



18<sup>TH</sup>

**ANNUAL  
REPORT**

2011-12



**MOONGIPA SECURITIES LIMITED**  
ENDURING VALUES NEW AGE THINKING



## **BOARD OF DIRECTORS**

1. SH. SANJAY JAIN
2. SMT. POOJA JAIN
5. SH. AJAY PRAKASH NARAIN

## **AUDITORS**

M/S SAXENA & SAXENA  
Chartered Accountants  
New Delhi - 110 001

## **COMPANY SECRETARY**

SH. SANJEEV JAIN

## **REGISTERED OFFICE**

18/14, W.E.A. Pusa Lane,  
Karol Bagh  
New Delhi - 110 005

## **SHARE TRANSFER AGENT**

M/S FINTECH COMPU SYSTEMS LTD.  
WZ-1390/4, 3rd Floor, Pankha Road,  
Nangal Raya,  
New Delhi - 110 046

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**NOTICE**

Notice is hereby given that the 18<sup>th</sup> Annual General Meeting of the members of MOONGIPA SECURITIES LIMITED will be held on Thursday, the 19<sup>th</sup> July, 2012 at 10.30 A.M. at C-81, Sector-1, Bawana, Delhi-110038 to transact the following business.

**ORDINARY BUSINESS**

- To Receive, Consider, and Adopt Balance Sheet as at 31st March 2012 and Profit & Loss Account for the year ended on that date and alongwith Report of the Board of Directors and Auditors thereon.
- To appoint director in place of Mrs. Pooja Jain who retires by rotation and being eligible offers himself for re-appointment.
- To appoint the Statutory Auditors of the company, and to fix their remuneration.

By order of the Board

Place : New Delhi  
Date : 24<sup>th</sup> May, 2012

Sanjay Jain  
Whole-Time Director

**NOTES :**

- MEMBER ENTITLED TO ATTEND & VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND & VOTE INSTEAD OF HIM/HERSELF AND THE PROXY NEED NOT BE THE MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- The relevant Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item no 4 the Notice set about above, is annexed hereto.
- All documents referred to in the accompanying Notice are open for inspection at the Registered office of the company during the office hours on all working days between 11.00 A.M. to 1.00 P.M. before the date of Annual General Meeting
- Members/ Proxies should bring the attendance slip duly filled in for attending the meeting.
- The Register of Members shall remain closed from 16<sup>th</sup> July to 19<sup>th</sup> July, 2012. (Both days inclusive)
- Shareholders seeking any information and having any query with regard to accounts are requested to write the company early so as to enable the Management to keep the information ready.
- Members are requested to bring their own copies of Annual Report, no spare copies will be available at the venue of meeting.
- Details of Directors seeking re-appointment in the ensuing Annual General Meeting pursuant to clause 49 of the listing agreement.

Name of the Director	Mrs. Pooja Jain
Age	34Years
Qualification	Graduate
Profile/Expertise in Specific functional Areas	She is good in Administration and looking after human resources.
List of other Public Limited Company in which the Director Holds Directorship as on 31-03-2012.	NIL
Chairman/Member of the Committees of the Board of Companies in which he is a Director as on 31-03-2012.	NIL
Share holding as on 31-03-2012.	4.96%

By order of the Board

Place : New Delhi  
Date : 24<sup>th</sup> May, 2012

Sanjay Jain  
Whole-Time Director

**DIRECTORS' REPORT**

To the Members,

Your directors have the pleasure in presenting the 18<sup>th</sup> Annual Report together with Audited Statement of Accounts of your Company for the year ended 31<sup>st</sup> March 2012.

**FINANCIAL RESULTS**

Financial results of the company for the year under review are summarized below:

(in rupees)

	Year Ended 31.03.2012	Year Ended 31.03.2011
Profit before Depreciation	15,22,723	26,39,062
Less : Depreciation	37,530	45,734
Profit before Tax	14,85,193	25,93,328
Provision for Taxation	1,02,900	7,48,973
Deferred Tax	28627	(50,752)
Profit after Tax	13,53,666	18,95,107

**DIVIDEND**

To conserve the resources the Directors have not recommended any dividend for the year ended 31.03.2012.

**OPERATIONS & FUTURE PROSPECTS**

The performance of your company for the year under review is satisfactory seeing the current market conditions. During the year 2011-12 the stock market witnessed sharp ups & heavy corrections & despite the instability of the bourses your company has been able to continue its profitability during the year. The changes in the volume of turnover & profitability may be attributable to the changing volumes & movements of indices.

**FIXED DEPOSITS**

For the year ending 31 March 2012 your company has not accepted any deposits under section 58A of the Companies Act 1956.

**DIRECTOR**

Mrs. Pooja Jain, Director of your company, retires by rotation and being eligible offers himself for reappointment.

Mr. Rohit Gupta has resigned from the Board of Directors. He ceased to be director with effect from 21.07.2011.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

According to the best of their knowledge & belief and of the information and documents collected by them, your Directors report that:

- in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- We have selected such accounting policies and applied them consistently and made judgements and estimates that are responsible and prudent so as to give a true & fair view of the state of affairs of the company at the end of financial year 2011-2012 and of the Profit & Loss of the company for the period under report.
- We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- We have prepared the annual accounts on a going concern basis.

**CORPORATE GOVERNANCE**

As per clause 49 of the listing agreement with the Stock Exchanges, a separate section of Corporate Governance report together with the certificate from the Company's Auditors confirming compliance is set out in the Annexure forming part of this report.



**AUDITORS**

M/s Saxena & Saxena, Chartered Accountants, the Statutory Auditors of the company will retire at the conclusion of the Annual General Meeting and being eligible for reappointment consented to be reappointed for another term. Necessary certificates pursuant to Section 224(1)(B) of the Companies Act 1956 have been obtained from the Auditors.

**AUDITORS REPORT**

The company has only few employees and the provision for gratuity has been made on the estimated basis but not on actuarial valuation as required by AS-15 on employee benefits.

The observations of the Auditors and the relevant notes on the accounts are self-explanatory & therefore do not call for any further comments.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE INCOME/ OUTFLOW**

Additional information on conservation of energy, technology absorption as required under Sec.217 (1)(e) Of the Companies Act, 1956 is not applicable, as the company is a Non-Manufacturing Company. During the year under review there has been no foreign exchange Income/Out flow.

**PERSONNEL**

There is no employee in the company whose particulars are required to be given under Section 217(2A) Of the Companies Act 1956.

**ACKNOWLEDGEMENT**

Your directors wish to convey their appreciation to all employees for their individual and collective contribution towards satisfactory performance of the company. Their dedication & contribution has been instrumental in the success of the company in achieving the organizational goals. The Directors would also like to thank the Shareholders, Bankers, Stock Exchanges, Valued Clients, and Government Agencies for their co-operation & confidence reposed in the management.

For & On behalf of the Board of Directors

Chairman

Place : New Delhi

Date : 24<sup>th</sup> May 2012

**MANAGEMENT DISCUSSION AND ANALYSIS**

**1. Industry Trends and Business Analysis**

The Stock Market has been showing a remarkable upward journey. Others broad-based indices also recorded a similar trend.

Seen under the aforesaid backdrop the Company has been able to state a modest recovery and postpositive results.

**2. Opportunities, Threats & Outlook**

The economy is expected to record a good growth for the previous fiscal and with the continuity in the growth-oriented policies; the stock market is expected to continue the buoyancy. The activation of the dormant primary market also well for the overall growth and depth of the market. Your Company being Stock-broking Company is exposed to the normal market threats associated with the business and faces competition from the other plays other funds. However, with its positive outlook and aggressive policy, your Company hopes to ward off any threat posed before it.

**3. Risk and Concerns**

Since the primary and main business of the Company is dealing in Securities the risk factors and the Concerns affecting the business of your Company revolves mainly around the risks associate with the stock market. However, thought careful and prudent investment decision by the management, it is constantly endeavored to minimize these risks.

**4. Internal control system and their adequacy**

The Company has adequate internal control systems commensurate with the size of the business duly supplemented with an internal audit to ensure against any unauthorized use or disposition of assets.

**5. Human Resources**

Your Company has required manpower to manage its activities keeping in view its emphasis on cost reduction. The Company recognizes the importance of human resources in achieving success in its commercial pursuits and follows a good man management policy.

**6. Cautionary statement**

Statements in this "Management Discussion and Analysis Report" describing the Company objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and India demand supply conditions, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, and economic developments within India.

**CEO AND CFO CERTIFICATION**

We, Sanjay Jain and Pooja Jain, Directors, responsible for the finance function certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2012 and 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) To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2012 are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and Audit Committee and steps have been taken to rectify these deficiencies.
- d) i) There has not been any significant change in internal control over financial reporting during the year under reference;
- ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
- iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

New Delhi  
24-05-2012

Sanjay Jain  
Whole-Time Director

Pooja Jain  
Director

**CORPORATE GOVERNANCE REPORT – 2011-12**

**1. COMPANY'S PHILOSOPHY**

Moongipa Securities Ltd's Corporate Governance philosophy encompasses not only regulatory and legal requirements, such as the terms of listing agreements with stock exchanges, but also several voluntary practices aims at a superior level of business ethics, effective supervision and enhancement of shareholder's value.

**2. BOARD OF DIRECTORS**

**Composition of the Board**

The Board of Directors of the Company consists of four Members.

During the year under review, Six Board Meetings were held on: -

30<sup>th</sup> May 2011, 21<sup>st</sup> July 2011, 28<sup>th</sup> July 2011, 20<sup>th</sup> October 2011, 21<sup>st</sup> October 2011, 30<sup>th</sup> January 2012.



Constitution of Board of Directors as on 31<sup>st</sup> March 2012 and related information's:

Director	Category/ Date of Ap- pointment	No. of Board Meetings Attended	Attendance At the AGM Held on 14/07/2011	No. of Outside Director- ship. (*)	No. of Out- side Com- mittee (s) On which Member Chairman
Sanjay Jain	Executive /18/03/1994	06	Yes	1	1
Pooja Jain	Non- Executive Independent /31/10/2005	06	Yes	Nil	Nil
Ajay Prakash Narain	Non- Executive Independent /22/07/2010	04	Yes	Nil	Nil
Rohit Gupta*	Non- Executive Independent /06/07/2005	-	No	2	1

\* Excluding Directorship in Private, Foreign Companies, and Companies, which are, granted license under section 25 of the Companies Act 1956.

\* Resigned on 21.07.2011.

### 3. COMMITTEES OF THE BOARD

#### (a) AUDIT COMMITTEE

The role and the functions of the Audit Committee are as per the guidelines set out in the listing agreement with the stock exchanges and as per Companies Act 1956. The Committee acts as a link between the statutory auditors and the Board of Directors.

The responsibility of the Audit Committee include the overseeing of the financial reporting process to ensure fairness, adequate disclosures and credibility of financial statements, recommendation of appointment and removal of statutory auditors, review of the adequacy of internal control systems.

#### Composition

The Audit Committee comprised three directors. There were 4 meetings of the Committee during the year.

The details of composition of the Committee, dates, and attendance at its meetings are given below:

#### Date of meeting(s):

30<sup>th</sup> May 2011, 28<sup>th</sup> July 2011, 20<sup>th</sup> October 2011 and 30<sup>th</sup> January 2012.

The attendance during the current year is as under:

Members	Categories of Directorship	Meetings Attended
Ajay Prakash Narain	Member	3
Sanjay Jain	Chairman	4
Pooja Jain	Member	4

#### (b) SHARE TRANSFER & INVESTORS GRIEVANCE COMMITTEE

The Share Transfer & Investors Grievance Committee consists of two directors—Mr. Sanjay Jain and Mrs. Pooja Jain and chaired by Mr. Sanjay Jain.

The function and powers of the committee include approval and rejection of transfer and transmission of Shares, issue of duplicate certificates, review and redress of Shareholders and investor complaints relating to transfer of shares, non-receipt of dividends and non-receipt of Annual Report etc.

Committee meets twice in the year.

#### Name and designation of Compliance Officer:

Mr. Sanjay Jain, Director

#### Investor's service:

No. of Complaints/Correspondence received during the year ended March 31, 2012:	NIL
No. of Complaints resolved to the Satisfaction of shareholders during the year:	NIL
No. of pending Share transfers as on 31 <sup>st</sup> March 2012	NIL

### (C) REMUNERATION AND COMPENSATION COMMITTEE

Remuneration Committee consists of two directors – Mrs. Pooja Jain and Mr. Ajay Prakash Narain and is chaired by Mrs. Pooja Jain.

The functions of the Remuneration Committee include recommendation of appointments to the Board, evaluation of the performance of the staff and also remuneration to the staff.

Committee met twice in the year.

#### 4. DISCLOSURES

a) There are no materially significant transactions made by the Company with its promoters, directors or management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.

b) No penalties have been imposed on the Company by the Stock Exchanges or the Securities and Exchange Board of India or any statutory authority on any matter related to capital markets during the last three years.

#### 5. MEANS OF COMMUNICATION

The Board of Directors of the Company approved and has taken on record the unaudited financial results within one month of close of quarter / half year and has communicated these and annual results to all the Stock Exchanges where the shares of the Company are listed and also published the same in the *Dainik Mahalaxmi Bhagyodaya*.

### 6. GENERAL SHAREHOLDER INFORMATION

18<sup>th</sup> Annual General Meeting

Date	19 <sup>th</sup> July 2012
Time	10.30 A.M.
Venue	C-81, Sector-1, Bawana, Delhi-110038.

### FINANCIAL CALANDER: APRIL 2012 TO MARCH 2013

First Quarter results	Last week of July 2012
Half Yearly Results	Last week of October 2012
Third Quarter results	Last week of January 2013
Results for the year Ending March 2013	Last week of May 2013
Dates of Book Closure	18 <sup>th</sup> July to 19 <sup>th</sup> July, 2012. (Both days inclusive)

### 7. SHARE DETAILS

Listed at : The Delhi Stock Exchange Association Ltd.  
Jaipur Stock Exchange Ltd.  
Ahemdabad Stock Exchange Ltd.

#### Stock Code:

Stock Exchange	Stock Code
DSE	13316
JSE	407
ASE	37878

8. Market Price Data: During April 2011 to March 2012 the data were not available as there were no trading of shares in the Delhi Stock Exchange. The last traded price was Rs. 23.90.

9. Share Transfer System: Share Transfer Committee meets and approves share transfers. Fintech Compu Systems Ltd, Company's Registrar, & Share Transfer Agents process these transfers. Share transfers are registered and returned within 30 days from the date of lodgment if documents are complete in all respect.

#### 10. Registrar and Transfer Agents:

M/s Fintech Compu Systems Ltd.  
WZ-1390/4, 3<sup>rd</sup> Floor, Pankha Road,  
Nangal Raya, New Delhi-110046

11. Distribution of the shareholding as on 31<sup>st</sup> March 2012

Range	No. of Share Holders	% of Share Holders	No. of Shares	% of Share Holding
1-500	1037	64.66	518500	10.35
501-1000	489	30.49	471400	9.41
1001-2000	4	0.25	8600	0.13
2001-3000	31	1.93	77850	1.55
3001-4000	4	0.25	13450	0.27
4001-5000	1	0.06	4350	0.09
5001-10000	2	0.12	12250	0.24
10001 and above	38	2.24	3906000	77.96
Total	1604	100.00	5010200	100.00

12. Categories of Shareholders as on 31<sup>st</sup> March 2012.

Category	No. of Shares Held	% of Shareholding
Promoters & Directors	2378975	47.48
Others (Individuals/ Corporate Bodies)	2631225	52.52

## 13. Location and time of General Meetings held in last three years.

Year	AGM/ EGM	Location	Date	Time
2010-11	AGM	Gupta Farms, Village Hollambi	14/07/2011	10.30 A.M
2009-10	AGM	Gupta Farms, Village Hollambi	15/09/2010	10.30 A.M
2008-09	AGM	Gupta Farms, Village Hollambi	29/09/2009	10.30 A.M

## 14. ADDRESS FOR CORRESPONDENCE

Registered Office :-18/14, W.E.A., Pusa Lane, New Delhi-110005.

For &amp; On behalf of the Board

Chairman

Place: New Delhi

Date 24-05-2012

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

We have examined the compliance of conditions of Corporate Governance by Moongipa Securities Limited for the year ended on 31<sup>st</sup> March 2012 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with all the mandatory conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

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

For Saxena & Saxena  
Chartered Accountants  
(Firm Regn. No. 006103N)

Place: New Delhi  
Date: 24-05-2012

D.K. Saxena  
Partner  
M. No.82118

## AUDITORS' REPORT

To The Members of Moongipa Securities Limited

- We have audited the attached Balance sheet of Moongipa Securities Limited as at 31<sup>st</sup> March 2012 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- We conducted our audit in accordance with Auditing Standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- As required by the Companies (Auditor Report) Order 2003, (as amended) issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- Further to our comments in the Annexure referred to above, we report that: -
  - 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.
  - In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books.
  - The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - In our opinion the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of Companies Act 1956 except AS-15 on Employee Benefits as the company has provided the liability of gratuity on estimated basis in place of actuarial valuation.
  - On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2012, and taken on record by the Board of Directors, we report that none of the Director is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
- In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon gives the information required by the Companies Act 1956 in the manner so required and give a true and fair view.
  - In case of the Balance Sheet of the state of affairs of the company as at 31<sup>st</sup> March 2012,
  - In case of the Profit and loss Account of the Profit of the Company for the year ended as on that date and
  - In case of Cash Flow Statement of the cash flows for the year ended on that date.

For Saxena & Saxena  
Chartered Accountants  
(Firm Regn. No. 006103N)

Place: New Delhi  
Date: 24-05-2012

D.K. Saxena  
Partner  
M. No.82118



**Annexure to the Auditors' Report**

(Referred to in paragraph (2) of our Audit Report of even date on the Accounts of Moongipa Securities Limited for the year ended 31<sup>st</sup> March 2012)

**1. Fixed Assets**

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As per the representation made by the management and explanation provided to us, the management during the year at regular intervals has physically verified fixed assets and no material discrepancies were noticed on such verification.
- (c) The fixed assets disposed off by the company are not substantial affecting going concern assumption.

**2. Inventory**

- (a) As explained to us, inventories have been physically verified by the management at regular intervals during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion the Company is maintaining proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification.

3. In our opinion and according to the information and explanations given to us, the company has neither taken nor granted any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. In view of this, clause (iii) of the order is not applicable to the company.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of securities, fixed assets and with regard to the sale of securities and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

5. In our opinion and according to the information and explanations given to us, the transactions that need to be entered in the register maintained under section 301 of the Companies Act 1956 have been so entered.

6. The company has not accepted any deposits from the public; hence clause (vi) of paragraph 4 of the Companies (Auditor's Report) Order 2003 is not applicable to the company.

7. The company has an internal audit system commensurate with its size and nature of its business.

8. As per information and explanation provided to us and in our opinion the Central Government has not prescribed the maintenance of the cost records under section 209(1)(d) of the Companies Act, 1956 in respect of the activities of the company.

9. (a) According to the records, information and explanations provided to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales-Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of these dues were in arrears as at March 31, 2012 for a period of more than six months from the date they became payable.

(b) As per information and explanation provided to us and in our opinion there are not disputed statutory dues outstanding.

10. The company does not have any accumulated losses and has not incurred cash losses during the financial year under audit and in the immediately preceding financial year.

11. According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.

12. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. The company is not a chit fund company and therefore, clause (xiii) of para 4 of the order is not applicable.

14. Based on our examination of the records, we are of the opinion that proper records have been maintained of the transactions and contracts and timely entries have been made in those records. The company is holding shares and other investments in its own name to the extent of exemption granted under section 49 of the act.

15. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.

16. The company has not taken any term loan from any bank or financial institution during the year.

17. According to the information and explanation given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on Short Term Basis have been used for Long Term investment.

18. The company has not made any preferential allotment of shares during the financial year under audit.

19. The company has not issued any debentures therefore, clause (xix) of para 4 of the Companies (Auditor's Report) Order, 2003, is not applicable to the Company.

20. No money has been raised by the company from public issues.

21. Based upon the audit procedures performed and according to the information and explanations given by the management, no fraud on or by the company has been noticed or reported during the year.

**For Saxena & Saxena  
Chartered Accountants  
(Firm Regn. No. 006103N)**

**Place: New Delhi  
Date: 24-05-2012**

**D.K. Saxena  
Partner  
M. No.82118**



**BALANCE SHEET AS AT 31ST MARCH, 2012**

Particulars	Note No.	As at 31 March, 2012	As at 31 March, 2011
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	50,102,000.00	50,102,000.00
(b) Reserves and surplus	4	14,433,193.67	13,079,528.00
		<u>64,535,193.67</u>	<u>63,181,528.00</u>
<b>2 Non-current liabilities</b>			
(a) Deferred tax liabilities (net)	21.4	28,627.00	-
		<u>28,627.00</u>	<u>-</u>
<b>3 Current liabilities</b>			
(a) Other current liabilities	5	226,946.00	201,970.00
(b) Short-term provisions	6	35,000.00	221,411.00
		<u>261,946.00</u>	<u>423,381.00</u>
<b>TOTAL</b>		<u><b>64,825,766.67</b></u>	<u><b>63,604,909.00</b></u>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(Tangible assets)	7.A	293,070.00	321,100.00
(b) Non-current investments	8	12,817,129.00	19,097,945.00
(c) Long-term loans and advances	9	903,823.00	784,437.00
		<u>14,014,022.00</u>	<u>20,203,482.00</u>
<b>2 Current assets</b>			
(a) Inventories	10	14,732,974.00	17,693,334.00
(b) Trade receivables	11	976,483.80	1,150,832.00
(c) Cash and cash equivalents	12	32,749,548.09	22,155,539.05
(d) Short-term loans and advances	13	58,104.00	-
(e) Other current assets	14	2,294,634.78	2,401,721.95
		<u>50,811,744.67</u>	<u>43,401,427.00</u>
<b>TOTAL</b>		<u><b>64,825,766.67</b></u>	<u><b>63,604,909.00</b></u>

Notes 1 to 22 are integral part of the financial statements

As per our report of even date attached.

For Saxena & Saxena Chartered Accountants (Firm Regn No 006103N)

For and on behalf of the Board of Directors

CA. D.K. Saxena Partner (Mem No. 082118)

(Sanjay Jain) Whole-Time Director

(Pooja Jain) Director

Place : New Delhi Date : 24.05.2012

(Sanjeev Jain) Company Secretary

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012**

Particulars	Note No.	For the year ended 31.03.2012	For the year ended 31.03.2011
<b>1 Revenue from operations</b>	15	20,251,338.90	102,786,455.00
<b>2 Other income</b>	16	3,803,861.86	3,237,582.50
<b>3 Total revenue (1+2)</b>		<u>24,055,200.76</u>	<u>106,024,037.50</u>
<b>4 Expenses</b>			
(b) Purchases of stock-in-trade	17.a	16,490,622.09	87,806,656.00
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	17.b	2,960,360.00	12,910,061.00
(d) Employee benefits expense	18	2,178,009.00	1,853,699.00
(e) Finance costs	19	3,173.00	-
(f) Depreciation and amortisation expense	7.C	37,530.00	45,734.00
(g) Other expenses	20	900,314.00	814,560.00
<b>Total expenses</b>		<u>22,570,008.09</u>	<u>103,430,710.00</u>
<b>5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		<u>1,485,192.67</u>	<u>2,593,327.50</u>
<b>6 Exceptional items</b>		-	-
<b>7 Profit / (Loss) before extraordinary items and tax (5 ± 6)</b>		<u>1,485,192.67</u>	<u>2,593,327.50</u>
<b>8 Extraordinary items</b>		-	-
<b>9 Profit / (Loss) before tax (7 ± 8)</b>		<u>1,485,192.67</u>	<u>2,593,327.50</u>
<b>10 Tax expense:</b>			
(a) Current tax expense for current year		222,286.00	748,973.00
(b) (Less): MAT credit (where applicable)		(119,386.00)	-
(c) Current tax expense relating to prior years		-	-
(d) Net current tax expense		<u>102,900.00</u>	<u>748,973.00</u>
(e) Deferred tax	21.4	28,627.00	-50,752.00
		<u>131,527.00</u>	<u>698,221.00</u>
<b>11 Profit / (Loss) for the year (9 ± 10)</b>		<u>1,353,665.67</u>	<u>1,895,106.50</u>
<b>12 Earnings per share (of 10/- each):</b>			
(a) Basic	21.3.a	0.27	0.38
(b) Diluted	21.3.b	0.27	0.38

Notes 1 to 22 are integral part of the financial statements

As per our report of even date attached.

For Saxena & Saxena Chartered Accountants (Firm Regn No 006103N)

For and on behalf of the Board of Directors

CA. D.K. Saxena Partner (Mem No. 082118)

(Sanjay Jain) Whole-Time Director

(Pooja Jain) Director

Place : New Delhi Date : 24.05.2012

(Sanjeev Jain) Company Secretary





Notes forming part of the financial statements

Note 3 Share Capital

Particulars	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares	₹ Rs.	Number of shares	₹ Rs.
(a) Authorised Equity shares of Rs.10 each with voting rights	6,000,000	60,000,000.00	6,000,000	60,000,000.00
(b) Issued Subscribed and fully paid up Equity shares of Rs.10 each with voting rights	5,010,200	50,102,000.00	5,010,200	50,102,000.00
<b>Total</b>	<b>5,010,200</b>	<b>50,102,000.00</b>	<b>5,010,200</b>	<b>50,102,000.00</b>

Refer Notes (i) to (ii) below

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes (give details)	Closing Balance
Equity shares with voting rights Year ended 31 March, 2012								
- Number of shares	5,010,200	-	-	-	-	-	-	5,010,200
- Amount (Rs.)	50,102,000.00	-	-	-	-	-	-	50,102,000.00
Year ended 31 March, 2011								
- Number of shares	5,010,200	-	-	-	-	-	-	5,010,200
- Amount (Rs.)	50,102,000.00	-	-	-	-	-	-	50,102,000.00

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/name of shareholder	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Moongipa Capital Finance Ltd	810,725	16.18%	810,725	16.18%

Note 4 Reserve and surplus

Particulars	As at 31 March, 2012	As at 31 March, 2011
Surplus/(Deficit) in Statement of Profit and Loss		
Opening balance	13,079,528.00	11,184,421.00
Add: Profit / (Loss) for the year	1,353,665.67	1,895,106.50
Closing balance	14,433,193.67	13,079,527.50
<b>Total</b>	<b>14,433,193.67</b>	<b>13,079,527.50</b>

Note 5 Other current liabilities

Particulars	As at 31 March, 2012	As at 31 March, 2011
(a) Statutory liabilities	1,200.00	-
(b) Audit Fees Payable	28,090.00	27,575.00
(c) Other Expenses Payable	163,856.00	144,395.00
(d) Director Remuneration Payable	33,800.00	30,000.00
<b>Total</b>	<b>226,946.00</b>	<b>201,970.00</b>

Note 6 Short-term provisions

Particulars	As at 31 March, 2012	As at 31 March, 2011
(a) Provision for employee benefits:		
Provision for gratuity (ad-hoc)	35,000.00	30,000.00
	35,000.00	30,000.00
(b) Provision - Others		
Provision for Income Tax	-	191,411.00
	-	191,411.00
<b>Total</b>	<b>35,000.00</b>	<b>221,411.00</b>



Note 7 Fixed assets

A. Tangible assets	Gross block									
	Balance as at 1 April, 2011	Additions	Disposals	Acquisitions through business combinations	Reclassified as held for sale	Re-valuation increase	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	Balance as at 31 March, 2012
(a) Plant and Equipment	104,040.00	-	-	-	-	-	-	-	-	104,040.00
(b) Furniture and Fixtures	100,909.00	-	-	-	-	-	-	-	-	100,909.00
(c) Office equipment	295,384.00	9,500.00	-	-	-	-	-	-	-	304,884.00
<b>Total</b>	<b>500,333.00</b>	<b>9,500.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>509,833.00</b>
Previous year	2,754,086.00	-	2,253,753.00	-	-	-	-	-	-	500,333.00

A. Tangible assets	Accumulated depreciation and impairment							Net block		
	Balance as at 1 April, 2011	Depreciation/amortisation expense for the year	Eliminated on disposal of assets	Eliminated on reclassification as held for sale	Impairment losses recognised in statement of profit and loss	Reversal of impairment losses recognised in Statement of Profit and Loss	Other adjustments	Balance as at 31 March, 2012	Balance as at 31 March, 2012	Balance as at 31 March, 2011
(a) Plant and Equipment	63,428.00	16,865.00	-	-	-	-	-	80,293.00	23,747.00	40,612.00
(b) Furniture and Fixtures	54,672.00	6,388.00	-	-	-	-	-	61,060.00	39,849.00	46,237.00
(c) Office equipment	61,133.00	14,277.00	-	-	-	-	-	75,410.00	229,474.00	234,251.00
<b>Total</b>	<b>179,233.00</b>	<b>37,530.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>216,763.00</b>	<b>293,070.00</b>	<b>321,100.00</b>
Previous year	2,351,905.00	45,734.00	2,218,406.00	-	-	-	-	179,233.00	321,100.00	402,181.00

B.	Depreciation and amortisation relating to continuing operations:	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Depreciation and amortisation for the year on tangible assets as per Note	216,763.00	179,233.00
	Less: Utilised from revaluation reserve	-	-
	Depreciation and amortisation for the year	216,763.00	179,233.00

Note 8 Non-current investments

Particulars	As at 31 March, 2012			As at 31 March, 2011		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Investments (At cost):						
A. Trade Investments	-	-	-	-	-	-
<b>Total - Trade (A)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
B. Other investments						
(a) Investment in mutual funds						
Reliance Mutual Fund	9,300,000.00	-	9,300,000.00	15,580,816.00	-	15,580,816.00
(b) Other non-current investments						
Membership of Delhi Stock Exchange	-	3,517,129.00	3,517,129.00	-	3,517,129.00	3,517,129.00
<b>Total - Other Investments (B)</b>	<b>9,300,000.00</b>	<b>3,517,129.00</b>	<b>12,817,129.00</b>	<b>15,580,816.00</b>	<b>3,517,129.00</b>	<b>19,097,945.00</b>
<b>Total (A+B)</b>	<b>9,300,000.00</b>	<b>3,517,129.00</b>	<b>12,817,129.00</b>	<b>15,580,816.00</b>	<b>3,517,129.00</b>	<b>19,097,945.00</b>
Less: Provision for diminution in value of investments			-			-
<b>Total</b>			<b>12,817,129.00</b>			<b>19,097,945.00</b>
Aggregate amount of quoted investments			9,300,000.00			15,580,816.00
Aggregate market value of listed and quoted investments			-			-
Aggregate value of listed but not quoted investments			-			-
Aggregate amount of unquoted investments			3,517,129.00			3,517,129.00



**Note 9 Long-term loans and advances**

Particulars	As at 31 March, 2012	As at 31 March, 2011
(a) Security deposits - Unsecured, considered good	50,400.00	50,400.00
(b) MAT credit entitlement - Unsecured, considered good		
(c) Balances with government authorities	433,815.00	314,429.00
Income Tax Refunds Receivable-Unsecured, considered good	419,608.00	419,808.00
<b>Total</b>	<b>903,823.00</b>	<b>784,437.00</b>

**Note 10 Inventories**

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2012	As at 31 March, 2011
Stock-in-trade (Shares)	13,532,974.00	15,833,759.80
Stock-in-trade (Mutual Funds)	1,200,000.00	1,859,574.40
<b>Total</b>	<b>14,732,974.00</b>	<b>17,693,334.00</b>

**Note 11 Trade receivables**

Particulars	As at 31 March, 2012	As at 31 March, 2011
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	1,084,982.00	1,278,702.00
Less: Provision for doubtful trade receivables	108,498.20	127,870.00
<b>Total</b>	<b>976,483.80</b>	<b>1,150,832.00</b>

**Note 12 Cash and cash equivalents**

Particulars	As at 31 March, 2012	As at 31 March, 2011
(a) Cash in hand	3,057.00	69,907.00
(b) Balances with banks		
(i) In current accounts	879,506.78	718,813.03
(iii) in deposit accounts (Refer Note (i) below)	31,866,984.31	21,366,819.02
<b>Total</b>	<b>32,749,548.09</b>	<b>22,155,539.05</b>
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	882,563.78	788,720.03
<b>Notes:</b>		
(i) Balances with banks include deposits amounting to 31,866,984.31 (As at 31 March, 2011 - 21,366,819.02) which have an original maturity of more than 12 months.		

**Note 13 Short-term loans and advances**

Particulars	As at 31 March, 2012	As at 31 March, 2011
Income Tax / TDS		
Secured, considered good	-	-
Unsecured, considered good	58,104.00	-
Doubtful	-	-
	58,104.00	-
Less: Provision for other doubtful loans and advances	-	-
	58,104.00	-
<b>Total</b>	<b>58,104.00</b>	<b>-</b>

**Note 14 Other current assets**

Particulars	As at 31 March, 2012	As at 31 March, 2011
Accruals		
Interest accrued on deposits	2,294,634.78	2,401,721.95
<b>Total</b>	<b>2,294,634.78</b>	<b>2,401,721.95</b>

**Note 15 Revenue from operations**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
(a) Sale of shares/mutual funds (Refer Note (i) below)	19,937,100.65	102,700,437.00
(b) Other operating revenues (Refer Note (ii) below)	314,238.25	86,018.00
<b>Total</b>	<b>20,251,338.90</b>	<b>102,786,455.00</b>

Note	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
(i)	Sale of products comprises @:		
	Traded goods		
	Shares	13,203,422.65	63,369,621.00
	Mutual Funds	6,733,678.00	39,330,816.00
	<b>Total - Sale of traded goods</b>	<b>19,937,100.65</b>	<b>102,700,437.00</b>
	<b>Total - Sale of products</b>	<b>19,937,100.65</b>	<b>102,700,437.00</b>
(ii)	Other operating revenues comprise:		
	Dividend Income	313,643.25	342,982.00
	Derivative trading Profit/(Loss)	595.00	-256,964.00
	<b>Total - Other operating revenues</b>	<b>314,238.25</b>	<b>86,018.00</b>

**Note 16 Other income**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
(a) Interest (Refer Note (i) below)	2,805,635.28	2,336,270.50
(b) Profit on sale of long-term investments	986,824.58	-
(c) Other non-operating income (Refer Note (ii) below)	11,402.00	901,312.00
<b>Total</b>	<b>3,803,861.86</b>	<b>3,237,582.50</b>

Note	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
(i)	Interest income comprises:		
	Interest from banks on:		
	deposits	2,805,635.28	2,291,673.50
	Interest on loans and advances	-	44,597.00
	<b>Total - Interest income</b>	<b>2,805,635.28</b>	<b>2,336,270.50</b>

Note	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
(ii)	Other non-operating income comprises:		
	Liabilities / provisions no longer required written back	-	901,312.00
	Commission Income	11,402.00	-
	<b>Total - Other non-operating income</b>	<b>11,402.00</b>	<b>901,312.00</b>

**Note 17.a Purchase of traded stock**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
Shares	10,567,800.09	46,751,786.00
Mutual Funds	5,922,822.00	41,054,870.00
<b>Total</b>	<b>16,490,622.09</b>	<b>87,806,656.00</b>



**Note 17.b Changes in inventories of stock in trade**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
Inventories at the beginning of the year:		
Stock-in-trade (Shares)	15,833,759.60	11,424,700.00
Stock-in-trade (Mutual Funds)	1,859,574.40	19,178,695.00
	17,693,334.00	30,603,395.00
Inventories at the end of the year:		
Stock-in-trade (Shares)	13,532,974.00	15,833,759.60
Stock-in-trade (Mutual Funds)	1,200,000.00	1,859,574.40
	14,732,974.00	17,693,334.00
<b>Net (increase) / decrease</b>	<b>2,960,360.00</b>	<b>12,910,061.00</b>

**Note 18 Employee benefits expense**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
Salaries and wages	2,112,999.00	1,787,250.00
Provision for gratuity	5,000.00	-
Staff welfare expenses	60,010.00	66,449.00
<b>Total</b>	<b>2,178,009.00</b>	<b>1,853,699.00</b>

**Note 19 Finance costs**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
Interest expense on Borrowings	3,173.00	-
<b>Total</b>	<b>3,173.00</b>	<b>-</b>

**Note 20 Other expenses**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
Rates and taxes	30,215.00	-
Communication	100,245.00	85,456.00
Travelling and conveyance	56,073.00	57,444.00
Printing and stationery	87,990.00	89,824.00
Business promotion	35,774.00	62,810.00
Legal and professional	61,790.00	88,490.00
Payments to auditors (Refer Note (i) below)	28,090.00	27,575.00
Bad trade and other receivables, loans and advances written off	174,348.00	84,231.00
Loss on fixed assets sold / scrapped / written off	-	25,847.00
Miscellaneous expenses	325,789.00	292,883.00
<b>Total</b>	<b>900,314.00</b>	<b>814,560.00</b>

**Notes:**

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	28,090.00	27,575.00
For taxation matters	-	-
For company law matters	-	-
For management services	-	-
For other services	-	-
Reimbursement of expenses	-	-
<b>Total</b>	<b>28,090.00</b>	<b>27,575.00</b>

**SCHEDULES FORMING PART OF ACCOUNTS AS ON 31.03.2012**

**SCHEDULE 1 & 2: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS**

**A. SIGNIFICANT ACCOUNTING POLICIES**

**1. Basis of Accounting:**

The financial statements are prepared under the historical cost convention, on accrual basis of accounting, in conformity with the accounting principles generally accepted in India and comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956.

**2. Fixed Assets:**

Fixed assets are accounted at cost of acquisition inclusive of inward freight, duties, taxes and incidentals related to acquisition.

**3. Depreciation:**

Depreciation on fixed assets, is provided on straight line method as per rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956 and are on the pro-rata basis with respect to the date of addition/installation/ its put to use.

**4. Investments:**

Investments are valued at cost.

**5. Stock-In-Trade:**

Trading stock of shares and securities are valued at lower of cost or realisable value. However stock of few shares which has not been traded, has been valued at cost.

**6. Income & Expenses:**

Income & expenditure are recognized on accrual basis except dividend, which is accounted for on receipt basis.

**7. Accounting for Taxes on Income:**

1. Current Tax is determined as the amount of tax payable in respect of taxable income for the year.

2. The Deferred Tax resulting from timing difference between book and taxable profit is accounted for using tax rates and tax laws that have been enacted or subsequently enacted as at the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent there is reasonable certainty that the asset will be realized in the future.

**8. Impairment of Assets:**

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal/external factors. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use.

**9. Contingent Liabilities:**

Contingent Liabilities are not provided and are disclosed in notes to the accounts.

**10. Retirement Benefit:**

a) Leave encashment benefit are charged to Profit & Loss Account on each year on the basis of actual payment made to employee. There are no rules for carried forward leave.

b) The Company has only few employees and the provision for gratuity has been made on the estimated basis as per the payment of Gratuity Act, 1971 but not on actuarial valuation.

**B. NOTES ON ACCOUNTS**

1. Contingent liability : outstanding bank guarantees Rs. NIL (Previous year Rs.NIL)

2. Claim against the Company not acknowledged as debts - Nil (Previous Year- Rs. Nil)

3. Estimated amount of contract remaining to be executed on capital accounts - Nil (Previous Year - Rs. Nil).

4. All the known liabilities have been provided for in accounts.

5. In the opinion of the Board of Directors, the aggregate value of Current Assets, Loans & Advances on the realization in the ordinary course of business will not be less than the amount at which these are stated in the Balance sheet.



6) AUDITORS REMUNERATION

S. No.	Particulars	Year Ended 31.03.2012 (Rs.)	Year Ended 31.03.2011 (Rs.)
1	Audit Fees	28,090.00	27,575.00
2	Other Services	-	-
	<b>Total</b>	<b>28,090.00</b>	<b>27,575.00</b>

7. REMUNERATION TO DIRECTORS 3,85,000 1,50,000
8. Earning and Expenditure in Foreign currency NIL NIL
9. CIF value of imports NIL NIL
10. The amount has been rounded off to the nearest rupee.
11. Balances grouped under Sundry Debtors, Loans & Advances and current liabilities are subject to confirmation.
12. Out of the Bank Fixed Deposits the following has been pledged with various Banks as follows:
- (a) Rs.87,500.00 with Stock Exchanges towards capital adequacy deposits / Margins (Previous Year Rs. 87,500.00).
13. None of the employee was in receipt of remuneration, which was more than Rs. 24,00,000 if employed for the whole of the year or Rs.2,00,000 per month if employed for a part of the year.
14. Sundry debtors are outstanding for more than six months for which the company has filed suit for recovery and the company is hopeful of recovery of the outstanding amount, however on a conservative approach the company has made provision for bad debts of 10% of the outstanding amount.
15. DEFERRED TAX ASSETS/ (LIABILITIES)

Particulars	Deferred Tax Assets/ (Liability) at 01-04-2011	Current Year Credit/(Change)	Deferred tax Asset/(Liab) at 31.03.2012
Depreciation & Gratuity (Net)	-	28,627	(28,627)

16. EARNING PER SHARE

S. No.	Particulars	Current Year	Previous Year
a)	Net Profit available for Equity Share Holders Net Profit after Tax	13,53,668	18,95,107
	Net Profit after tax available for Equity Share Holders	13,53,668	18,95,107
b)	Weighted Average No. Of Equity Share @ 10/- each.	50,10,200	50,10,200
c)	Basic & Diluted Earning Per Share	0.27	0.38

17. SEGMENT REPORTING

The main business of Company is share broking and the other activities revolve around the main business, as such there is only one reportable segment. Further the Company is operating in India only. Therefore the reporting requirements as prescribed under AS-17 are not applicable to the Company.

18. Related Party Disclosure

Name	Nature of Relationship
Moongipa Capital Finance Ltd.	Enterprise over which key management Personnel is able to exercise significant influence.

Transaction during the year NIL (Previous Year NIL) (Amounts in 000)

19. The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date attached

For Saxena and Saxena Chartered Accountants (Firm Regn. No.008103N)

For and on behalf of the Board of Directors

D.K. Saxena  
(Partner)  
M.No. 82118

Sanjay Jain  
Whole-Time Director

Pooja Jain  
Director

Place: New Delhi  
Dated: 24/05/2012

Sanjeev Jain  
Company Secretary



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

Particulars	For the year ended 31 March, 2012		For the year ended 31 March, 2011	
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		1,485,192.67		2,593,328.00
Adjustments for:				
Depreciation written off during the year	37,530.00		45,734.00	
Finance costs	3,173.00		0.00	
Interest income	(2,805,635.28)		(2,336,271.00)	
(Profit)/Loss on sale of investments	(986,824.58)	(3,751,756.86)	25,847.00	(2,264,690.00)
Operating profit / (loss) before working capital changes		(2,266,564.19)		328,638.00
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	2,960,360.00		12,910,061.00	
Trade Receivables	174,348.20		319,004.00	
Adjustments for increase / (decrease) in operating liabilities:				
Other current liabilities	24,976.00	3,159,684.20	(885,979.00)	12,343,086.00
Cash generated from operations		893,120.01		12,671,724.00
Net income tax (paid) / refunds		(466,801.00)		(675,455.00)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>426,319.01</b>		<b>11,996,269.00</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	(9,500.00)		0.00	
Sale of fixed assets	0.00		9,500.00	
Purchase of Investments / FDR	(10,500,185.29)		(15,244,383.00)	
Proceeds from sale of long-term investments	7,267,640.58		0.00	
Interest received	2,912,722.45	(329,302.26)	2,816,670.00	(12,418,213.00)
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(329,302.26)</b>		<b>(12,418,213.00)</b>
<b>C. Cash flow from financing activities</b>				
Interest on short term borrowings	(3,173.00)	(3,173.00)	0.00	0.00
Cash flow from extraordinary items				
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(3,173.00)</b>		<b>0.00</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>93,843.75</b>		<b>(421,943.00)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>788,720.03</b>		<b>1,210,663.00</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>882,563.78</b>		<b>788,720.00</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>				
Cash and cash equivalents as per Balance Sheet (Refer Note 19)		32,749,548.09		24,557,261.00
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements (give details)		31,866,984.31		23,788,541.00
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 19		882,563.78		788,720.00
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)		0.00		0.00
<b>Cash and cash equivalents at the end of the year *</b>		<b>882,563.78</b>		<b>788,720.00</b>
* Comprises:				
(a) Cash in hand		3,057.00		69,907.00
(b) Cheques, drafts on hand		0.00		0.00
(c) Balances with banks				



Particulars	For the year ended 31 March, 2012		For the year ended 31 March, 2011	
(i) In current accounts		879,506.78		718,813.00
(ii) In EEFC accounts		0.00		0.00
(iii) In deposit accounts with original maturity of less than 3 months		0.00		0.00
(iv) In earmarked accounts		0.00		0.00
(e) Current investments considered as part of Cash and cash equivalents (Refer Note (ii) to Note 18 Current Investments)		0.00		0.00

Notes 1 to 22 are integral part of the financial statements  
As per our report of even date attached.

For Saxena & Saxena  
Chartered Accountants  
(Firm Regn No 006103N)

For and on behalf of the Board of Directors

CA, D.K. Saxena  
Partner  
(Mem No. 082118)  
Place : New Delhi  
Date : 24.05.2012

(Sanjay Jain)  
Whole-Time Director

(Pooja Jain)  
Director

(Sanjeev Jain)  
Company Secretary

**BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS  
PROFILE AS AT 31<sup>ST</sup> MARCH 2012**

**I. Registration Details**

Registration No. : 67941      State code : 055  
Balance Sheet : Date: 31st March 2012

**II. Capital Raised during the year (Rs.)**

Public Issue : NIL      Right Issue : NIL  
Bonus Issue : NIL      Private Placement : NIL

**III. Position of mobilisation & deployment of funds (Rs.)**

Total Liabilities : 64826      Total Assets : 64826

**Sources of Funds (Rs.)**

Paid up capital : 50102      Reserves & Surplus : 14433  
Current Liabilities : 262      Unsecured Loans : NIL  
Deferred tax : 29

**Application of Funds (Rs.)**

Net Fixed Asset : 293      Current Assets : 50812  
Net Current Asset : 13721      Misc. Expenditure : NIL

**IV. Performance of Company (Rs.)**

Turnover/Income : 4604      Total Expenditure : 3119  
Profit Before Tax : 1485      Profit After Tax : 1354  
Earning per share : 0.27      Dividend : NIL

**V. Generic Names of Principal Products of the Company**

(As per Monetary terms)

Item Code No (ITC Code)	:	Not Applicable
Product Description	:	Investment in Securities
Item Code No (ITC Code)	:	Not Applicable
Product Description	:	Investment Banking
Item Code No (ITC Code)	:	Not Applicable
Product Description	:	Advisory services

## MOONGIPA SECURITIES LIMITED

Regd. Office: 18/14, W.E.A. Pusa Lane, Karol Bagh, New Delhi – 110005

### PROXY FORM

I/We .....of.....in the District of.....being a member/members of the above named Company, hereby appoint..... or failing him/her.....of.....in the District of the .....as my/our proxy to vote for me/us on my/our behalf at the **18th Annual General Meeting** of the company to be held on Thursday, the 19th July, 2012 at 10.30 A.M. and at any adjournment thereof.

Signed this.....day of.....2012

Folio No.	
No. of Share Held	

Affix Rs. 1  
Revenue Stamp

- NOTE:**
1. The Proxy form must be deposited duly stamped, completed and signed at the Registered Office of the Company not less than 48 hours before the time for holding the meeting
  2. In view of the directive of Ministry of Finance, Government of India no gifts or coupons would be given to the shareholders for attending the Annual General Meeting.

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## MOONGIPA SECURITIES LIMITED

Regd. Office: 18/14, W.E.A. Pusa Lane, Karol Bagh, New Delhi – 110005

### ATTENDANCE SLIP

Folio No.	No. of Shares held.
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I hereby record my presence at the 18th Annual General Meeting held C-81, Sector-1, Bawana, Delhi – 110038 on Thursday, the 19th July, 2012 at 10.30 A.M.

NAME OF THE SHAREHOLDER : .....  
SIGNATURE OF THE SHARE HOLDER : .....  
NAME OF THE PROXY : .....  
(IN BLOCK LETTERS)  
SIGNATURE OF THE PROXY : .....

- NOTES:**
1. Attendance slips not filled in properly will not be entertained.
  2. All joint holders should use only one slip
  3. In view of the directive of Ministry of Finance, Government of India no gifts or coupons would be given to the shareholders for attending the Annual General Meeting.



**MOONGIPA SECURITIES LIMITED**

**18/14, W.E.A. PUSA LANE, KAROL BAGH**

**NEW DELHI - 110 005**