



FIRL  
FOCUS INDUSTRIAL RESOURCES LIMITED  
Grow with us

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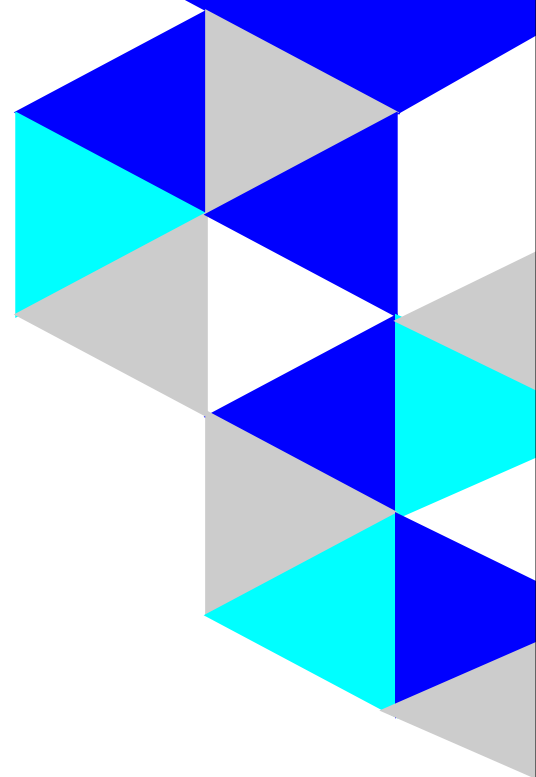
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## Registered Office & Corporate Office

**REGISTERED OFFICE & CORPORATE OFFICE**  
104, MUKAND HOUSE,  
COMMERCIAL COMPLEX,  
AZADPUR, DELHI- 110 033

## Corporate Information

### COMPANY SECRETARY

Ms. SILKY KAPOOR

### WEBSITE

[www.focuslimited.in](http://www.focuslimited.in)

### AUDITORS

**M. M. GOYAL & CO.**  
208, ALLIED HOUSE, 2ND FLOOR,  
SHAHZADA BAGH, INDER LOK,  
DELHI- 110 035

### BANKERS

ICICI BANK LTD  
CORPORATION BANK

## Stock Exchanges

- Bombay Stock Exchange
- Delhi Stock Exchange
- Calcutta Stock Exchange

## Registrars & Transfer Agents

**BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD**

**BEETAL HOUSE, 3RD FLOOR, 99 NEAR DADA**

**HARSUKH DAS MANDIR, NEW DELHI - 110062**

**E-MAIL : [beetalrta@gmail.com](mailto:beetalrta@gmail.com)**

**Website : [www.beetalfinancial.com](http://www.beetalfinancial.com)**

**Ph.: 011-29961281-83**

## Chairman's Message

Looking Ahead .....



**Dear Shareowners,**

The preparation of the annual report each year is an ideal time to look back on the past year, but also to present a clear picture of business to our stakeholders. Who are we, and what do we do? We will devote special attention to these aspects in this annual report.

This has been a momentous year when we have delivered and shown to the world what grit and determination can achieve. Since we last met, your company has undergone a major transformation.

Milestones are occasions for reflection, insight and foresight. On the milestone of our first year as a listed entity at BSE Limited, I am happy to present our maiden Annual Report -a compilation of the financial performance of our businesses, an overview of the economic context in which the performance was recorded, and importantly, a brief description of the values, beliefs and practices that shape your company. While this is our first Annual Report since BSE listing, we are in reality a company with more than two and a half decades of experience! Let me recapitulate the journey of growth since the Focus Industrial Resources Limited (FIRL) early foray into the financial services business. Although we FIRL in 1985, the inflection point in our financial services business came about in 2005. Our canvas has expanded, as we ventured into new fields while simultaneously widening the portfolio of existing businesses.

Many factors contributed to this impressive record of accomplishments. The key drivers include: Our NBFC businesses are designed to ride the different business cycles to achieve consistent growth and returns. Just as our business portfolio is diversified, so is our talent mix. Your company's senior management team has over 10 years of experience on an average in the financial services sector. Balancing this experience is the energy of youth. A company-wide average employee age of 30 makes for a potent blend of experience

and youth. We have been successful in attracting, retaining and nurturing this talent-mix at all levels.

Over the past, we inherit much more than our name. We derive strength, synergies, and most importantly, the priceless asset of trust. In addition to these key drivers, our customer-centric approach and vibrant HR practices have helped us achieve this growth. Let me now turn to the macroeconomic environment impacting our business. FY 2013 has witnessed challenges of multiple dimensions. The country encountered elevated levels of inflation throughout the year. RBI has had to continuously raise interest rates, to avoid overheating of the economy. The policy environment in the country has not been particularly supportive of the overall investment climate; be it in the power sector with its structural issues and losses in distribution companies, coal mining or the telecom sector. The Microfinance sector is passing through a period of uncertainty. The construction industry is beset with delays in execution of projects, resulting in weak cash flows and stress on working capital.

Amidst these uncertainties, there were exciting opportunities in the renewable energy sector viz. solar, wind and small hydro-electric projects. Owing to encouragement from some progressive states, there were clear regulations and bankable projects in this sector.

The current macroeconomic environment continues to be challenging. Global economies, particularly Europe, face severe stress. While inflation in India has reduced to some extent, the overall investment climate continues to be subdued. In this situation, the Company would take a cautious approach and concentrate on managing risks and containing costs. Given the proven success of our multi-pronged business model, track record of maintaining healthy asset quality and



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## 28th Annual Report 2012-13

with an experienced and talented management team, I am confident that we will face these challenges effectively and perform well in the current year.

### **Performance Review**

Our company's financial achievements are:

Total Revenue of Rs. 390.38 Lacs approx for the period 2012-13 as compared to Rs. 126.09 Lacs approx for the period 2011-12.

### **Future Prospects & Company outlook**

As we said we expect to achieve good growth in FY2013 compared to FY2012 underlying earnings. The volatility in our markets has increased and there is greater uncertainty about them remaining strong which will make growth harder to achieve.

Notwithstanding these challenges, we maintain our previous guidance. We have a clear growth strategy in place focused on improving margins and developing our skill set. This will be achieved through organic growth as well as by taking advantage of acquisition opportunities that provide value for shareholders. We are confident

our medium and long-term prospects remain positive based on our competitive position, our diversified operations and strong financial capacity. Further in this direction and for adding lasting value to your stake, the Company has in future planning to get its shares listed on National Stock Exchange. At the end of this eventful year and at the beginning of another challenging year, we thank each one of you and look forward to your continued support, belief and trust.

I take this opportunity to thank my colleagues on the Board for their valuable inputs and guidance, as we move towards creating a long-term, sustainable business. I am also grateful to each member of Team FIRL for rising to every challenge, and am confident they will continue to demonstrate a high level of commitment towards achieving our goals.

**Regards,**

Sd/-  
**(Pradeep Kumar Jindal)**  
Chairman & Managing Director



## Director's profile

### **MR. PRADEEP KUMAR JINDAL**

#### **MANAGING DIRECTOR**

Mr. Pradeep Kumar Jindal, 55 years, is the Promoter & Managing Director of FIRL Since 2006. As the Managing Director, he heads the organization and provides strategic direction and guidance to all the activities of the organisation and had also practiced as Income Tax Practitioner for over 11 years. Mr. Pradeep Kumar Jindal holds a degree of Masters in Business Administration (MBA) and a graduate in Commerce from Agra. He joined the Company in 2001 as a Director on the Board. He is a member of the Audit Committee constituted by the Company.

### **MS. MADHVI BHATNAGAR**

#### **DIRECTOR**

Ms. Madhvi Bhatnagar, 44 years, holds a degree of Bachelor in Commerce and has over two decades of work experience in the Non-Banking Finance Company. She has a very broad background for providing financial solutions. She is chairman of the Shareholders Grievance Committee and also a member of the Audit Committee, & Remuneration Committee. She joined the Board on July 29, 2002 as a director.

### **MR. SANTANU KUMAR DASH**

#### **DIRECTOR**

Mr. Santanu Kumar Dash, 50 years, holds a degree of Bachelor in Commerce and has over two decades of work experience in the Non-Banking Finance Company and is also working as Income Tax Practitioner over 13 years. He is also the Chairman of the Audit Committee and Member of the Shareholders Grievance Committee & Remuneration Committee. He joined the Board on July 29, 2002 as Director.

### **MR. ASHOK KUMAR GUPTA**

#### **DIRECTOR**

Mr. Ashok Kumar Gupta, 61 years, holds a degree of Bachelor in Commerce & Law and he has a diversified experience as an Engineer & Contractor. He is recognized for excellent people management and team building abilities besides infusing the spirit of action and a result oriented work culture. He is a firm believer in value based strategies. He joined the Board on April 16, 2011 as Director.

### **MS. SILKY KAPOOR**

#### **COMPANY SECRETARY**

Ms. Silky Kapoor heads the Legal, Compliance and Company Secretarial function of the Company. She is a fellow member of The Institute of Company Secretaries of India (ICSI), Law Graduate and Bachelor of Commerce with honours from Delhi University. She has over twelve years of experience working as Company Secretary. Her expertise lies in Secretarial and Legal function & holds great managerial skills.

## NOTICE

Notice is hereby given that the **TWENTY EIGHTH ANNUAL GENERAL MEETING of FOCUS INDUSTRIAL RESOURCES LIMITED** will be held at registered office at 104, Mukand House, Commercial Complex, Azadpur, Delhi - 110 033, on Monday, 30th September, 2013 at 12.00 p.m. to transact the following business:

### ORDINARY BUSINESS:

- To receive, consider and adopt the annual accounts for the financial year ended 31st March, 2013 together with the Reports of the Board of Directors and Auditors thereon.
- To appoint a Director in place of Mr. Ashok Kumar Gupta, who retires by rotation and, being eligible offers himself for re-appointment.
- To appoint the Auditors of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section-224 of the Companies Act, 1956 M/s M.M. Goyal & Co. Chartered Accountants, the retiring Auditors, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of the present Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as may be decided by the Board of Directors of the company.”

### NOTES:-

- A MEMBER ENTITLED TO ATTEND AND VOTE, AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing a proxy in order to be valid and effective should be lodged/ deposited with the company at its registered office at least 48 hours before the commencement of the meeting.
- None of the Directors of the company is in any way related to each other.
- The Register of Members and Share Transfer Books of Company will remain closed from 28th September, 2013 to 30th September 2013 (both days inclusive) for the purpose of Annual General Meeting.
- Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the board resolution authorizing their representatives to attend and vote on their behalf at the meeting.
- Members are requested to:-
  - Note that copies of annual report will not be distributed at the Annual General Meeting.
  - Deliver duly completed and signed attendance slip at the entrance of the meeting venue as entry will be strictly on the basis of the entry slip available at the counters at the venue to be exchanged with the attendance slip.
  - Quote their Folio/client ID and DP ID Nos. in all correspondence.
  - Note that no gifts/coupons will be distributed at the Annual General Meeting.
- The attendance slip and proxy form for the member of the company have been enclosed with the notice.
- Members are requested to quote their Registered Folio No., client ID and DP ID numbers for facilitating identification for attendance at the meeting.

- Members are requested to send all correspondence to Company's Registrars at Beetal Financial & Computer Services (P) Ltd, 3rd floor 99, near Dada Harsukh Das Mandir, New Delhi- 110062. Telephone Number 011- 29961281-83 & E-Mail id - beetalrta@gmail.com Website: www.beetalfinancial.com
- Members desirous of getting any information on any items of business of this Meeting are requested to address their queries to Company Secretary of the Company at the Registered office of the Company at least ten days prior to the date of the meeting, so that the information required can be made readily available at the meeting.
- All documents referred to in the accompanying notice and Statutory Registers are open for inspection at the registered office of the Company on all working days (barring Sunday) between 10.00 a.m. to 12.00 p.m. prior to the Annual General Meeting.
- The entire Annual Report is also available on the Company's website www.focuslimited.in.
- Members are requested to intimate to the Company the changes, if any in their registered address along with pin code number.
- (1) The equity shares of the company are listed at the BSE Limited, 25th Floor, P J Tower, Dalal Street, Mumbai, Maharashtra- 400001, Delhi Stock Exchange Limited, 3/1, Asaf Ali Road, New Delhi-110 002 & Calcutta Stock Exchange, 7, Lyons Range, Kolkata-700001.  
(2) Annual Listing fees for the year 2013-14 have been paid to the BSE Ltd, Delhi Stock Exchange Limited & Calcutta Stock Exchange.
- Members are requested to bring their copy of this Annual Report to the Meeting.
- The information pursuant to Clause 49 of the Listing Agreement with respect to the details of the directors seeking appointment / re-appointment at the forthcoming Annual General Meeting is annexed to the notice as annexure.

### ANNEXURE TO NOTICE

#### BRIEF RESUME OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT.

##### Item No.2

Re-appointment of Mr. Ashok Kumar Gupta as Director, who retires by rotation and is seeking re-appointment and his other details are given below for the information of Shareholders. Mr. Ashok Gupta, aged 62 years is an independent director of the Company. He is Masters in Business Administration (MBA). He is also Law Graduate. He has a diversified experience as Engineers & Contractors. He is recognized for excellent people management and team building abilities besides infusing the spirit of action and a result oriented work culture. He is a firm believer in value based strategies.

##### Registered office:

104, Mukand House,  
Commercial Complex,  
Azadpur, New Delhi- 110033

By order of the Board of Directors

Dated: September 03rd, 2013

Sd/-  
(Pradeep Kumar Jindal)  
Managing Director





## DIRECTORS' REPORT

### Dear Members,

Your Directors are delighted to present the 28th Annual Report of your Company and the Audited Accounts for the financial year ended 31st March, 2013.

### FINANCIAL RESULTS

The financial performance of your Company, for the year ended 31st March, 2013 is summarized below:

PARTICULARS	2012-2013	2011-2012
Total income	3,90,38,666.00	1,26,09,052.00
Profit / (Loss) Before Depreciation & Taxes	57,34,081.00	52,31,629.00
Less: Depreciation	4,49,377.00	2,33,967.00
Current Tax	15,20,985.00	11,65,487.00
Income tax Previous Year	NIL	NIL
Add/ Less: Deferred Tax Assets/ Liability	(93,379.00)	(31,375.00)
Profit/(Loss) after Tax	36,70,340.00	38,00,80.00
Profit/(Loss) brought forward from previous year	45,94,728.00	15,54,088.00
Transfer to reserve funds	7,34,068.00	7,60,160.00
Balance Carried Forward to the Balance Sheet	75,72,090.00	45,94,728.00

### REVIEW OF OPERATION

Your Company has earned income of Rs 390.38 Lacs approx. to Rs 126.09 Lacs approx. for the period under review. Similarly PBT has Rs. 52.84 Lacs approx for the period under review from Rs. 49.97 Lacs approx of previous financial year. Your company has registered a Net Profit of Rs. 36.70 Lacs approx for the year under review against the Net profit Rs. 38.00 Lacs approx of the previous year.

### DIVIDEND

The Board of Directors of your Company has decided to retain and plough back the profits into the business of the Company, thus no dividend is being recommended for this year.

### PUBLIC DEPOSITS

Your Company did not accept any deposits from public in term of the provisions of section 58A of the companies act, 1956 and to this effect an undertaking is given to the Reserve Bank of India.

### LISTING ON BOMBAY STOCK EXCHANGE

As a result of process of expanding of business. The Company has been listed on Bombay stock exchange with effect from 12th December, 2012.

### RISK AND CONCERNS

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. Your Company recognizes the importance of risk management and has invested in people, process and technologies to effectively mitigate the above risks.

### THE RBI NORMS AND ACCOUNTING STANDARDS

To comply with RBI directions, your Company has closed its accounts for the full year ending March 2013, and your Company continues to comply with the directives issued as well as the norms prescribed by Reserve Bank of India for NBFCs.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company, being engaged, in the industrial financing does not have any energy utilization or technology absorption. The Company during the year under consideration has not earned or spent any foreign exchange.

### INFORMATION AS PER SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956

Your Company is a Non-Banking Finance Company and is not engaged in manufacturing activity of any kind. The disclosure of information relating to conservation of energy and technology absorption is therefore not applicable to your company. There were no foreign exchange earnings or outgo for your Company during the year.

### DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to section 217 (2AA) of the Companies (Amendment) Act 2000, the Directors confirm that;

1. In preparation of the annual accounts, the applicable accounting standards have been followed;
2. The accounting policies have been selected and applied consistently and the judgments and estimates made, are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2013 and of the profit and loss of the Company for that period;
3. Proper and sufficient care has been taken 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
4. The annual accounts have been prepared on a going concern basis.

### DIRECTORS

Mr. Ashok Kumar Gupta, Director retire by rotation and being eligible and offer himself for re-appointment. The Board recommends him re-appointment as Director subject to approval of the shareholders at the ensuing Annual General Meeting of the Company.

### AUDIT COMMITTEE

The role, terms of reference, authority and powers of the Audit Committee are in conformity with Section 292(A) of the Companies Act, 1956. The Committee met periodically during the year and had discussions with the auditors on internal control systems and internal audit report.



## MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review of operations, performance and future outlook of your Company and its businesses is given in the Management Discussion and Analysis, which forms part of this Report.

### CORPORATE GOVERNANCE

Your Company is compliant with the requirements of Clause 49 of the Listing Agreement. Necessary disclosures have been made in this regard in the Corporate Governance Report. A certificate from the Statutory Auditors of your Company regarding compliance with the requirements of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this report. The report on Corporate Governance is included and forms part of this report.

### RBIGUIDELINES

Your Company is complying with all the guidelines of the Reserve Bank of India for Non Banking Finance Company. In terms of Para 13 of the NBFC Regulations, the particulars as applicable to the Company are appended to the Balance Sheet.

### CORPORATE SUSTAINABILITY

Your Company's aspirations of sustaining and enhancing its long term growth plans are well balanced by its conscious commitments to society and in its principles of conducting business in a fully compliant manner. Your Company partakes in letter and spirit its intention of being a responsible corporate citizen and is committed to contribute positively in all activities pertaining to environmental protection, energy conservation and societal commitments while at the same time continuing to protect and enhance all stakeholders' interests

### EMPLOYEES

Your Directors place on record the appreciation of effort and dedication of the employees in achieving good results during the year under review. In line with its policy, your Company continues to place great emphasis on training programmes for all-round development of the staff at all levels.

Your Company has been actively concentrating on development of human resources, which is a prime asset for its substantial growth.

### PARTICULARS OF EMPLOYEES

The company does not have any employees whose remuneration exceed the limits for which disclosure is required in accordance with section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended.

### AUDITORS

M/s M.M Goyal & Co., Chartered Accountants, as Statutory Auditors of the company, hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re appointment. Your Company has received a certificate from M/s M.M Goyal & Co., Chartered Accountants, to the effect that the appointment, if made, would be within the prescribed limits under section 224(1B) of the Companies Act, 1956..

### APPRECIATION

Your Directors take this opportunity to thank and place on record their appreciation for all the employees at all levels for their hard work and dedication during the year. Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their consistent support.

**For and on behalf of the Board of Directors  
For Focus Industrial Resources Limited**

Sd/-  
(Pradeep Kumar Jindal)  
Managing Director

Sd/-  
(Madhvi Bhatnagar)  
Director

Place : Delhi

Dated: 03rd September, 2013



# Management and Discussion Analysis Report

## ECONOMIC OUTLOOK

The year 2011-12 was marked by an economic slowdown much against the optimism that reigned at the beginning of the fiscal year.

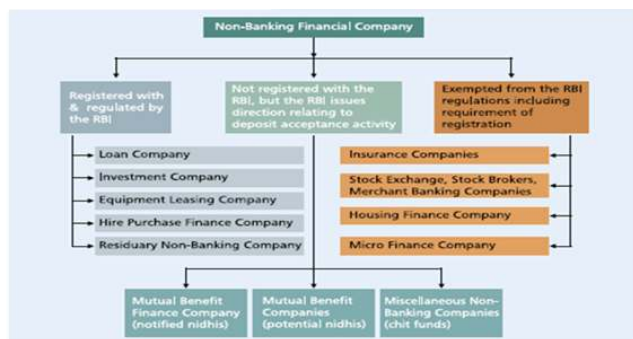
Outlook for Fiscal Year 2012-13 is mixed, with a downward bias. After the dismal fourth quarter performance, private sector economists are busy downgrading their GDP growth estimates for 2012-13 to a level of about 6.5%. The RBI's forecast for 2012-13 had been 5.5 percent growth, while Finance Minister P. Chidambaram had projected growth of 5.7 percent, down from 6.2 percent in 2011-12, but both appear to have been over-optimistic.

The preliminary data dimmed hopes for a mild recovery in economic activity in the second half of the financial year, which ends in March, with the government now projecting economic growth of 4.6 percent between October 2012 and March 2013, compared with 5.4 percent in the first half of the fiscal year. Capital investment is expected to slow down to an annual 2.48 percent in 2012-13 from 4.4 percent in the previous year

The slowing growth rate in India during the first half of 2012-13 can be explained in terms of both global factors and domestic factors. The slowdown in growth in advanced economies and near recessionary conditions prevailing in Europe resulted not only in lower growth of international trade but also lower capital flows. The growth rate of India's exports declined. At the same time, however, the international price of crude oil remained high. India's trade and current account deficits widened. Turning to domestic factors, rain falling the monsoon season of 2012-13 has been below normal, particularly in the key months of June and July. This affected sowing and resulted in a lower growth rate of agriculture and allied sectors. The Reserve Bank of India continued to follow a relatively tight monetary policy to control inflation, although there has been some relaxation in the recent months in the Statutory Liquidity Ratio (SLR) as well as Cash Reserve Requirement (CRR). The cost of borrowing remains at elevated levels and this has had an impact on investment and growth in the economy, particularly that of the industry sector. Finally, bottlenecks in project implementation have made financing more difficult and investors more cautious.

## NBFC- INDUSTRY STRUCTURE AND BUSINESS DEVELOPMENTS

The business of the Company is that of a Non Banking Finance Company (NBFC).



Source: RBI

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

Inspite of strong competition faced by the NBFCs, 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 areas. NBFCs are playing significant role in financing the road transport and infrastructure and have reached the gross root level through Micro finance.

## INDUSTRY STRUCTURE AND DEVELOPMENT

Indian economy is going through a period of rapid 'financial liberalisation'. Today, the 'intermediation' is being conducted by a wide range of financial institutions through a plethora of customer friendly financial products. The segment consisting of NBFCs, such as equipment leasing/hire purchase finance, loan and investment companies, etc. have made great strides in recent years and are meeting the diverse financial needs of the economy. These NBFCs provide a variety of services including fund-based and fee-based activities and cater to retail and nonretail markets and niche segments. They are being recognized as complementary to the banking sector due to their customer-oriented services, simplified procedures, and attractive rates of return on deposits, flexibility and timeliness in meeting the credit needs of specified sectors.

FIRL, headquartered in Delhi, is a non-banking financial company having diversified interests in the financial services sector. FIRL today has emerged as the company's long-term aspiration is to play a significant role in meeting the financial requirements of retail customers as well as corporate clients.

## INDUSTRY OVERVIEW

FY 2012-13 was among the most challenging years on the macroeconomic front. The policy and governance environment impacted the economic scenario. Persistent inflation resulted in the regulator raising the policy rates leading to a high interest-rate environment. The global environment remained weak for most part of the year with many European nations sinking into recession, the US showing muted growth and even China witnessing a slowdown from its consistent growth over the past decade. All these factors contributed towards an industrial slowdown and eventually led to a moderation in GDP growth. Raising capital became more difficult and working capital cycles in most industries increased, resulting in cash flow issues across various sectors. The microfinance sector came to a standstill, owing to regulatory hurdles. However, in the midst of these challenges, there were certain pockets and segments that continued to thrive. The rural segment continued to be robust, backed by a good monsoon and record crops. Rural employment schemes ensured greater cash flows in the rural market and our rural segment was a major growth driver for the company.

Tractor sales and rural equipment sales increased substantially contributing significantly to the overall growth. The 11 Five Year Plan had



proposed an investment of US\$ 500 billion in infrastructure sectors through a mix of public and private sector participation to reduce infrastructure deficits, with a major step up in private sector investment. The Plan envisaged an increase in investment in infrastructure as a percentage of the GDP as well as a significant and unprecedented increase in private sector contribution to total investment. While there have been significant achievements in roads and certain segments of telecom sectors, slippages in the power, rail, urban and ports sectors are notable.

The renewable energy segment was, however, a significant growth driver. The year witnessed a revolution of sorts in the solar energy segment as certain progressive states came up with robust contractual arrangements to kick-start the sector. Our infrastructure finance business has played a significant role in pushing this sector ahead in FY 2012. Even other renewable energy sectors have seen a positive thrust. In addition, a large number of concessions were awarded in the road sector which acted as another growth driver.

Non-Banking Financial Services Sector the NBFC sector has gained more importance over the past 5 years than at any time in the past. The total assets of NBFCs grew by as much as -130% over the past five years. As of March 31, 2010, there were 12,662 NBFCs of which 295 were categorised into systemically important NBFCs. As on March 2010, the total assets under management by NBFCs equalled 661,186 crores. This corresponds to 11% of total bank assets. As on March 2011, the total asset base was 843,451 crores - an increase of 27.5%. This is higher than the CAGR of -23% for NBFCs for the past 5 years.

Over the last 4 years, the contribution of Infrastructure Finance to the total bank credit has increased significantly, principally owing to a large number of projects in the power, telecom and road sectors.

From less than 5% in FY 2005, the share of infrastructure loans in the incremental credit growth of Indian banks now ranges from 20-25%, indicating a structural shift in the direction of bank credit.

India envisages a five-fold increase in infrastructure investment compared to the last 10 years - with a US\$1 trillion flow during the 2012-17 period as per the 12 Five Year Plan. At this level, it would account for nearly 10% of the GDP. With the Public Private Partnership (PPP) mode gaining momentum, the share of the private sector is likely to double to 50%, creating huge opportunities for infrastructure sector developers and financing players.

#### **STRENGTH, WEAKNESS, OPPORTUNITY & THREATS ANALYSIS**

As the Growing Economy there has been direct correlation with the prospects of Economic Growth and political stability. Accommodative monetary policies in advanced economies, coupled with better prospects in the Emerging Markets (EM's) including India, are expected to trigger large capital inflows in EM's which in turn could lead to asset price bubble and inflation. Our Business Performance may also be impacted by increased competition from the local and global players operating in India, regulatory changes and attrition in the employees. With growing presence of players offering advisory services coupled with provisions of funds for the client's needs, we face competition of unequal proportion. We continuously tackle this situation this situation by providing increasingly superior customized services.

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 Investment & Finance Companies are regulatory changes in NBFCs, Interest Rate hikes by RBI, high Inflation,

aggressive marketing of banks and volatility in global equity and commodity market.

#### **SUBSIDIARY COMPANY**

As there are no Subsidiaries of the Company, investment made in subsidiaries is NIL.

#### **RISK MANAGEMENT**

In today's complex business environment, almost every business decisions require executives and managers to balance risks and rewards. Effective risk management is therefore critical to any organizational success. Globalization, with increasing integration of market, newer and more complex products and transactions and an increasing stringent regulatory framework has exposed organization to a newer risk. As a result, today's operating environment demands a rigorous and integrated approach to risk management. Timely and effective risk management is of prime importance to our continued success.

Increased competition and market volatility has enhanced the importance of risk management in share trading business. The sustainability of the business is derived from the following:

- Identification of the diverse risk faced by the company.
- The evaluation of appropriate systems and processes to measure and monitor them.
- Risk management through appropriate mitigation strategies within the policy framework.
- Monitoring the progress of the implementation of such strategies and subjecting to periodical and audit review.
- Reporting risk mitigations result to the appropriate managerial level.

There is the risk of loss from inadequate or failed systems, processes or procedures. These may be attributed to human failure or technical problems given the increased use of technology and staff turnover.

In financial services business, effective risk management has become very crucial. As an NBFC, your company is exposed to credit risk, liquidity risk, and interest risk. Our Company has suitable mechanisms to effectively reduce such risk. All these risk are continuously analysed and reviewed at various levels of Management through an effective information system.

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 SYSTEM AND THEIR ADEQUACY**

The Company has established a sound internal control system which contributes to safeguarding the shareholder's investment and the company's assets. A sound system of internal control facilitates the effectiveness and efficiency of operations, helps ensure the reliability of internal and external reporting and assists compliance with laws and regulations.

The company has an audit committee which regularly reviews the audit finding as well as the information security assurance services is also provided by independent external professionals. Based on their recommendations, the Company has implemented a number of measures both in operational and counting related areas apart from security related measures. All the above business control procedures ensure efficient use and protection of the resources and compliance with the policies, procedures and status.

#### **FULFILMENT OF RBI NORMS AND STANDARDS**

The Company has fulfilled all the RBI Norms and complied with it.



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## HUMAN RESOURCES

Your company always regards human resources as its most valuable asset and continuously evolves policies and process to attract and retain its substantial pool of managerial resources through friendly work environment that encourages initiatives by individuals and recognizes their performance.

## CHALLENGES & FUTURE OUTLOOK

While NBFCs have witnessed substantial growth over the years, there are few areas of concern which need to be addressed. For instance, while NBFCs have enjoyed an edge over banks in semi-urban & rural markets where banking network is not yet strong, they have limited spread in urban markets. Nonetheless, in recent years, NBFCs have begun to create niches for themselves that are often neglected by banks. These primarily include providing finance to non-salaried individuals, traders, transporters, stock brokers, etc.

In the past few years, the increased competition from banks in the retail finance segment has led to excess diversification by NBFCs from their core business activities. The sector has witnessed introduction of various innovative products such as used vehicles financing, small personal loans, three-wheeler financing, IPO financing, finance for tyres & fuel, asset management, mutual fund distribution and insurance advisory, etc. Besides, NBFCs are aspiring to emerge as a one-stop shop for all financial services.

NBFCs have also ventured into riskier segments such as unsecured loans, purchase finance for used commercial vehicles, capital market lending, etc. Moreover, NBFC's customer profile is concentrated on the self-employed segment. The earlier mentioned factors increase their risk profile which could have adverse impact on the financial health of NBFCs.

Although some improvement has been witnessed in auto sales in last few months, the demand for vehicle finance is likely to remain subdued. Besides, given the significant slowdown in the Indian economy, NBFCs

were encountering structural challenges such as increased refinancing risk, short-term asset-liability mismatch leading to decelerating growth and declining margins. This is expected to have a bearing on the profitability of NBFCs in the medium term.

Given that growth in vehicle finance might remain low in the medium term, NBFCs are expected to focus on rural and semi-urban markets. Credit requirements of rural population are primarily met by banks from organised sector or local money lenders. Though, in recent years there has been some penetration of NBFCs in this segment, the market still remains largely untapped. There is a large section of rural population which does not have access to credit either because of their inability to meet the lending covenants of banks or due to high interest rates of local money lenders. This provides a huge opportunity for NBFC sector to spread their business in the rural & semi-urban markets.

## CAUTIONARY STATEMENT

Statements in this report pertaining to the Company's objectives, projections, estimates, exceptions and predictions are forward-looking statements subject to the applicable laws and regulations. These statements may be subject to certain risks and uncertainties. The Company's operations are affected by many external and internal factors which are beyond the control of the management. Therefore, the actual position may differ from those expressed or implied. The Company assumes no obligation to amend or update forward looking statements in future on the basis of new information, subsequent developments or otherwise.

**For and on behalf of the board of the directors**

**Sd/-  
(Pradeep Kumar Jindal)  
Managing Director**

**Place : Delhi**

**Dated: 03rd September, 2013**



**CORPORATE SOCIAL RESPONSIBILITY**

"The future of our nation shines bright in the eyes of its young." We are a young nation, both literally and figuratively. As a nation, we have achieved significant success in several arenas – both social and economic in the last few decades. However, we still face challenges that can undermine the basic fabric of our society. It is important that we identify these challenges and channelize our energy towards finding innovative solutions to ensure a secure, sustainable and equitable future for our young.

Today is the era of modernization, development and change. And everything we can witness in our country also. Some use to say, the changes are slow in pace in comparison of developed countries. But we can't ignore India is second developing country.

India is always rich in culture and tradition .We has as many as 18 major spoken languages in our country. We claim us as a first civilization. We are having rich historical heritage. But always in our country, man gets more importance than woman.

It starts with the birth of a girl and end up with her death. In a typical Indian family it is festival kind of atmosphere if a boy gets birth but if girl gets birth there will not be the same atmosphere you can witness. Many social rituals are making women condition worse. One of the biggest evil is known as "DOWRY", even now the ghost "DOWRY" taking thousands of life.

But really as it is era of change, condition of woman in India also changing, perhaps it is not rapid as we want but still improvement is there. If we want rapid pace in growth of women, all society should be united for uplift of women.

There is a famous saying" behind every successful man there is woman". Why that woman is not come in front? Always why woman will be behind? But slowly its changing Leadership in India. It basically started with Rani Lakshmi Bai followed by Annie Besant, Sarojni Naidu and Powerful character Indira Gandhi.

As prime minister of India Indira had supported for women leadership in India. She was not only is the prime minister, but emerge as people favorite prime minister. She did wonders in changing the social status of women in India.

Who can forget legendary women Mother Teresa as Indira postured powerful image of Indian women in world. Mother Teresa came up with her kind and helping and working for poor image. She becomes first servant women leader in India.

And other then political and social field now Indian women leadership is growing in Business field also Indira Nooyi CEO of Pepsico, Chanda Kochar CEO of ICICI bank, Kiran Majumdar CEO of biacon are some of them.

But is this enough to uplift women in India? If we really want to uplift, then we have to take a com-pain step to socially empower women. And has to start from every home and every individual .Government can provide reservation to women but that will not help to empower them in society. But if we want to uplift women in our country we have to start with our self with our own family.



Through our 'Women Upliftment & Welfare Program', we have touched the lives of nearly 850 women in the last year. We have taken a holistic approach towards providing them the education and making them aware about the society by focusing on the overall development of women in rural areas and under privileged areas.

Our Programme has also provided training to women about religion, hygiene, cooking and sewing and other simple works of life.



## CORPORATE GOVERNANCE REPORT

(As required by clause 49 of the Listing Agreement with the stock exchange).

*This section on Corporate Governance forms part of the Directors' Report to the shareholders. This report is given in terms of clause 49 of the Listing Agreement entered with the Bombay Stock Exchange, Calcutta Stock Exchange and Delhi Stock Exchange where the shares of the Company have been listed.*

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Fairness, accountability, disclosures and transparency form the four pillars of your Company's philosophy of Corporate Governance. Your Company strongly believes that for attaining sustainable growth in this competitive corporate world, Corporate Governance is a pre-requisite. The governance practices followed by your Company have played a vital role in its journey of continued success. Our endeavor over the years has been to strengthen the governance processes and systems attributing to constant improvisations, sustainability, and profitable growth and creating long-term value for the Stakeholders.

All the procedures, policies and practices followed by your Company are based on sound governance principles. Comprehensive disclosures, structured accountability in exercise of powers, adhering to international standards and commitment in compliance with regulations and statutes in letter as well as spirit have enabled your Company to enhance shareholder value. In fact, this has become an integral part of the way business is done. The governance practices followed by your Company are continuously reviewed and the same are benchmarked to the best governed companies.

All mandatory requirements and also a few non-mandatory requirements prescribed by Clause 49 of the Listing Agreement have been implemented by the Company. Non-mandatory requirements such as formation of Remuneration Committee have been implemented. Codes of business conduct, adopted by the directors and senior management personnel, are posted on the website of the Company.

All board members and senior management personnel have affirmed compliance with the respective codes of conduct for the year ended March 31, 2013. In terms of Clause 49 (I) (D) of the Listing Agreement, the Managing Director has given the requisite declaration to this effect. In terms of Clause 49 (V) of the Listing Agreement, the Managing Director has given the requisite certification to the Board of Directors in the prescribed format for the period under review.

### BOARD OF DIRECTORS:

The Board of Directors of Focus Industrial Resources Limited (FIRL) provide leadership and strategic guidance, objective judgment independent of management and exercises control over the Company, while remaining at all times accountable to the stakeholders. The Board of Directors oversees management performance in order to ensure adherence to highest standards of corporate governance. The Board evaluates the strategic direction, management policies and their effectiveness and provides guidance and leadership to the management in achieving set goals. Board meeting dates are finalised in consultation with all directors. The Board is regularly apprised about important business related information and developments. Board members express opinions and bring up matters for discussion at its meetings. Board meeting minutes are circulated to all Directors in advance and confirmed at the subsequent Board meeting. Copies of signed minutes of the various Committees of the Board are tabled at Board meetings.

### COMPOSITION

The composition of the Board of Directors of the Company is in conformity with the requirements of clause 49 of the listing agreement.

As on March 31, 2013 the Board of the company consisted of four Directors out of whom one was Managing Director and three were Independent Directors.

The composition of Board of Directors as on March 31, 2013 is as follows:

Managing Director	
1. Mr. Pradeep Kumar Jindal	Managing Director
Executive/ Non-Executive Directors	
2. Ms. Madhvi Bhatnagar	Non-Executive Director
3. Mr. Ashok Kumar Gupta	Non-Executive Director
4. Mr. Santanu Kumar Dash	Executive Director

### NUMBER OF BOARD MEETINGS:

In compliance with the provisions of Clause 49 of the Listing Agreement, the Board meetings are held at least once every quarter and the time gap between two meetings is not more than four months. During the financial year ended 31st March, 2013, twelve (12) meetings of the Board of Directors were held and the maximum time gap between two (2) meetings did not exceed four (4) months. The dates on which the Board Meetings were held were as follows:

Date(s) on which meeting(s) were held	
13th April, 2012	29th September, 2012
11th May, 2012	7th November, 2012
10th August, 2012	16th November, 2012
24th August, 2012	5th February, 2013
28th August, 2012	23rd March, 2013
3rd September, 2012	30th March, 2013

The Board meets at least once in a quarter to review the quarterly financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues relating to the business.

The tentative annual calendar of Board Meetings for approving the accounts for the ensuing year is decided well in advance by the Board and is published as part of the Annual Report.

All the Directors have informed your Company periodically about their Directorship and Membership on the Board Committees of other companies. As per disclosure received from Director(s), none of the Directors holds Membership in more than ten (10) Committees and Chairmanship in more than five (5) Committees.

The details of the composition, nature of Directorship, the number of meetings attended and the directorships in other Companies of the Directors of the Company are detailed below:



Sl. NO.	Name of Director	Board Meetings		Attendance at Last AGM (18.09. 2012)	No. of other Directorships in other companies as on (31.03. 2013)	Membership in the Committees of other companies as on 31.03.2013	
		Held during the tenure	Attended			As Chairman	As Member
1.	Mr. Pradeep Kumar Jindal (Managing Director)	12	12	Present	2	Nil	1
2.	Mr. S. K. Dash (Independent Director)	12	12	Present	-----	Nil	Nil
3.	Ms. Madhvi Bhatnagar (Independent Director)	12	12	Present	-----	Nil	Nil
4.	Mr. Ashok Kumar Gupta (Independent Director)	12	12	Present	1	Nil	Nil

\* Exclude directorship in Private Limited Companies, Section 25 Companies and Foreign Companies.

\*\* For the purpose of considering the limit of the Committee Memberships and Chairmanships of a Director, the Audit Committee and the Shareholders/Investors Grievance Committee of Public Limited Companies have been considered.

\*\*\* There is no relationship between any of the Independent Directors.

#### BOARD PROCEDURES:

The Board Meetings are governed by structured Agenda. The Agenda along with comprehensive notes and background material are circulated well in advance before each meeting to all the Directors for facilitating effective discussion and decision making. The Board members may bring up any matter for consideration of the Board, in consultation with the Chairman. The information as specified in Annexure IA to the Clause 49 of the Listing Agreement is regularly made available to the Board. The proceedings of the meetings of the Board and its Committees are recorded

in the form of minutes and the draft minutes are circulated to the Board for perusal. The important decisions taken at the Board/Committee meetings are communicated to the concerned departments/ divisions promptly.

The Board has complete access to any information within the Company which includes following information as specified in Annexure IA to the Clause 49 of the Listing Agreement:

- Annual budgets, operating plans, cash flows and budgets and capital budgets,
- Quarterly, half yearly and annual results of the Company and its operating divisions or business segments along with the consolidated results of the group,
- Minutes of meetings of the Audit Committee and other committee(s) of the Board,
- Information on recruitment of senior officers just below the Board level,
- Materially important show cause, demand, prosecution and penalty notices,
- Fatal or serious accidents or dangerous occurrences,
- Any materially significant effluent or pollution problems,
- Any materially relevant defaults in financial obligations to and by the Company or substantial non- payment for goods sold by the Company,
- Any issue which involves possible public or product liability claims of a substantial nature,
- Details of any joint venture or collaboration agreement,
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property,
- Significant labour problems and their proposed solutions,
- Significant initiatives and developments on the human resource and industrial relations fronts,
- Sale of a material nature of investments, subsidiaries and assets, which are not in the normal course of business,
- Investment of funds of the Company,
- Quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement,
- Non- compliance of any regulatory, statutory nature or listing requirements and shareholders service.
- Other materially important information.

#### COMPLIANCE WITH APPLICABLE LAWS:

The company has a robust system in place for monitoring of various statutory and procedural compliances. The Board periodically reviews the status of Statutory, Policy & Procedural compliances to ensure proper compliance of all laws applicable to the company.

#### CODE OF CONDUCT:

Your Company has adopted a Code of Conduct for all the employees including the Board Members and Senior Management Personnel of the Company in accordance with the requirement under Clause 49(I)(D) of the Listing Agreement. The Code of Conduct has been posted on the website of the Company. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31st March, 2013.

#### DECLARATION REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT:

All the members of the Board and Senior Management Personnel have affirmed compliance of the Code of Conduct for the financial year ended March 31, 2013.





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**CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:**

In pursuance of Securities and Exchange Board of Exchange of India (Insider Trading) Regulations, 1992 as amended from time to time, the Company has formulated a comprehensive Code for Prevention of Insider Trading to preserve the confidentiality and to prevent misuse of unpublished price sensitive information. Every director, officer and designated employees of the Company has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the company and not to misuse his or her position or information regarding the Company to gain personal benefit or to provide benefit to any third party. The code lays down guidelines and procedures to be made while dealing with the shares of the Company and the consequences of non-compliance.

**COMMITTEES OF THE BOARD:**

Currently, there are three (3) Committees of the Board, namely: Audit Committee, Remuneration Committee, Shareholders /Investors Grievance Committee. The Board decides the terms of reference for these Committees. The minutes of the meetings of the Committees are placed before the Board for information. The details as to the composition, terms of reference, number of meetings and related attendance, etc., of these Committees are provided hereunder:

**AUDIT COMMITTEE:**

**COMPOSITION AND TERMS OF REFERENCE:**

The Audit Committee comprises of three (3) Directors. The members of the Audit Committee are Mr. S .K. Dash (Chairperson), Mr. Pradeep Kumar Jindal and Ms. Madhvi Bhatnagar; all of whom possess financial and accounting expertise/exposure.

All the members of the Audit Committee are financially literate. The meetings of the Audit Committee were attended by the finance head, representatives of accounts, statutory and internal auditors. The Audit Committee addresses matters pertaining to appropriateness of audit tests and checks, reliability of financial statements, adequacy of provisions for liabilities and internal controls. The Committee lays emphasis on adequate disclosures and compliance with all relevant statutes. The Committee performs the functions enumerated in Clause 49 of the Listing Agreement, Section 292A of the Companies Act, 1956 and duties cast upon from time to time by the Ministry of Corporate Affairs through its circulars and notifications.

The details as to the date(s) on which the meetings were held and attendance of the Committee members during the financial year ended 31st March, 2013 are as follows:

Date(s) on which the meeting(s) were held
11th May, 2012
10th August, 2012
24th August, 2012
7th November, 2012
5th February, 2013

Name	Meeting details	
	Held	Attended
Mr. S.k. Dash (Chairperson)	5	5
Mr. Pradeep Kumar Jindal	5	5
Ms. Madhavi Bhatnagar	5	5

The role of the Audit Committee inter alia includes the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are accurate, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, fixing of audit fees and approving payments for any other service.
- Recommending to the Board of Directors, the appointment of Cost Auditor for the Company.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - Matters required being included in the Directors' Responsibility Statement to be included in the Board's report as per Section 217(2AA) of the Companies Act, 1956;
  - Changes in the Accounting policies and practices and the reasons for the same, major accounting entries and significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Qualifications in the draft audit report, if any.
- Reviewing with management quarterly, half yearly, nine-months and annual financial statements, standalone as well as consolidated before submission to the Board for approval.
- Reviewing the adequacy of internal audit functions.
- Discussion with the internal auditors on any significant findings and follow up thereon.
- Reviewing the internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing reports furnished by the internal auditors and statutory auditors and ensuring suitable follow up thereon.
- Looking into reasons for substantial defaults in payment to the depositors, debenture holders, shareholders and creditors, if any.
- Approval of payment to statutory auditors for any other services rendered by statutory auditors.
- Reviewing the Company's financial and risk management policies.
- Reviewing with the Management and the Statutory Auditors anticipated changes in the Accounting Standards.
- Reviewing the Management Discussion and Analysis of the financial condition and results of operations.
- Reviewing the statements of significant related party transactions, the financial statements and investments made by the unlisted subsidiary companies; and



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17. Any other matter referred to by the Board of Directors.

The Minutes of the Audit committee Meeting were noted by the Board of Directors of the Company at the subsequent Board Meetings. The Company Secretary of the Company acts as the Secretary to the Committee.

### REMUNERATION COMMITTEE:

#### COMPOSITION AND TERMS OF REFERENCE:

The Remuneration Committee comprises of two (2) Independent Directors. The Committee performs functions enumerated in Clause 49 of the Listing Agreement as also Schedule XIII of the Companies Act, 1956 and recommends to the Board the remuneration payable to executive/ non-executive directors. The Committee recommends the remuneration package after considering factors such as experience, expertise, position, responsibilities to be shouldered by the individual, leadership qualities, the volume of Company's business and profits earned by it.

The details of the dates on which the meetings were held and the attendance of the Committee members during the financial year ended 31st March, 2013 are as follows:

Date(s) on which the meeting(s) were held		
15th May, 2012		
6th July, 2012		
18th October, 2012		
4th February, 2013		
Name	Meeting details	
	Held	Attended
Ms. Madhavi Bhatnagar (Chairperson)	4	4
Mr. S.k. Dash	4	4
Mr. Ashok Kumar Gupta	4	4

Secretary acts as the Secretary to the Committee.

### REMUNERATION POLICY:

The Company's remuneration policy is based on the fundamental rule of rewarding performances as against earmarked objectives. The policy aims at attracting and retaining high caliber talent and ensures equity, fairness and consistency in rewarding the employees.

The annual variable pay of senior managers is linked to the Company's performance in general and the performance of their functions/business units for the relevant year is measured against specific major performance areas which are closely aligned to the Company's objectives.

### DETAILS OF REMUNERATION PAID TO THE DIRECTORS OF THE COMPANY ARE AS FOLLOWS:

#### MANAGING DIRECTOR:

Our Company being a Public Company, the appointment of Directors and payment of their remuneration are decided by Board as per the Articles of Association of the Company. The remuneration paid to the Managing Director was as per the terms and conditions of their appointment.

The aggregate value of salary and perquisites including commission payable for the year ended 31st March, 2013 to the Mr. Pradeep Kumar Jindal, Managing Director is as follows: The aggregate value of salary was Rs. 12,00,000/- during the year under review.

### INDEPENDENT DIRECTORS:

The Independent Directors play a pivotal role in safeguarding the interests of the investors at large by playing an appropriate control role. Their

contribution to the Board processes and valuable strategic insights from time to time; their active involvement and engagement with the Company's business as well as independent views ensure the highest level of governance. The Independent Directors bring in their invaluable experience and expertise which help deliberations at Focus Industrial Resources Limited's Board. However, Independent Directors were paid only the sitting fees at a rate fixed by the Board within the limits as prescribed under the Companies Act, 1956 for attending the meetings of the Board/Committees of Directors.

### SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:

The Board of Directors of the Company has constituted the Shareholders/ Investors Grievance Committee which is chaired by a Non-Executive Director/ Independent Directors. Committee meets at frequent intervals to consider, inter alia approves issue of duplicate certificates and review all matters connected with transfer of securities of the Company. The committee also looks into redressal of shareholders' / investors' complaints related to transfer of shares, non-receipt of balance sheet etc.

The Committee oversees performance of the Registrars and Transfer Agents of the Company, and recommends measures for overall improvement in the quality of investor services. The Company Secretary of the Company acts as the Secretary to the Company.

The details as to the composition of the Shareholders/ Investors Grievance Committee, date(s) on which the meetings were held and the attendance of the members of the Committee during the financial year ended 31st March, 2013 are as follows:

Date(s) on which the meeting(s) were held		
11th May, 2012		
10th August, 2012		
7th November, 2012		
5th February, 2013		
Name	Meeting	
	Held	Attended
Ms. Madhavi Bhatnagar (Chairperson)	4	4
Mr. S.K. Dash	4	4

Your Company received nil complaints from shareholders during the year. No requests for transfer/ transmission/ dematerialization of shares were pending as on 31 March, 2013.

### GENERAL BODY MEETINGS:

The venue and the time of the last three Annual General Meetings of the Company are as follows:

AGM	Location	Date	Time	No. of special resolutions set out at the AGM
25th	At the Registered Office of the Company	September 25, 2010	11.00 A.M	No Special Resolution was passed.
26th	At the Registered Office of the Company	September 30, 2011	12.30 P.M	No Special Resolution was passed.
27th	At the Registered Office of the Company	September 18, 2012	12.30 P.M	No Special Resolution was passed.



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**DISCLOSURES:**

**1. DISCLOSURES ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:**

Your Company has not entered into any transaction of material nature with its promoters, the directors or the management, their relatives or its subsidiaries, that may have any potential conflict with the interest of the Company.

**2. DETAILS OF COMPLIANCE(S) BY THE COMPANY:**

Your Company has complied with all the requirements of the Stock Exchange(s) and the Securities Exchange Board of India on matters related to Capital Markets or any other matter, as may be applicable from time to time. There were no penalties imposed or strictures passed against the Company by the statutory authorities in this regard.

**3. DISCLOSURE OF ACCOUNTING TREATMENT:**

Your Company follows Accounting Standards prescribed by the Companies Accounting Standard Rules, 2006 and relevant provisions of the Companies Act, 1956. In preparation of financial statements, the Company has not adopted a treatment different from that prescribed in the Accounting Standards.

**4. DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS OF CLAUSE 49 OF THE LISTING AGREEMENT:**

The Company has fully complied with all the mandatory requirements prescribed under Clause 49 of the Listing Agreement and has adopted all suggested items to be included in the Report on Corporate Governance.

**5. WHISTLE BLOWER POLICY:**

The Company has not adopted any separate "Whistle Blower policy".

**6. RISK MANAGEMENT:**

The company has laid down the procedures to inform the Board about the risk assessment and minimization. The Board of Directors of the company periodically reviews these procedures to ensure that risks are managed through a properly defined framework.

**APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS**

Out of the total strength of the number of Directors, three Directors are liable to retire by rotation. Of the said three Directors, at least one-third directors retire every year and if eligible, qualify for re-appointment. Mr. Ashok Kumar Gupta is retiring by rotation and being eligible, offer himself for re-appointment in the ensuing Annual General Meeting. The brief resumes of the Directors getting appointed/re-appointed are given in the Explanatory Statement annexed to the Notice of the Annual General Meeting.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

This annual report has a detailed section on Management Discussion and Analysis.

**MEANS OF COMMUNICATION:**

- (a) The approved financial results are forwarded to the Stock Exchange and are published in the leading English and Regional newspapers.
- (b) The results of the Company are also posted up on the Company's corporate website: www.focuslimited.in.
- (c) All important information pertaining to the Company is also mentioned in the Annual Report of the Company which is circulated to the members and others entitled thereto for each Financial year.
- (d) Your Company provides necessary information to the Stock Exchanges in terms of the Listing Agreement and other rules and regulations issued by the Securities Exchange Board of India.

**CEO/CFO CERTIFICATION:**

The certificate in compliance with Clause 49V of the Listing Agreement was placed before the Board of Directors.

**GENERAL SHAREHOLDER INFORMATION**

**28TH ANNUAL GENERAL MEETING OF THE COMPANY**

Financial year: 1st April 2012 to 31st March 2013

<b>Date: Monday, 30th September, 2013</b>
Venue: 104, Mukand House, Commercial Complex, Azadpur, Delhi -110033, Time 12.00 p.m.

**Financial Calendar for FY 2012-13**

Particulars	Date
Mailing of Annual Reports	03.09.2013
Unaudited first quarter financial results	First week of August, 2012
Unaudited second quarter financial results	First week of November, 2012
Unaudited third quarter financial results	First week of February, 2013
Audited fourth quarter financial results	Last Week of May, 2013

**BOOK CLOSURE:**

The Register of Members and the Share Transfer Register will be closed from 28th Day of September, 2013 to 30th Day of September, 2013, (both days inclusive).

**DIVIDEND:**

No dividend is recommended for payment.

**LISTING:**

The Company's shares are listed on:

- BSE Limited (BSE)  
Scrip Code: 534757
- Delhi Stock Exchange Limited (DSE)  
Scrip Code: 106018
- Calcutta Stock Exchange Limited (CSE)  
Scrip Code: 10016123

The Company has paid the listing fees for the financial year 2013-14 to the Stock Exchange(s) on which Company's shares are listed. The Company has also paid custodial fees for the year 2013-14 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Security Identification Number (ISIN) allocated to the Company by NSDL and CDSL is INE603E01023

**STOCK PRICE DATA:**

The monthly high and low prices and volumes of your Company's shares at BSE and DSE, CSE for the year ended 31st March, 2013 are given as follows:

- Market Price Data for the year 2012-2013

**BSE**

Month	Open (Rs.)	High (Rs.)	Low (Rs.)	Closing (Rs.)	Volume
DECEMBER 2012	30	64.75	30	64.75	116245
JANUARY 2013	67.95	71.30	33.50	34.80	106028
FEBRUARY 2013	34.15	45.40	33.80	42.85	130381
MARCH 2013	43.70	65.90	41.20	58.15	3284679



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### DSE

Month	Open (Rs)	High (Rs)	Low (Rs)	Closing (Rs)
April'12	Not Traded	---	---	---
May'12	Not Traded	---	---	---
June'12	Not Traded	---	---	---
July'12	Not Traded	---	---	---
August'12	Not Traded	---	---	---
September'12	Not Traded	---	---	---
October'12	Not Traded	---	---	---
November'12	Not Traded	---	---	---
December'12	Not Traded	---	---	---
January'13	Not Traded	---	---	---
February'13	Not Traded	---	---	---
March'13	Not Traded	---	---	---

### CSE

Month	Open (Rs)	High (Rs)	Low (Rs)	Closing (Rs)
April'12	Not Traded	---	---	---
May'12	Not Traded	---	---	---
June'12	Not Traded	---	---	---
July'12	Not Traded	---	---	---
August'12	Not Traded	---	---	---
September'12	Not Traded	---	---	---
October'12	Not Traded	---	---	---
November'12	Not Traded	---	---	---
December'12	Not Traded	---	---	---
January'13	Not Traded	---	---	---
February'13	Not Traded	---	---	---
March'13	Not Traded	---	---	---

### SHARE TRANSFER SYSTEM:

The Company's shares are traded in the Stock Exchanges compulsorily in demat mode. The Company has appointed the M/s Beetal Financial & Computer Services (P) Ltd. registrar to handle the shares w.e.f. 31st December, 2001.

In terms of Clause 47 (c) of the Listing Agreement, every six months, a qualified Practicing Company Secretary undertakes audit of the share transfer related activities carried out by the Department and issues a compliance certificate, which is submitted to the stock exchange.

### Distribution of shareholding as on March 31, 2013.

NUMBER OF SHARES	NUMBER OF SHAREHOLDERS	% OF SHAREHOLDERS	TOTAL NO. OF SHARES	AMOUNT	% OF SHARES
1- 5000	376	61.04	24849	248490	0.2038
5001-10000	15	2.44	10720	107200	0.0879
10001-20000	42	6.82	60324	603240	0.4947
20001-30000	16	2.60	41271	412710	0.3384
30001-40000	9	1.46	31660	316600	0.2596
40001-50000	4	0.65	17647	176470	0.1447
50001-100000	41	6.66	289077	2890770	2.3706
100001-ABOVE	111	18.34	11718651	117186510	96.1002
<b>TOTAL</b>	<b>614</b>	<b>100</b>	<b>12194199</b>	<b>121941990</b>	<b>100</b>

### Shareholding pattern as on March 31, 2013.

CATEGORY	TOTAL NO. OF SHARES	% TO EQUITY
Promoters & Person acting in concert	6205748	50.89
Public Financial Institution & Govt. Companies	Nil	Nil
Banks, Financial Institutions Mutual Funds	Nil	Nil
Non Resident Indians	Nil	Nil
Bodies Corporate	855174	7.01
Others ( Public )	5133277	42.1
<b>Total</b>	<b>12194199</b>	<b>100</b>

### Number of shares held in dematerialized as on March 31, 2013

Category	No. of Shares	% of Total Capital Issued
NSDL	10992514	90.145
CDSL	1201685	9.855
<b>TOTAL</b>	<b>12194199</b>	<b>100</b>

### DEMATERIALIZATION OF SHARES AND LIQUIDITY

Shares of the Company are traded compulsorily in dematerialised form and are available for trading with both the depositories with whom the Company has established direct connectivity.

Liquidity: The Company's Shares are liquid on BSE.

### NON-MANDATORY REQUIREMENTS

The status of non-mandatory requirements of Clause 49 of the Listing Agreement is as follows:

- At present, the Non-Executive Chairman does not have any separate office with the company. The corporate office of the company supports the Chairman for discharging the responsibilities.
- Shareholder Rights: The quarterly financial results of the Company are published in leading newspapers as mentioned under the heading "Means and Communication" of the Corporate Governance report and also displayed on the website of the Company. These results are not separately circulated to the shareholders.



FIRL

Grow with us

3. No item of business relating to matters specified under Clause 49 of the Listing Agreement with the Stock Exchanges and/or the provisions contained in Section 192A of the Companies Act, 1956 which requires voting by postal ballot is included in the notice convening the 28th Annual General Meeting of the company.

**OTHER INFORMATION:**

**CORPORATE IDENTIFICATION NUMBER (CIN NO.):**  
L15319DL1985PLC021348

**RECONCILIATION OF SHARE CAPITAL AUDIT:**

As stipulated by the Securities and Exchange Board of India, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The audit, inter alia, confirms that the total listed and paid up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL).

**REGISTRAR AND TRANSFER AGENT:**

Beetal Financial & Computer Services (P) Ltd is the Registrar and Transfer Agent of the Company.

Shareholders, beneficial owners and depository participants (DPs) are requested to send/ deliver the documents/ correspondence relating to the Company's share transfer activity etc. to Beetal Financial & Computer Services (P) Ltd, Registrar and Transfer Agent of the Company at the following addresses:

Beetal Financial & Computer Services (P) Ltd

Beetal House, 3rd Floor,

99, Near Dada Harsukh Das Mandir,

New Delhi- 110062.

[www.beetalfinancial.com](http://www.beetalfinancial.com)

**E-MAIL ID FOR INVESTOR'S GRIEVANCES:**

The e-mail address for investor grievance is [investor@focuslimited.in](mailto:investor@focuslimited.in).

The above exclusive e-mail ID is disclosed by the Company on its websites and all the various materials, correspondence, publications and communication to the shareholders at large.

**ADDRESS FOR CORRESPONDENCE**

Registered Office:

FOCUS INDUSTRIAL RESOURCES LTD.

104, Mukand House, Commercial Complex,

Azadpur, Delhi - 110 033

## GREEN INITIATIVE IN CORPORATE GOVERNANCE

Dear Shareholder,

As you may be aware, the Ministry of Corporate Affairs (MCA) has launched a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated April 21, 2011 and Circular No. 18/2011 dated April 29, 2011) by allowing various documents to be sent to you - under the provisions of Companies Act, 1956 - to your registered email address; thereby enabling paperless compliance.

Keeping in view the underlying theme and the circular issued by MCA, we propose to send all documents to you - like General Meeting Notices (including AGM), Audited Financial Statements, Directors' Report and Auditors' Report - in an electronic form, to the e-mail address provided by you and made available to us by the Depositories.

Please note that you are entitled to be furnished free of cost, with a printed copy of the Annual Report of the Company and all other documents, upon receipt of a requisition from you, any time, as a Shareholder of the Company.

Many of the shareholders have registered their emails pursuant to the said initiative. We thank those shareholders for the same. Those shareholders, who have not registered their email addresses so far, may, as a support to this initiative, register their email addresses by sending an email to [beetalta@gmail.com](mailto:beetalta@gmail.com) quoting their Name, Folio No., DP ID/Client ID and email address to be registered with us for sending documents in electronic form. Alternatively, to register their email ID with the company, Shareholders are requested to submit the following form, duly filled, online and send a printed and signed copy of the same to the Company.

### Green Form

To Focus Industrial Resources Ltd  
 104, Mukand House, Commercial Complex, Azadpur  
 Delhi-110 033  
 India

As per the Green Initiative in Corporate Governance of the Ministry of Corporate Affairs, I hereby opt to receive service of documents by companies, including the Annual Report, in electronic mode, and request you to register my email ID as stated below for the same.

\*Mandatory fields

Shareholder Name(s)\*

DPID No.\*

Folio No./ Client ID No.\*

PAN No.\*

Email Address\*

No. of Equity Shares held \*

Year \*

Address \*



**CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY**

We, Pradeep Kumar Jindal, Managing Director & Chief Executive Officer and S.K. Dash, Director (Finance), Focus Industrial Resources Limited (the Company), hereby certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by FIRL during the year which are fraudulent, illegal or violation of the Company's Code of Conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting in FIRL and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
  - (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.
- (e) We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct, if any).
- (f) We further declare that all Board members and senior management have affirmed compliance with the code of conduct for the current year.

Sd/-  
(PRADEEP KUMAR JINDAL)  
Managing Director  
& Chief Executive Officer

Sd/-  
(S.K.DASH)  
Director (Finance)

Date : September 03, 2013

Place : Delhi

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**  
(Under Clause 49 of the Listing Agreement)

To,  
The Members

**Focus Industrial Resources Limited**

We have examined the compliance of conditions of Corporate Governance by FOCUS INDUSTRIAL RESOURCES LIMITED., ("the Company") for the year ended on March 31, 2013 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The Compliance of Conditions of Corporate Governance is the responsibility of Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/ Investors Grievance Committee.

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

FOR M. M. GOYAL & CO.  
Chartered Accountants  
Firm No. 007198N

Sd/-  
(CA. M.M.GOYAL)  
Partner  
M. No. 86085

Place: New Delhi

Dated: 03.09.2013

## INDEPENDENT AUDITORS' REPORT

To the Members of Focus Industrial Resources Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of **M/s Focus Industrial Resources Limited** ("the Company"), which comprises the Balance Sheet as at 31st March 2013, and the Statement of Profit and Loss for the year ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section 3(C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013
- b) In the case of the Statement of Profit & Loss, of the profit for the year ended on that date;

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("The Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

- b. In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examinations of those books
- c. The Balance Sheet and Statement of Profit & Loss dealt with by this Report are in agreement with the books of account
- d. In our opinion, the Balance Sheet and Statement of Profit & Loss 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 March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section 274 of the Companies Act, 1956;

**For M.M. Goyal & Co.**  
**Chartered Accountants**  
**Firm Regn. No. 007198N**

Sd/-  
**(CA. M.M. Goyal)**  
**FCA - PARTNER**  
**M. No. 086085**

**Place : Delhi**  
**Dated : 03.09.2013**





## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its Fixed Assets:
- a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- b. As explained to us, the fixed assets have been physically verified by the management during the year in phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c. During the year, substantial part of fixed assets have not been disposed off by the company.
- (ii) The company is a service company primarily engaged in lending and investing activities. Accordingly it does not hold any physical inventories. The paragraph 4(ii) of the order is not applicable to the company.
- (iii) (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 301 of the companies Act, 1956.
- (b) The Company has not taken any loans secured or unsecured from companies, firms or other parties listed in register maintained under section 301 of the companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, the company has adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and service. No continuing failure to correct major weaknesses in internal control system noticed during the year.
- (v) In our opinion and according to the information and explanations given to us the company has not entered into or to be entered into any contracts or arrangements during the year referred to in section 301 of the Companies Act 1956.
- (vi) The company has not accepted any deposits under the provisions of section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under, do not apply.
- (vii) In our opinion the company has an internal audit system commensurate with the size and nature of its business.
- (viii) To the best of our knowledge and according to the information given to us the Central Government has not prescribed the maintenance of cost records under section 209-(I) (d) of the companies Act, 1956 for the company.
- (ix) (a) According to the books and records as produced and examined by us in accordance with generally accepted auditing practices in India and also based on management representations the Provident Funds Act and Employees State Insurance Act is not applicable to the company, undisputed statutory dues in respect of income tax, investor education and protection fund, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other material statutory dues have generally been regularly deposited by the company during the year with the appropriate authorities in India. There are no outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable
- (b) As at 31st March, 2013 there are no dues of sales tax, income tax, custom duty, service tax, wealth tax, excise duty and cess which as not been deposited on account of any dispute.
- (x) The company has neither accumulated losses as at 31st March 2013, nor it has incurred any cash loss either during the financial year ended on that date or in the immediately preceding financial year.
- (xi) According to the information and explanations given to us and as shown by the records examined by us there were no dues payable to financial institutions and banks or debenture holders.
- (xii) The company has maintained adequate documents and records in cases where the company has granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund, nidhi, mutual benefit fund or societies. Therefore the provisions of clause 4 (xiii) of the Companies (Auditors) order 2003 are not applicable to the Company.
- (xiv) According to the information and explanations given to us proper records have been maintained in respect of transactions and contracts in shares securities, debentures and other investments and timely entries have been made therein. The shares and other securities have been held by the company in its own name.
- (xv) According to the information and explanations given to us the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) To the best of our information and explanation given to us the term loan have been applied for the purpose for which the company has obtained them.
- (xvii) Based on information and explanations given to us and as an overall examination of the books of accounts as on 31st March 2013, we report that no funds raised on short term basis have been used for long term investment by the Company.
- (xviii) According to the information and explanations given to us and as shown by the records examined by us the Company has not made any preferential allotment of shares to the parties and Companies covered under section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us no debentures has been issued by the company hence no question of security or charge arises.
- (xx) According to the information and explanations given to us no money has been raised by the public issue and hence no question on end use of money so raised does not arise.
- (xxi) As per the information and explanations given to us and on the basis of examinations of records, no material fraud on or by the Company was noticed or reported during the year.

**For M.M. Goyal & Co.**  
**Chartered Accountants**  
**Firm Regn. No. 007198N**

Sd/-  
(CA. M.M. Goyal)  
FCA - PARTNER  
M. No. 086085

Place: Delhi  
Dated: 03.09.2013

## FOCUS INDUSTRIAL RESOURCES LIMITED

### Balance Sheet as at 31st March, 2013

(Figures in Rupees)

	Note No.	As at 31/03/2013	As at 31/03/2012
<b>I. EQUITY AND LIABILITIES</b>			
<b>A Shareholders' Funds</b>			
(i) Share Capital	4	121,941,990	121,941,990
(ii) Reserves and Surplus	5	94,358,531	90,647,101
		<b>216,300,521</b>	<b>212,589,091</b>
<b>B Non-Current Liabilities</b>			
(i) Long-term Borrowings	6	9,528,751	25,596,702
(ii) Deferred Tax Liabilities (Net)	7	210,796	117,417
(iii) Other Long-term Liabilities		-	-
(iv) Long-term Provisions	8	640,664	681,754
		<b>10,380,211</b>	<b>26,395,873</b>
<b>C Current Liabilities</b>			
(i) Short-term Borrowings		-	-
(ii) Trade Payables	9	340,274	-
(iii) Other Current Liabilities	10	457,252	437,006
(iv) Short-term Provisions	11	1,520,985	359,912
		<b>2,318,511</b>	<b>796,918</b>
		<b>228,999,243</b>	<b>239,781,882</b>
<b>II. ASSETS</b>			
<b>A Non-Current Assets</b>			
(i) Fixed Assets			
(a) Intangible Assets		-	-
(b) Tangible Assets	12	6,672,201	2,878,259
(ii) Non-Current Investments	13	8,907,500	74,314,960
(iii) Long-term Loans and Advances	14	201,322,580	153,164,766
(iv) Other Non-Current Assets	15	37,720	56,581
		<b>216,940,001</b>	<b>230,414,566</b>
<b>B Current Assets</b>			
(i) Current Investments	16	1,727,379	3,021,882
(ii) Inventories		-	-
(iii) Trade Receivables	17	2,889,900	79,525
(iv) Cash and Bank Balances	18	6,510,378	6,207,514
(v) Short-term Loans and Advances		-	-
(vi) Other Current Assets	19	931,585	58,395
		<b>12,059,242</b>	<b>9,367,316</b>
		<b>228,999,243</b>	<b>239,781,882</b>

See accompanying Notes to the Financial Statements 1-33

As per our report of even date attached

For M. M. Goyal & Co.  
Chartered Accountants  
Firm Reg. no. 007198N

Sd/-  
(CA M.M. Goyal)  
Partner  
M.No. 86085

Place: Delhi  
Dated: 03.09.2013

Sd/-  
(Pradeep Kumar Jindal)  
Managing Director  
DIN : 00049715

Sd/-  
(Madhavi Bhatnagar)  
Director  
DIN : 02045590

Sd/-  
(Silky Kapoor)  
Company Secretary  
M. No. : 6668



**FOCUS INDUSTRIAL RESOURCES LIMITED**  
**Statement of Profit and Loss for the year ended 31st March, 2013**

(Figures in Rupees)

	Note No.	Year ended 31/03/2013	Year ended 31/03/2012
<b>I. REVENUES</b>			
(a) Revenue from Operations	20	39,035,339	10,442,157
(b) Other Income	21	3,327	2,166,895
<b>Total Revenues</b>		<b>39,038,666</b>	<b>12,609,052</b>
<b>II. EXPENSES</b>			
(a) Purchases of Shares	22	746,459	4,150,159
(b) Changes in Inventories	23	1,294,503	(2,458,617)
(c) Employee Benefits Expenses	24	1,649,808	2,014,138
(d) Finance Costs	25	321,177	116,509
(e) Depreciation and Amortization	26	468,238	252,828
(f) Other Expenses	27	29,273,777	3,536,373
<b>Total Expenses</b>		<b>33,753,962</b>	<b>7,611,390</b>
<b>III. Profit/ (Loss) before Exceptional and Extraordinary items and Tax</b>		<b>5,284,704</b>	<b>4,997,662</b>
Exceptional Items		-	-
<b>IV. Profit/ (Loss) before Extraordinary items and Tax</b>		<b>5,284,704</b>	<b>4,997,662</b>
Extraordinary Items		-	-
<b>V. Profit before Tax</b>		<b>5,284,704</b>	<b>4,997,662</b>
<b>VI. Tax Expenses:</b>	28		
(a) Current Tax		1,520,985	1,165,487
(b) Deferred Tax		93,379	31,375
<b>Profit/ (Loss) for the period from continuing Operations</b>		<b>3,670,340</b>	<b>3,800,800</b>
<b>Profit/ (Loss) for the period</b>		<b>3,670,340</b>	<b>3,800,800</b>
<b>VII. Earnings per Equity Share:</b>	29		
Basic		0.30	0.94
Diluted		0.30	0.42

See accompanying Notes to the Financial Statements 1-33

As per our report of even date attached

For M. M. Goyal & Co.  
Chartered Accountants  
Firm Reg. no. 007198N

Sd/-  
(CA M.M. Goyal)  
Partner  
M.No. 86085

Sd/-  
(Pradeep Kumar Jindal)  
Managing Director  
DIN : 00049715

Sd/-  
(Madhavi Bhatnagar)  
Director  
DIN : 02045590

Sd/-  
(Silky Kapoor)  
Company Secretary  
M. No. : 6668

Place: Delhi  
Dated: 03.09.2013

**FOCUS INDUSTRIAL RESOURCES LIMITED**  
**Cash Flow Statement for the year ended 31st March, 2013**

(Figures in Rupees)

	Year ended 31/03/2013	Year ended 31/03/2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Extra Ordinary items Tax	5,284,704	4,997,662
Adjustment for :		
Depreciation and Amortization Expenses	468,238	252,828
Impairment Loss/ (Reversal) (Net)	-	-
Employee Stock Option Scheme	-	-
Provisions/ Depreciation on Standard assets and Investments	(41,090)	568,700
Unrealised Foreign Exchange (Gain)/ Loss (Net)	-	-
Loss/ (Gain) on Derivative transactions (Net)	-	-
Investing Activities (Net)	-	-
Operating profit before working capital changes	<b>5,711,852</b>	<b>5,819,190</b>
Changes in working Capital:		
Inventories	1,294,503	(2,458,617)
Trade and other Receivables	(51,866,379)	(6,577,358)
Trade and other Payables	360,520	142,979
Cash generation from Operation	<b>(44,499,504)</b>	<b>(3,073,806)</b>
Payment of Direct Taxes	(1,613,325)	(905,575)
<b>Net Cash generated/ (used) - Operating Activities</b>	<b>(46,112,829)</b>	<b>(3,979,381)</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Fixed Assets	(4,243,319)	(1,844,141)
Sale of Fixed Assets	-	-
Return of Capital from Subsidiary	-	-
Purchase of shares of Subsidiaries	-	-
Sale of shares of Subsidiaries	-	-
Purchase of Investments	-	(20,180,462)
Sale of Investments	66,701,963	-
Proceeds/ Repayment of Loans to Body Corporate (Net)	-	-
Interest Received	-	-
Dividend Received	-	-
<b>Net Cash Generated/ (Used) - Investing Activities</b>	<b>62,458,644</b>	<b>(22,024,603)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Shares (Net of Expenses)	-	-
Proceeds from Long-term Borrowings	-	24,811,702
Repayment of Long-term Borrowings	(18,226,784)	-
Proceeds/ Repayment of Short-term Borrowings (Net)	-	-
Finance Cost Paid	-	-
Security Received	25,000	-
Hire Purchase Finance taken	2,158,833	-
<b>Net Cash Generated/ (Used) - Financing Activities</b>	<b>(16,042,951)</b>	<b>24,811,702</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>302,864</b>	<b>(1,192,282)</b>
Add : Opening Cash and Cash Equivalents	6,207,514	7,399,796
Closing Cash and Cash Equivalents	<b>6,510,378</b>	<b>6,207,514</b>

As per our report of even date attached

For M. M. Goyal &amp; Co.

Chartered Accountants

Firm Reg. no. 007198N

Sd/-  
 (CA M.M. Goyal)  
 Partner  
 M.No. 86085

Sd/-  
 (Pradeep Kumar Jindal)  
 Managing Director  
 DIN : 00049715

Sd/-  
 (Madhavi Bhatnagar)  
 Director  
 DIN : 02045590

Sd/-  
 (Silky Kapoor)  
 Company Secretary  
 M. No. : 6668

Place: Delhi  
 Dated: 03.09.2013



FIRL

Grow with us

28th Annual Report 2012-13

## FOCUS INDUSTRIAL RESOURCES LIMITED

Notes to Financial Statements as at March 31, 2013

### 1. Background:

Focus Industrial Resources Limited ('the Company') is registered as a Non-Banking Financial Company ('NBFC') AS defined under section 45-IA of the Reserve Bank of India Act, 1934. The company is principally engaged in lending and investing activities.

### 2. Significant Accounting Policies:

#### A. Basic of preparation of financial statements

The accompanying financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting unless otherwise stated and comply with the accounting standard prescribed by the companies (accounting Standards ) Rules, 2006 and the relevant provisions of the companies Act, 1956 to the extent applicable.

The company complies in all material respects, with the prudential norms relating to income recognition asset classification and provisioning for bad and doubtful debts and other matters, specified in the directions issued by the Reserve Bank of India in terms of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions 2007 as applicable to it.

#### B. Use of estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

#### C. Revenue Recognition:

##### i) Interest Income:

Interest income is recognized as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable except in the case of non performing assets ('NPAs') where is recognized, upon realization.

##### ii) Dividend income:

Dividend income is recognized when the right to received payment is established.

##### iii) Income from investments:

Profit earned from sale of securities is recognized on trade date basis. The cost of securities is computed based on weighted average basis.

##### iv) Discount on investments:

The Difference between the acquisition cost and face value of debt instruments are recognized as interest income over the tenor of the instrument on straight line basis.

##### v) Loan processing fee income:

Loan processing fee income is recognized as and when it becomes due.

##### vi) Management fee income:

Management fee income toward support services is accounted as and when it becomes due on contractual terms with the parties.

#### D. Fixed assets

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss if any. Cost includes all expenses incidental to the acquisition of the fixed assets.

#### E. Depreciation:

Depreciation on straight method over the useful life of assets.

#### F. Impairment of Assets:

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired: if any such indication exists. The company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than the carrying amount. The carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss if at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

#### G. investments:

Investments are classified as long term or current based on intention of the management at the time of purchase. Current investments are valued scrip wise at cost or fair value whichever is lower.

#### H. Repossessed assets:

Assets repossessed against the settlement of loans are carried in the balance sheet at outstanding loans amount or market value whichever is lower. The difference between the outstanding loan amount and the market value is charged to statement of profit and loss in the year of repossession of assets.

#### I. Loan origination/acquit ion cost:

All direct cost incurred for the origination is amortized over the average tenure of the loan.

#### J. Security of loan given:

Housing loans/loans against property granted are secured by equitable registered mortgage of property and / or undertaking to create secured loans are secured against the hypothecation of respective assets.

#### K. Borrowing cost:

Borrowing cost: which are directly attributable to the acquisition/ construction of fixed assets, till the time assets are ready for intended use, are capitalized as part of the cost of the assets? Other borrowing costs are recognized as expenses in the year in which they are incurred. Borrowing cost directly attributable to borrowing are expense over the tenure of the borrowing.

#### L. Earning Per Share:

The basic earning per shares is computed by dividing the net profit/loss attributable to the equity shareholder for the period by the weighted average number of equity shares outstanding during the reported year. Diluted earning per share reflects the potential dilution that could occur if securities or other contract to issue equity shares were exercised or converted during the year. Diluted earning per share is computed by dividing the net profit after tax by weighted average number of equity shares and dilutive potential equity shares outstanding during the year. In computing dilutive earning per share, only potential equity shares that are dilutive and that reduce profit/increase loss per share are included.

#### M. Provision for Non-performing Asset (NPA) and Doubtful Debts:

NPA includes loans and advances receivable are identified as bad/doubtful bases on the duration of the delinquency. The duration is set at appropriate levels for each product. NPA provisions are made based on the management assessment of the degree of impairment and the level of provisioning meets the NBFC prudential norms prescribed by the Reserve Bank of India.

#### N. Provision for standard assets:

Provisions for standard assets are made as per the reserve bank of India notification DNBS.PD.CC NO. 207/03.02.2002/2010-11 dated January 17, 2011.

#### O. Taxation:

##### i) Current Tax:

Provision for current tax made after taking into consideration benefit admissible under the provision of the income tax act, 1961. Minimum alternate tax (MAT) credit entitlement is recognized where there is convincing evidence that the same can be realized in future.

##### ii) Deferred Tax:

The deferred tax charge or credit and the corresponding deferred tax liability or assets are recognized using the tax rate that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future however where there is unabsorbed depreciation or carried forward loss under taxation laws. Deferred tax assets are recognized only if there is virtual certainty or realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtual certain (as the case may be) to be realized.

3. The financial statement for the period ended March 31, 2013 had been prepared as per the then applicable. Schedule VI to the companies act, 1956. Consequent to the notification to the Revised Schedule VI under the companies act, 1956, the financial statement for the period ended March 31, 2013 have been prepared as per Revised Schedule VI. Accordingly the previous year's figures does not impact recognition and measurement principle followed for preparation of financial statement.

**FOCUS INDUSTRIAL RESOURCES LIMITED**  
 Notes to the Financial Statements as at 31st March, 2013

		Figures in Rupees	
		As at 31/03/2013	As at 31/03/2012
<b>4 SHARE CAPITAL:</b>			
<b>A. Authorized, Issued, Subscribed and Paid-up Share Capital</b>			
<b>Authorized:</b>			
12500000 Equity Shares of Rs. 10/- each.		125,000,000	125,000,000
		<b>125,000,000</b>	<b>125,000,000</b>
<b>Issued:</b>			
12194199 Equity Shares of Rs. 10/- each.		121,941,990	121,941,990
		<b>121,941,990</b>	<b>121,941,990</b>
<b>Subscribed and Paid-up:</b>			
12194199 Equity Shares of Rs. 10/- each fully paid-up		121,941,990	121,941,990
		<b>121,941,990</b>	<b>121,941,990</b>

**B. Reconciliation of Shares outstanding at the beginning and at the end of year are given below:**

	2012-13		2011-12	
	Numbers	Amount	Numbers	Amount
Equity Shares outstanding at the beginning of the year	12,194,199	121,941,990	4,064,733	40,647,330
Add: Bonus Shares Issued during the year	-	-	8,129,466	81,294,660
Add: Allotted due to Amalgamation	-	-	-	-
Equity Shares outstanding at the end of the year	<b>12,194,199</b>	<b>121,941,990</b>	<b>12,194,199</b>	<b>121,941,990</b>

(a). Detail of Equity Shares of ₹ 10/- each fully paid-up issued/ allotted during the year:	2012-13	2011-12
i. Number of Equity Shares issued and allotted against exercise of Bonus Issue.	-	8,129,466
ii. Number of Equity Shares issued against amalgamation.	-	-
	<b>-</b>	<b>8,129,466</b>

**C. Detail of shareholder holding more than 5 percent shares of the Company as on reporting date are given below:**

Name of shareholder	As at 31/03/2013		As at 31/03/2012	
	Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
Anand Kumar Jain	696,607	5.71	997,500	8.18
Renu Jain	997,500	8.18	997,500	8.18
S. K. Jain	1,403,484	11.51	1,693,440	13.89

**D. Detail of shares allotted without payment being received in cash during five years immediately preceding the Balance Sheet date are given below:**

	Year ended				
	3/31/2013	3/31/2012	3/31/2011	3/31/2010	3/31/2009
<b>Equity Shares:</b>					
Fully paid up pursuant to contract without payment being received in cash (a)					
Fully paid up by way of bonus shares	-	8,129,466	-	-	-
Fully paid up by way of Amalgamation	-	-	2,914,733	-	-

		Figures in Rupees	
		As at 31/03/2013	As at 31/03/2012
<b>5 RESERVES AND SURPLUS:</b>			
Reserves and Surplus consist of the following:			
Special Reserve u/s 45-IC of RBI Act, 1934		1,887,115	1,153,047
Securities Premium Account		81,294,660	81,294,660
General Reserve		3,604,666	3,604,666
		<b>86,786,441</b>	<b>86,052,373</b>
Surplus i.e. balance in Statement of Profit and Loss - (b)		7,572,090	4,594,728
		<b>94,358,531</b>	<b>90,647,101</b>

(a) Additions and deductions since the last Balance Sheet under each head of Reserve are as under:

		Figures in Rupees		
		As at 31/03/2012	As at 31/03/2013	As at 31/03/2013
		Additions	Deductions	As at 31/03/2013
Capital Reserve	-	-	-	-
Special Reserve u/s 45-IC of RBI Act 1934	1,153,047	734,068	-	1,887,115
Securities Premium Account	81,294,660	-	-	81,294,660
Profit & Loss A/C	4,594,728	3,831,611	854,249	7,572,090
General Reserve	3,604,666	-	-	3,604,666
	<b>90,647,101</b>	<b>4,565,680</b>	<b>854,249</b>	<b>94,358,531</b>



(b) Allocations and appropriations in Surplus i.e. balance in Statement of Profit and Loss are as under:

	Figures in Rupees	
	As at 31/03/2013	As at 31/03/2012
Opening Balance	4,594,728	1,554,088
Add: Profit for the period after Provision for Current Year Income Tax & Deferred Tax	3,670,340	3,800,800
	<u>8,265,068</u>	<u>5,354,888</u>
Less: Tax adjustment related to Previous Years	-	-
Less: Transfer to Special Reserve u/s 45-IC of RBI Act 1934	734,068	760,160
Closing Balance	<u>7,531,000</u>	<u>4,594,728</u>

**6. LONG TERM BORROWINGS:**

**Secured:**

Term Loans:

From Banks

Note:- Motor Car Financed by Bank under Hire Purchase

**Unsecured:**

Inter Corporate Deposits:

From Others

	Figures in Rupees	
	As at 31/03/2013	As at 31/03/2012
	3,771,299	1,612,466
	<u>3,771,299</u>	<u>1,612,466</u>
	5,757,452	23,984,236
	<u>5,757,452</u>	<u>23,984,236</u>
	<u><b>9,528,751</b></u>	<u><b>25,596,702</b></u>

(a) Other Loans and Advances mainly include inter Corporate Deposits from two body Corporates.

(b) Nature of security for secured borrowings are Motor Cars Financed by ICICI Bank.

**7. DEFERRED TAX LIABILITIES (NET):**

Major components of Deferred Tax arising on account of temporary timing differences are given below:

**Deferred Tax Liabilities :**

Opening Balance

Add: Provision for Current Year Deferred Liability

**Deferred Tax Liability (Net)**

	Figures in Rupees	
	As at 31/03/2013	As at 31/03/2012
	117,417	86,042
	93,379	31,375
	<u>210,796</u>	<u>117,417</u>

**8 LONG-TERM PROVISIONS:**

Long-term Provisions consist of the following:

Provision for Standard Assets

Provision for Depreciation on Investment

Other Provisions

	Figures in Rupees	
	As at 31/03/2013	As at 31/03/2012
	503,093	382,912
	24,517	185,788
	113,054	113,054
	<u>640,664</u>	<u>681,754</u>

**9 TRADE PAYABLE:**

Trade Payable consist of the following:

Trade Payable - Due to micro and small enterprises

Trade Payable - Due to other than micro and small enterprises

Accrued Expenses

	Figures in Rupees	
	As at 31/03/2013	As at 31/03/2012
	-	-
	340,274	-
	-	-
	<u>340,274</u>	<u>-</u>

**10 OTHER CURRENT LIABILITIES:**

Other Current Liabilities consist of the following:

Statutory dues Payables

Other Liabilities

	Figures in Rupees	
	As at 31/03/2013	As at 31/03/2012
	-	-
	457,252	437,006
	<u>457,252</u>	<u>437,006</u>

		Figures in Rupees	
		As at	As at
		31/03/2013	31/03/2012
<b>11 SHORT-TERM PROVISIONS:</b>			
Short-term Provisions consist of the following:			
Proposed Dividends (including Dividend Distribution Tax)			
Provision for Current Tax (Net of Advance Tax)			
		-	-
		1,520,985	359,912
		<b>1,520,985</b>	<b>359,912</b>

**12 : FIXED ASSETS**

(Figures in Rupees)											
<----- G R O S S B L O C K ----->											
S. NO.	PARTICULARS	G R O S S B L O C K			D E P R E C I A T I O N			N E T B L O C K			
		AS AT	ADDITIONS	DEDUCTIONS/	AS AT	UPTO	FOR THE	DEDUCTIONS/	UPTO	AS AT	AS AT
		01.04.2012	DURING THE	ADJUSTMENTS	31.03.2013	31.03.2012	YEAR	ADJUSTMENTS	31.03.2013	31.03.2013	31.03.2012
		YEAR									
1	COMPUTER	556,934	0	0	556,934	479,001	56,598	0	535,599	21,335	77,933
2	MOTOR CAR	2,787,506	0	0	2,787,506	169,134	167,263	0	336,397	2,618,372	2,618,372
3	PHOTOCOPIER	57,000	0	0	57,000	14,297	2,708	0	17,005	39,995	42,703
4	AIR CONDITION	64,000	0	0	64,000	5,827	3,040	0	8,867	55,133	58,173
5	SECURITY SYSTEM	91,744	0	0	91,744	10,666	4,358	0	15,024	76,720	81,078
<b>TOTAL</b>		<b>3,557,184</b>	<b>0</b>	<b>0</b>	<b>3,557,184</b>	<b>678,925</b>	<b>233,967</b>	<b>0</b>	<b>912,892</b>	<b>2,811,555</b>	<b>2,878,259</b>
Previous Year		1,713,043	1,844,141	0	3,557,184	444,958	233,967	0	678,925	2,878,259	1,268,085

**13 NON CURRENT INVESTMENTS AS AT 31.03.2012**

(Long Term unless otherwise stated)

		Figures in Rupees	
		As at	As at
		31.03.2013	31.03.2012
		(Number of Shares)	
<b>QUOTED (Non Trade Investments)</b>			
-	-	-	-
<b>UNQUOTED (Non Trade Investments)</b>			
-	41180 Akik Marketing India Pvt Ltd of Rs. 10/- each.	-	15,680,000
-	250 Admach Auto Industries Pvt Ltd of Rs. 100/- each.	-	500,000
-	2400 Indo Auto Tech Ltd of Rs. 10/- each.	-	1,200,000
-	14230 Cms Holdings Pvt Ltd of Rs. 10/- each.	-	14,230,000
-	3000 Lucerne Constructions Pvt Ltd of Rs. 10/- each.	-	3,000,000
-	10000 Coatwell India Pvt Ltd of Rs. 10/- each.	-	1,000,000
-	37800 Bindal Transolutions Pvt Ltd of Rs. 10/- each.	-	8,505,000
-	6818 Haryana Coating Pvt Ltd of Rs. 10/- each.	-	1,499,960
12000	41000 Arora Credits Ltd of Rs. 10/- each.	8,907,500	28,700,000
<b>12000</b>	<b>156678</b>	<b>8,907,500</b>	<b>74,314,960</b>
Aggregate amount of Unquoted Investments		8,907,500	74,314,960
Aggregate amount of Quoted Investments		-	-
Aggregate market value of Quoted Investments		-	-
Aggregate provision for diminution in value of Investments		24,517	185,788

**14 LONG-TERM LOANS AND ADVANCES:**

Long-term Loans and Advances consist of the following:

		Figures in Rupees	
		As at	As at
		31/03/2013	31/03/2012
Inter corporate loans, advances and deposits:			
Secured, Considered Good			
		-	-
Unsecured, Considered Good			
		39,967,588	52,218,589
Other loans and advances :			
Secured, Considered Good			
		-	-
Unsecured, Considered Good			
		161,354,992	100,946,177
		<b>201,322,580</b>	<b>153,164,766</b>

**15 OTHER NON-CURRENT ASSETS:**

Other non-current Assets consist of the following:

		Figures in Rupees	
		As at	As at
		31/03/2013	31/03/2012
Unamortized Expenses			
		37,720	56,581
		<b>37,720</b>	<b>56,581</b>

**16 CURRENT INVESTMENTS:**

A. Current Investments consist of the following:

		Figures in Rupees	
		As at	As at
		31/03/2013	31/03/2012
<b>Current Investments:</b>			
Investments in Equity Instruments			
		1,727,379	3,021,882
		<b>1,727,379</b>	<b>3,021,882</b>

B. Aggregate amount and of quoted and unquoted investments and aggregate market value of quoted investments are given below:

		Amount in Rupees	
		As at	As at
		31/03/2013	31/03/2012
Aggregate amount of Unquoted Investments			
		-	-
Aggregate amount of Quoted Investments			
		1,727,379	3,021,882
		<b>1,727,379</b>	<b>3,021,882</b>





C. Disclosure with regard to investments in bodies corporate are given below:

(a). Current Investments	As at 31/03/2013		As at 31/03/2012	
	Numbers	Rupees	Numbers	Rupees
Ajmera Realty & Infra India Ltd	30	3,506	30	3,506
Asrta Micro Wave Products Ltd	1,650	47,300	1,650	47,300
Goldbees Ltd	22	56,566	22	56,566
IFCI Ltd	24,000	1,082,071	53,000	2,389,574
Indian Seamless Ltd	2,500	52,800	2,500	52,800
Ispat Industries Ltd	300	3,900	300	3,900
Ispat Industries Preference Ltd	200	697	200	697
Lanco Global Ltd	1,000	33,133	1,000	33,133
Lloyds Engineering Ltd	4,100	196,885	4,100	196,885
Petronet LNG Ltd	20	1,406	20	1,406
Shre Precot Mills Ltd	140	20,598	140	20,598
Spentex Industries Ltd	2,000	9,117	2,000	9,117
Tata Tele Ltd	4,800	206,400	4,800	206,400
VBRANT Digital	1,000	13,000	-	-
	41,762	1,727,379	69,762	3,021,882

**17 TRADE RECEIVABLE:**

Trade Receivables consist of the following:  
 Outstanding for a period exceeding six months (from the due date):  
 Unsecured, Considered Good  
 Outstanding for a period less than six months :  
 Unsecured, Considered Good

Figures in Rupees	
As at	As at
31/03/2013	31/03/2012
-	-
2,889,900	79,525
<b>2,889,900</b>	<b>79,525</b>

**18 CASH AND BANK BALANCES:**

Cash and Bank Balances consist of the following:  
**Cash and Cash Equivalents:**  
 Balance with Banks:  
 Current Accounts  
 Cheques and drafts on hand  
 Cash on hand

Figures in Rupees	
As at	As at
31/03/2013	31/03/2012
260,067	1,782,816
-	-
6,250,311	4,424,698
<b>6,510,378</b>	<b>6,207,514</b>

**19 OTHER CURRENT ASSETS:**

Other Current Assets consist of the following:  
 Security Deposit  
 Tax Deducted at Source 2013  
 Other Receivables

Figures in Rupees	
As at	As at
31/03/2013	31/03/2012
25,000	50,000
882,136	-
24,449	8,395
<b>931,585</b>	<b>58,395</b>

**20 REVENUE FROM OPERATIONS:**

Revenue from Operations consist of the following:  
 Sale of shares  
 Interest  
 Dividend  
 Miscellaneous Income  
 Net Revenue from Operations

Figures in Rupees	
Year ended	Year ended
31/03/2013	31/03/2012
27,361,477	1,694,071
11,613,631	8,685,554
60,231	62,532
-	-
<b>39,035,339</b>	<b>10,442,157</b>

**21 OTHER INCOME:**

Other Income consist of the following:  
 Interest Income:  
 On Others  
 Gain/ (Loss) on sale of Investments (Net):  
 On Long-term Investments

Figures in Rupees	
Year ended	Year ended
31/03/2013	31/03/2012
3,327	58,449
-	2,108,446
<b>3,327</b>	<b>2,166,895</b>

(a) Interest Income is gross of tax deducted at source amounting Rs. 561036/- (Previous year Rs. 805575/-)

(b) Dividend Income on investments include Rs. 60231/- (Previous year Rs. 62532/-) received.



22 PURCHASE OF SHARES:	No. of Shares		Figures in Rupees	
	Year ended 31/03/2013	Year ended 31/03/2012	Year ended 31/03/2013	Year ended 31/03/2012
Name of Scripts				
Goldbees Ltd	-	22	-	56,566
GTL Ltd	-	4,000	-	502,536
GTL Infrastructure Ltd	-	8,000	-	138,560
IFCI Ltd	-	53,000	-	2,389,575
Lloyds Engineering Ltd.	-	4,100	-	196,885
SEL Manufacturing Co. Ltd	-	10,000	-	172,488
Suzlon Ltd	-	13,000	-	693,550
YBRANT Digital	1,000	-	13,000	-
Dish TV	10,000	-	733,459	-
	<b>11,000</b>	<b>92,122</b>	<b>746,459</b>	<b>4,150,159</b>

23 CHANGES IN INVENTORIES:

Changes in Inventories consist of the following:

**Opening Inventories:**

Stock of shares

**Less: Closing Inventories:**

Stock of shares

Figures in Rupees	
Year ended 31/03/2013	Year ended 31/03/2012
3,021,882	563,265
1,727,379	3,021,882
<b>1,294,503</b>	<b>(2,458,617)</b>

24 EMPLOYEE BENEFIT EXPENSES:

Employee Benefits Expenses consist of the following:

Salaries and Wages

Medical

Bonus

Employee Welfare

Figures in Rupees	
Year ended 31/03/2013	Year ended 31/03/2012
1,486,958	1,517,748
-	68,140
75,000	123,500
87,850	304,750
<b>1,649,808</b>	<b>2,014,138</b>

25 FINANCE COSTS:

Finance Costs consist of the following:

Interest Expenses

Bank charges

Figures in Rupees	
Year ended 31/03/2013	Year ended 31/03/2012
281,313	106,266
39,864	10,243
<b>321,177</b>	<b>116,509</b>

26 DEPRECIATION AND AMORTIZATION EXPENSES:

Depreciation

Amortization of Amalgamation Expenses

Figures in Rupees	
Year ended 31/03/2013	Year ended 31/03/2012
449,377	233,967
18,861	18,861
<b>468,238</b>	<b>252,828</b>

27 OTHER EXPENSES:

Other Expenses consist of the following:

Advertisement Expenses

Business Promotion

Repair & Maintnances

Listing & Connectivity Charges

Rates and Taxes

Rent

Travelling & Conveyance

Auditors' Remuneration - (a)

A.G.M. Expenses

R.O.C. Fee

Provision Standard Loans, & Investments

Books & Brokerage

Books & Periodicals Expenses

Postage & Telephone

Printing & Stationary

Petrol

(Gain)/ Loss on F & O

Legal & Professional Charges

Entertainment Expenses

Electricity

Miscellaneous Expenses

Figures in Rupees	
Year ended 31/03/2013	Year ended 31/03/2012
80,678	31,460
142,336	-
150,940	217,661
332,789	154,077
21,495	10,524
-	120,000
686,555	702,915
26,500	26,500
22,340	23,040
1,500	503,000
-	568,700
1,366	64,836
9,693	-
191,410	290,926
126,210	135,551
298,552	137,537
27,082,991	267,594
16,175	59,635
-	170,468
72,143	48,350
10,104	3,599
<b>29,273,777</b>	<b>3,536,373</b>
23,500	23,500
3,000	3,000
26,500	26,500

(a). Details of Auditors' Remuneration are as follows:

Statutory Auditors:

Audit Fees

Tax Audit Fees



**28 TAX EXPENSES:**

**Current Tax:**

Current Tax for the year

**Deferred Tax:**

Deferred Tax for the year

Figures in Rupees	
Year ended 31/03/2013	Year ended 31/03/2012
1,520,985	1,165,487
<b>1,520,985</b>	<b>1,165,487</b>
93,379	31,375
<b>93,379</b>	<b>31,375</b>

**29 SEGMENT REPORTING:**

(a) As per company's business activities falls within single segment viz loans & investments the disclosure requirement of Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India & the geographical is in India.

**30 EARNING PER SHARE (EPS):**

Profit/ (Loss) for the period (Rupees)

Weighted average number of shares used in the calculation of EPS:

Weighted average number of Basic Equity Shares outstanding

Shares issued for no consideration in respect of Bonus Shares

Shares issued for no consideration in respect of Amalgamation

Weighted average number of Diluted Equity Shares outstanding

Face value of per share

Basic EPS

Diluted EPS

Figures in Rupees	
Year ended 31/03/2013	Year ended 31/03/2012
3,670,340	3,800,800
(No. of Shares)	
12,194,199	4,064,733
-	8,129,466
-	-
12,194,199	9,145,649
10	10
<b>0.30</b>	<b>0.94</b>
<b>0.30</b>	<b>0.42</b>

**31** Information related to Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Development Act). There is no due to small scale industrial undertaking which are required to be disclosed as per schedule VI to the Companies Act, 1956.

**32 RELATED PARTY DISCLOSURES:**

Details of disclosures as required by "Accounting Standard (AS)- 18 on Related Party Disclosure" are as under:-

a) Names of related parties and description of relationship:

**Key Management Personnel**

Mr. Pradeep Kumar Jindal Chairman cum Managing Director

Mr. Ashok Kumar Gupta Director

Ms. Madhvi Bhatnagar Director

Mr. Santanu Kumar Dash Director

Ms. Silky Kapoor Company Secretary

b) Related party transactions:

As per the information available it seems that there were no related party transactions.

## FOCUS INDUSTRIAL RESOURCES LIMITED

**NOTE : 33**

Disclosure of details as required by para 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

PARTICULARS	Amount outstanding Rupees	Amount overdue Rupees																
<b>Liabilities Side:</b>																		
(1) Loans and advances availed by the NBFC inclusive of Interest accrued thereon but not paid:																		
(a) Debentures: Secured	NIL	NIL																
Unsecured (Other than falling within the meaning of public deposits*)																		
(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	95,28,751	NIL																
<b>Assets Side:</b>																		
		Amount Outstanding																
(2) Break-up of Loans and Advances [other than those includes in (4) below] :																		
(a) Secured		---																
(b) Unsecured		20,13,22,580																
(3) Break-up of leased Assets and stock on hire and hypothecation Loans counting towards EL/HP activities		NIL																
(4) Break-up of Investments: Current Investments:		17,27,379																
Long Term investments:																		
1. Quoted		NIL																
2. Unquoted:																		
i) Shares:		89,09,500																
(a) Equity																		
(1) Borrower group-wise classification of loans and advances:																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Category provisions</th> <th style="text-align: right;">Secured</th> <th style="text-align: right;">Unsecured</th> <th style="text-align: right;">Total</th> </tr> </thead> <tbody> <tr> <td>1. Related parties</td> <td style="text-align: right;">---</td> <td style="text-align: right;">---</td> <td style="text-align: right;">---</td> </tr> <tr> <td>2. Other than related parties</td> <td style="text-align: right;">---</td> <td style="text-align: right;">20,13,22,580</td> <td style="text-align: right;">20,13,22,580</td> </tr> </tbody> </table>			Category provisions	Secured	Unsecured	Total	1. Related parties	---	---	---	2. Other than related parties	---	20,13,22,580	20,13,22,580				
Category provisions	Secured	Unsecured	Total															
1. Related parties	---	---	---															
2. Other than related parties	---	20,13,22,580	20,13,22,580															
(2) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Category</th> <th style="text-align: right;">Market value /Break-up Book value (net Or fair value or NAV Of provisions)</th> </tr> </thead> <tbody> <tr> <td>1. Related Parties**</td> <td></td> </tr> <tr> <td>(a) Subsidiaries</td> <td style="text-align: right;">NIL</td> </tr> <tr> <td>(b) Companies in the same group.</td> <td></td> </tr> <tr> <td>(c) Other related parties</td> <td></td> </tr> <tr> <td>2. Other than related parties</td> <td style="text-align: right;">89,07,500</td> </tr> <tr> <td style="text-align: right;"><b>Total</b></td> <td style="text-align: right;"><b>89,07,500</b></td> </tr> </tbody> </table>			Category	Market value /Break-up Book value (net Or fair value or NAV Of provisions)	1. Related Parties**		(a) Subsidiaries	NIL	(b) Companies in the same group.		(c) Other related parties		2. Other than related parties	89,07,500	<b>Total</b>	<b>89,07,500</b>		
Category	Market value /Break-up Book value (net Or fair value or NAV Of provisions)																	
1. Related Parties**																		
(a) Subsidiaries	NIL																	
(b) Companies in the same group.																		
(c) Other related parties																		
2. Other than related parties	89,07,500																	
<b>Total</b>	<b>89,07,500</b>																	
(3) Other Information																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Particulars</th> <th style="text-align: right;">Amount</th> </tr> </thead> <tbody> <tr> <td>i) Gross Non-performing assets</td> <td></td> </tr> <tr> <td>(a) Related parties</td> <td style="text-align: right;">NIL</td> </tr> <tr> <td>(b) Other than related parties</td> <td></td> </tr> <tr> <td>ii) Net Non-performing Assets</td> <td></td> </tr> <tr> <td>(a) Related Parties</td> <td style="text-align: right;">NIL</td> </tr> <tr> <td>(b) Other than related parties</td> <td></td> </tr> <tr> <td>iii) Assets acquired in satisfaction of debt</td> <td style="text-align: right;">NIL</td> </tr> </tbody> </table>			Particulars	Amount	i) Gross Non-performing assets		(a) Related parties	NIL	(b) Other than related parties		ii) Net Non-performing Assets		(a) Related Parties	NIL	(b) Other than related parties		iii) Assets acquired in satisfaction of debt	NIL
Particulars	Amount																	
i) Gross Non-performing assets																		
(a) Related parties	NIL																	
(b) Other than related parties																		
ii) Net Non-performing Assets																		
(a) Related Parties	NIL																	
(b) Other than related parties																		
iii) Assets acquired in satisfaction of debt	NIL																	

As per our report of even date attached  
For M.M. Goyal & Co.  
Chartered Accountants  
Firm Reg. No. 007198N

Sd/-  
(CA M. M. Goyal)  
Partner  
M.No. 086085  
Place: Delhi  
Dated: 03.09.2013

Sd/-  
(Pradeep Kumar Jindal)  
Managing Director

Sd/-  
(Madhavi Bhatnagar)  
Director

Sd/-  
(Silky Kapoor)  
Company Secretary



FIRL

Grow with us

28th Annual Report 2012-13

### Focus Industrial Resources Limited

Registered Office: 104, Mukand House, Commercial Complex, Azadpur, Delhi 110 033.

Attendance slip  
(To be presented at the entrance)

DP ID \_\_\_\_\_

Folio No./Client ID \_\_\_\_\_

I/We hereby record my/our presence at the 28th ANNUAL GENERAL MEETING of the Company at 104, Mukand House, Commercial Complex, Azadpur, Delhi 110 033 on Monday, the 30th September, 2013 at 12:00 p.m.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE PREMISES. JOINT SHAREHOLDER(S) MAY OBTAIN ADDITIONAL SLIP AT THE VENUE OF THE MEETING.

\_\_\_\_\_  
Name of the Member/Proxy holder

\_\_\_\_\_  
Signature of the Member/Proxy



### Focus Industrial Resources Limited

Registered Office: 104, Mukand House, Commercial Complex, Azadpur, Delhi 110 033.

#### PROXY FORM

DP ID: \_\_\_\_\_ Folio No./Client ID: \_\_\_\_\_ No. of Shares held: \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_ in the

district of \_\_\_\_\_ being, a Member/Members of FOCUS INDUSTRIAL RESOURCES LIMITED hereby appoint \_\_\_\_\_ in the district

of \_\_\_\_\_ as my/our Proxy to attend and vote for me/us on my/our behalf at the 28th Annual General Meeting of the Company to be held on 30th September, 2013 at 12:00 p.m. and at any adjournment(s) thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013

Signature(s) of Member(s) \_\_\_\_\_

- Note:
1. The Proxy need not be a member of the Company.
  2. The Proxy in order to be effective must be duly signed and deposited at the Registered Office of the Company at 104, Mukand House, Commercial Complex, Delhi -110 033 not less than 48 hours before the time of holding the meeting.
  3. Company reserves the right to ask for identification of the proxy.
  4. Proxy cannot speak at the meeting or vote on a show of hands.

<p>Affix Rs 1/- Revenue Stamp &amp; Signature</p>
---

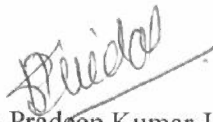
28th Annual General Meeting of the Company to be held on September 30th, 2013

FORM A


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

- |   |                                    |
|---|------------------------------------|
| 1. Name of the Company                            | Focus Industrial Resources Limited |
| 2. Annual financial statements for the year Ended | 31 <sup>st</sup> March,2013        |
| 3. Type of Audit observation                      | Un-qualified                       |
| 4. Frequency of observation                       | Not applicable                     |
| 5. To be signed by:                               |                                    |


(a) CEO/Managing Director

  
Mr. Pradeep Kumar Jindal  
(Managing Director)

(b) CFO


  
Mr. S. K. Dash  
(Director)

(c) Auditor of the Company

  
Mr. M.M.Goyal  
M.M Goyal & Co  
(Chartered Accountants)  
208, Allied House, 2<sup>nd</sup> Floor,  
Inder Lok, Delhi-110 035



(d) Audit Committee Chairman

  
Mr. S. K. Dash  
(Director)