

9 Loans and Advances	Non-Current		Current	
	31-03-2013 (Rupees)	31-03-2012 (Rupees)	31-03-2013 (Rupees)	31-03-2012 (Rupees)
9.1 Security Deposit				
Unsecured, considered good	78,700	78,700	-	-
	<u>78,700</u>	<u>78,700</u>	<u>-</u>	<u>-</u>
9.2 Loans & Advances to related parties				
Unsecured, considered good	-	-	100,000	100,000
(Refer Note No 29)				
	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>
9.3 Other Loans and Advances				
TDS (Net of provision for taxation)	-	-	1,254,142	1,102,853
MAT Credit Entitlement	-	-	704,210	618,968
Other Advances	4,430,000	4,430,000	500,000	500,000
Loans to Employees				
More than 12 months	243,000	267,000	-	-
Current maturities of more than 12 months	-	-	24,000	24,000
Advances Recoverable in cash or kind (Unsecured, Considered good)	97,250	50,000	35,552,900	37,075,000
	<u>4,770,250</u>	<u>4,747,000</u>	<u>38,035,252</u>	<u>39,320,821</u>
Less: Statutory Provision on Standard Assets as per RBI directions	-	-	-	-
	<u>4,770,250</u>	<u>4,747,000</u>	<u>38,035,252</u>	<u>39,320,821</u>
	<u>4,848,950</u>	<u>4,825,700</u>	<u>38,135,252</u>	<u>39,320,821</u>
Loans and advances to related parties includes				
Amount due from group companies in which directors and their relatives are holding majority shares	100,000	-	100,000	-
			<u>31-03-2013 (Rupees)</u>	<u>31-03-2012 (Rupees)</u>
10 Inventories				
(valued at lower of cost and net realizable value)				
Non Current				
In related parties				
13000 (13000) Equity Shares of Rs 10 each fully paid of Indergiri Securities Pvt Ltd			1,300,000	1,300,000
8500 (8500) Equity Shares of Rs 10 each fully paid of Indergiri Share & Securities Pvt Ltd			850,000	850,000
			<u>2,150,000</u>	<u>2,150,000</u>
Less: Provision for diminution in the value of stocks			1,759,475	1,759,475
Net Amount			<u>390,525</u>	<u>390,525</u>
Traded Goods				
Shares			1,163,292	-

11 Trade receivables		31-03-2013	31-03-2012
		(Rupees)	(Rupees)
Unsecured, considered good			
Outstanding for a period exceeding six months		984,733	1,121,818
Outstanding for a period less than six months		3,421,700	3,128,885
		<u>4,406,433</u>	<u>4,250,703</u>
			4,250,703
12 Cash and Bank Balances			
12.1 Cash and Cash equivalents			
Cash in hand		167,033	12,533
Balance with banks:			
In Current Accounts		253,437	88,296
		<u>420,470</u>	<u>100,829</u>
		<u>420,470</u>	<u>100,829</u>
13 Revenue from Operations			
13.1 Interest Income			
Interest on Loans given:		3,645,936	3,368,933
		<u>3,368,933</u>	<u>3,368,933</u>
13.2 Sale of Traded Goods (Refer note no. 18(i))			
Sale of Shares		348,502	1,642,133
		<u>348,502</u>	<u>1,642,133</u>
14 Total Revenue from Operations		<u>3,994,438</u>	<u>5,011,066</u>
Purchase of Traded Goods (Refer note no. 20(i))			
Purchase of Shares		3,126,430	2,987,450
		<u>3,126,430</u>	<u>2,987,450</u>
15 Changes in Inventories of Traded Goods	31-03-2013	31-03-2012	(Increase)/ Decrease
	(Rupees)	(Rupees)	(Rupees)
15.1 Details at the end of the year			
Shares	1,553,817	390,525	(1,163,292)
	<u>1,553,817</u>	<u>390,525</u>	<u>(1,163,292)</u>
15.2 Details at the beginning of the year			
Shares held as stock in trade	390,525	373,900	16,625
	<u>390,525</u>	<u>373,900</u>	<u>16,625</u>
16 Employee Benefit Expenses		31-03-2013	31-03-2012
		(Rupees)	(Rupees)
Salaries, Wages and Bonus (including managing director)		1,176,000	1,274,000
Staff Welfare Expenses		72,000	62,400
		<u>1,248,000</u>	<u>1,336,400</u>
17 Depreciation and Amortization Expenses			
Depreciation of Tangible Assets		4,620	2,364
		<u>4,620</u>	<u>2,364</u>

	31-03-2013 (Rupees)	31-03-2012 (Rupees)
18 Other Expenses		
SIT, Service Tax & Other Charges	22,179	7,608
Advertisement Expenses	49,964	29,643
NSDL & CDSL Fees	33,708	33,090
Filing Fees to ROC	9,000	4,550
General Expenses	33,899	33,000
Bad Debts written off	-	168,000
Legal & Professional Fees	7,868	32,539
Listing Fees & Stock Exchange Fees	28,090	27,575
Payment to Auditors (as per details given below)	16,854	14,045
Printing & Stationery	15,000	15,000
Registrar & Transfer Charges	47,669	22,956
Books & Periodicals	25,800	23,100
Postage & Stamps	10,000	-
Rates & Taxes	2,500	2,500
Loss on impairment of assets	-	10,070
Telephone and Internet Expenses	28,800	28,800
Travelling Expenses	-	9,000
Total	331,331	461,476
Payment to Auditors Include		
As Auditor		
Statutory Audit Fees	8,427	5,515
Tax Audit Fees	2,809	2,758
Limited Review	2,809	2,758
	14,045	11,030

19 Segment reporting

The primary reporting of the company has been performed on the basis of business segment. The company is organised into two business segments, providing financial services & investment (Finance & Investment) and trading in shares (Trading in Shares). Segments have been identified and reported based on the nature of the products, the risks and returns, the organisation structure and the internal financial reporting systems.

Particulars	Trading in Shares	Finance & Investment	Unallocated	Total
Revenues				
Sales/Income from finance & investment	348,502	3,645,936	-	3,994,438
Previous Year	1,642,133	3,368,933	-	5,011,066
Increase/ (Decrease) in stocks	1,163,292	-	-	1,163,292
Previous Year	16,625	-	-	16,625
Total	1,511,794	3,645,936	-	5,157,730
Previous Year	1,658,758	3,368,933	-	5,027,691
Segment costs				
Segment costs	3,148,609	-	1,557,152	4,705,761
Previous Year	2,995,058	-	1,789,968	4,785,026
Segment results	(1,636,815)	3,645,936	(1,557,152)	451,969
Previous Year	(1,336,301)	3,368,933	(1,789,968)	242,665
Operating profit/ (loss)	(1,636,815)	3,645,936	(1,557,152)	451,969
Previous Year	(1,336,301)	3,368,933	(1,789,968)	242,665
Depreciation	-	-	4,620	4,620
Previous Year	-	-	2,364	2,364
Income tax - Current & deferred	-	-	1,148	1,148
Previous Year	-	-	(22)	(22)
Net Profit/ (loss)	(1,636,815)	3,645,936	(1,562,920)	446,200
Previous Year	(1,336,301)	3,368,933	(1,792,310)	240,323
Other information				
Segment assets	1,745,943	47,248,510	434,207	49,428,660
Previous Year	580,525	48,357,224	119,186	49,056,935
Segment liabilities	-	-	456,800	456,800
Previous Year	-	-	531,275	531,275
Accumulated (losses)/ profits	-	-	(1,638,140)	(1,638,140)
Previous Year	-	-	(2,084,341)	(2,084,341)

Segment revenue and result

The expenses that are not directly attributable and that cannot be allocated to a business segment on a reasonable basis are shown as unallocated corporate expenses.

Segment assets and liabilities

Segment assets include all operating assets used by the business segment and consist principally of fixed assets, investments and current assets. Segment liabilities comprise of loan funds which can be identified directly against the respective segments and includes segment current liabilities and provisions. Assets and liabilities that have not been allocated between segments are shown as part of unallocated corporate assets and liabilities respectively.

20. Related Party Disclosures

Name of related parties and related party relationship:

- a) Related parties where control
 - Holding Company Nil
- b) Key Management Personnel :
 - L.N.Sharma Managing Director
- c) Fellow Subsidiary Companies Nil
- d) Fellow Stop Down Subsidiary Nil
- e) Other Related Parties (in which either of the directors or their relatives have significant influence)
 - Indergiri Securities Pvt Ltd
 - Indergiri Share & Stock Brokers Pvt Ltd
 - Manoo Finance And Investment Pvt Ltd
 - Pranco Financial Services Pvt Ltd
 - Bagra Financial Services Pvt Ltd
 - Kaizen Finance Pvt Ltd
- f) Related parties with whom transaction have taken place during the year

Nature of Transactions	Key Management Personnel	Enterprises over which person described in (b) has control
Advance Taken	Nil (Nil)	550,000 (Nil)
Advance repaid	Nil (Nil)	550,000 (Nil)
Expenses incurred on behalf	Nil (Nil)	- (Nil)
Directors Remuneration	180000 (195,000)	Nil (Nil)
Amount outstanding as at		
Share Application Money	Nil (Nil)	100,000 (100,000)
Maximum Amount Outstanding during the year	Nil (Nil)	100,000 (100,000)
Non Current Stock in Trade	Nil (Nil)	2,150,000 (2,150,000)
Maximum Amount Outstanding during the	Nil (Nil)	100,000 (100,000)
Non Current Stock in Trade (Net of provision for diminution in the value)	Nil (Nil)	390,525 (390,525)

(Figures in bracket represent previous year's figures)

Note : Related Parties are as disclosed by the Management and relied upon by the Auditors

21. In accordance with Accounting Standard - 20 Earnings per Share, the computation of earnings per share is set out below :

Particulars	31st March, 2013	31st March, 2012
Number of shares at the beginning of the period	5,061,000	5,061,000
Number of shares at the end of the period	5,061,000	5,061,000
Net Profit after tax available for equity shareholders	446,201	240,022
Basic Earnings Per Share (In Rs.)	0.09	0.05

22. The Company provided loss on impairment of assets during the year as per the recommendations of Accounting Standard - 28 Impairment of Assets, issued by the Institute of Chartered Accountants of India.
23. **Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**
Based on the intimation received by the Company, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006". Accordingly, no disclosures relating to amounts unpaid as at the year end together with interest paid /payable are required to be furnished
24. **Previous year figures**
Till the year ended 31 March 2012, the company was using pre-revised Schedule VI to the Companies Act, 1956, for preparation and presentation of its financial statements. During the year ended 31 March, 2013 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.
25. In the opinion of the Board, the Current Assets, Loans & Advances are realizable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

To,
The Board of Directors
Indergiri Finance Ltd.
Mumbai

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions 1998 as per RBI Notification No. DFC 114/DGSPT)-98 dated 02.01.1998 issued by the Reserve Bank of India and on the basis of such examinations of the books and records of the Company as we considered appropriate and according to the information and explanation given to us during the course of our audit of the Company for the Accounting year ended on 31st March, 2013, we report that:

- (i) The Company incorporated prior to 09.01.1997 has applied for Registration as provided in Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). As informed to us the Company has received the Registration Certificate No.B-13.01893 under Non-Banking Financial Companies (Reserve Bank) Directions 1998 issued vide Notification No. DFC 114/DG (SPT) dated January 02, 1998 issued by RBI, Regional Office at Mumbai, consequent to change of the registered office of the Company from the state of Rajasthan to the state of Maharashtra at Mumbai.
- (ii) The Board of Directors of the Company has passed a resolution for non-acceptance of any public deposits.
- (iii) The Company has not accepted any public deposits during the year under reference i.e. Financial Year 2012-13.
- (iv) The Company has complied with the prudential norms relating to income recognition, accounting standards, asset calcification and provisioning of bad and doubtful debts as applicable to it.

**For R. N. Bhutra & Co.
Chartered Accountants**

**Ram Niranjn Bhutra
Proprietor
M. No. 117873**

Place:-Mumbai
Date:-30th May 2013

ANNEXURE "A"

**Schedule to the
Balance Sheet of a Non-Banking Financial Company**
(as required in terms of Paragraph 9BB of
Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998
(Rs. in lakhs)

Particulars			
Liabilities side :			
(1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount out- standing	Amount overdue
	(a) Debentures : Secured	Nil	Nil
	: Unsecured (other than falling within the meaning of public deposits*)	Nil	Nil
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	Nil	Nil
	(d) Inter-corporate loans and borrowing	Nil	Nil
	(e) Commercial Paper	Nil	Nil
	(f) Public Deposits*	Nil	Nil
	(g) Other Loans (specify nature)	Nil	Nil
	* Please see Note 1 below		
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):	N.A.	N.A.
	In the form of Unsecured debentures	Nil	Nil
	(a) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil
	(c) Other public deposits	Nil	Nil
	* Please see Note 1 below		
Assets side :			
		Amount outstanding	
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
	(a) Secured		
	(b) Unsecured	Nil 473.90	
(4)	Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities	Nil	
	(i) Lease assets including lease rentals under sundry debtors :	Nil	
	(a) Financial lease		
	(b) Operating lease	Nil	
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire		
	(b) Repossessed Assets	Nil	
	(iii) Hypothecation loans counting towards EL/HP activities		
	(a) Loans where assets have been repossessed		
	(b) Loans other than (a) above		
(5)	Break-up of Investments :		
	<u>Current Investments :</u>		
	I. <u>Quoted :</u>		

(i) Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify) 2. <u>Unquoted</u> : (i) Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (Please specify)	11.63* Nil Nil Nil Nil 3.90* Nil Nil Nil Nil Nil
* Held as stock in trade	
<u>Long Term investments :</u>	
1. <u>Quoted</u>	
(i) Share : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (Please specify)	Nil Nil Nil Nil Nil
2. <u>Unquoted</u> :	
(i) Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (Please specify)	5.00 Nil Nil Nil Nil

(6) **Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances:**

Please see Note 2 below

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same Group	Nil	Nil	Nil
(c) Other related parties	Nil	1.00	1.00
2. Other than related parties	Nil	472.90	441.46
<i>Total</i>	Nil	473.90	442.46

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

Please see note 3 below

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	3.90	3.90
(c) Other related parties	Nil	Nil
2. Other than related parties	0.50	0.50
<i>Total</i>	4.40	4.40

** As per Accounting Standard of ICAI (Please see Note 3)

(8) Other information

Particulars		Amount
(i)	Gross Non-Performing Assets	
	(a) Related parties	21.50
	(b) Other than related parties	5.00
(ii)	Net Non-Performing Assets	
	(a) Related parties	3.90
	(b) Other than related parties	0.50
(iii)	Assets acquired in satisfaction of debt	Nil

Notes:

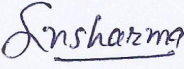
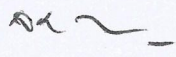
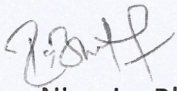
- As defined in Paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

For and on behalf of the Board of director

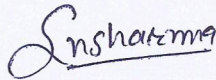

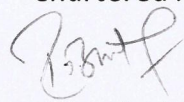
Laxminarayan Sharma Managing Director
Kishan Sharma Director
Beni Prasad Rauka Director

Place : Mumbai
Date : 30th May 2013

Form A

1.	Name of the company	INDERGIRI FINANCE LIMITED
2.	Annual financial statements for the year ended	31 st March 2013
3.	Type of Audit observation	Matter of Emphasis
4.	Frequency of observation	Repetitive in respect of observation At item 5 of Form B, since 31 st March 2011
5.	To be signed by-	
	CEO/Managing Director	 Laxmi Narayan Sharma
	CFO	The Company does not have CFO
	Audit Committee Chairman	 Dilip Arora
	Auditors	For R.N. Bhutra & Co Chartered Accountants  Ram Niranjana Bhutra Proprietor M.No. 117873

Form B

1	Name of the company	INDERGIRI FINANCE LIMITED
2	Annual financial statements for the year ended	31 st March 2013
3	Type of Audit qualification	Except for
4	Frequency of qualification	Repetitive in respect of observation at item 5 of Form A as below since 31 st March 2011
5	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	Non receipt of share certificate in respect of investment by the Company in Somani Securities Pvt Ltd- Clause XIV Page No 15 of the Annual Report for FY 2013
6	Additional comments from the board/audit committee chair:	The party has not been responding and the matter is being pursued and legal action is being evaluated. The Company has already made provision to the extent of 90% of the invested amount of Rs 5 lacs (Rupees five lacs) as diminution in the value of investment. Balance Rs 0.50 lacs (Rupees fifty thousand only) is not material.
7	To be signed by- CEO/Managing Director	 Laxmi Narayan Sharma
	CFO	The Company does not have CFO
	Audit Committee Chairman	 Dilip Arora
	Auditors	For R.N. Bhutra & Co Chartered Accountants  Ram Niranjana Bhutra Proprietor M.No. 117873