

INDIA FINSEC LIMITED

D-16, 1st FLOOR, ABOVE ICICI BANK, PRASHANT VIHAR, SECTOR-14, ROHINI, NEW DELHI-110085
E.mail: indiafinsec@yahoo.com

NOTICE

Notice is hereby given that the Annual General Meeting of the Members of India Finsec Limited will be held on Monday, 30th September, 2013 at 11:00 A.M. at the Registered Office of the Company at D-16, Prashant Vihar, Sector-14, Rohini, New Delhi-110085 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013 and Profit and Loss Account for the year ended on that date together with the Reports of the Auditors' and Directors' thereon.
2. To appoint the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorize the Board to fix their remuneration.
3. To appoint Director in place of Mr. Mukesh Sharma who retires by rotation & being eligible offers himself for reappointment.

For and on Behalf of the Board
For India Finsec Ltd

Date: 05th September, 2013
Place: Delhi

Sd/-
Gopal Bansal
Managing Director

NOTES:

- A. APPOINTMENT OF PROXY: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR COMMENCEMENT OF THE MEETING.**
- B. Corporate Members:** Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
- C.** Members/ Proxies attending the meeting are requested to bring their copy of Annual Report to the Meeting.
- D. Queries at the AGM:** Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
- E.** Members are requested to notify any change in their address/ mandate/ bank details immediately to the share transfer Agent of the Company- M/s Skyline Financial Services Pvt Ltd.,D-153/A, Okhla Industrial Area, Phase-I, New Delhi-110 020.
- F. Book Closure:** The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 23rd September, 2013 to Monday, 30th September, 2013 (both days inclusive).

INDIA FINSEC LIMITED

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E.mail: indiafinsec@yahoo.com

DIRECTORS' REPORT

Dear Members

Your Directors present the Annual Report of your Company together with the Audited Annual Accounts for the financial year ended 31st March, 2013.

Financial Highlights

During the year under review total Income of the Company was Rs. 4.78 Cr as against Rs. 4.96 Cr in the previous year. The Company made a profit after tax of Rs. 0.10 Cr as against a profit after tax of Rs. 0.07 Cr in the previous year. Your Directors are putting in their best efforts to improve the performance of the Company.

Material changes and commitments affecting the financial position of the Company after the close of financial year

Save as mentioned else where in this Report, no material changes and commitments affecting the financial position of the Company has occurred between the end of the financial year of the Company- 31st March, 2013 till the date of this report.

Dividend

In view of marginal profits made by the Company, your Directors regret their inability to recommend any dividend.

Public Deposits

During the year under report, your Company did not accept any deposits from the public in terms of the provisions of section 58A of the Companies Act, 1956.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

- a. **Conservation of Energy & Technology Absorption:** Since the Company is not engaged in any manufacturing activity, issues relating to conservation of energy and technology absorption are not quite relevant to its functioning.
- b. **Export Activities:** There was no export activity in the Company during the year under review. The Company has no immediate plans for export in the near future as well.
- c. **Foreign Exchange Earnings and Outgo:** There was no Foreign Exchange earnings and outgo during the year under review.

Particulars of Employees

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and hence no particulars are required to be disclosed in this Report.

Directors

During the year under review, Mr. Gopal Bansal appointed as the Managing Director of the Company w.e.f. 10/01/2013 and Mr. Mukesh Sharma appointed as the Whole time director of the Company w.e.f 10/01/2013. Mr. Basant Mittal and Mrs. Charu Goyal appointed as directors of the Company on 28.12.2012. Mr. Vinod Kumar Bansal and Mrs. Renu Bansal resigned from the directorship of the Company on 28.12.2012.

Auditors

M/s V.N. Purohit & Co., Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate under section 224(1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them. Your Directors recommend their re-appointment.

Auditors' Report

Comments made by the Statutory Auditors in the Auditors' Report are self-explanatory and do not require any further clarification.

Company Secretary

In terms of the provisions of Section 383A of the Companies Act, 1956, the Company has appointed Ms. Rachna Bhasin as the Company Secretary of the Company.

Directors' Responsibility Statement

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- a.** in preparation of the annual accounts, the applicable accounting standards have been followed;
- b.** the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the profit of the Company for the year ended on that date;
- c.** the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

d. the Directors have prepared the Annual Accounts on a going concern basis.

Stock Exchange Listing

The Equity Shares of the Company got listed at the BSE (SME Exchange) on 10th June,2013.

Corporate Governance

Clause 49 of the Listing Agreement relating to the Corporate Governance is applicable to the Company. The Company is complying with the provisions of Clause 49 of the Listing Agreement.

Acknowledgement

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance the Company has received from Banks and various Government Departments. The Board also places on record its appreciation of the devoted services of the employees; support and co-operation extended by the valued business associates of the Company.

For and on Behalf of the Board
For India Finsec Ltd

Date: 05th September, 2013
Place: Delhi

Sd/-
Gopal Bansal
Managing Director

Sd/-
Mukesh Sharma
Director



AUDITOR'S REPORT

To The Members of INDIA FINSEC LIMITED

We have audited the attached Balance Sheet as at 31st March, 2013 and also the Profit and Loss Account & the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting, principles used and significant estimates made by management, as well as evaluation the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amended) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 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 :

- (i) 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;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
- (iii) The Balance Sheet and profit and Loss Account and the cash flow statements dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance Sheet and Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31st March, 2013 and taken on records by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) section 274 of the Companies Act, 1956.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013; and
- (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

As per Non-Banking Financial Companies Auditors Report (Reserve Bank) Directions, 1998 issued by Reserve Bank of India vide Notification No. DFC 117/DG(SPT)-98 dated January 2, 1998, we further report to the extent to which matters specified therein are applicable to the company that :

- (i) The company is a Non-Banking Financial Company not accepting public deposit and the certificate of registration no. B-14-00127 dated 21.02.2002 from Reserve Bank of India has been issued to the company.
- (ii) The Board of Directors of the company has passed a resolution for the non-acceptance of any public deposits.
- (iii) The company has not accepted any public deposits during the relevant year.
- (iv) The company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to it.

**For V.N. PUROHIT & CO.
Firm Regn. No. 304040E
Chartered Accountants**

**Place : New Delhi
Date : 05.09.2013**

**Sd/-
Gaurav Joshi
Partner
M.No.516027**



Annexure to Auditors Report
Referred to in Paragraph 3 of our report of even date

1. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a 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) In our opinion, the company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the company is not affected.

2. In respect of its inventories:
 - a) The inventories have been physically verified during the year by the management. 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) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.

3. In respect of the loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
 - a) In our opinion, and according to the information and explanation given to us, the company has not granted any loans, secured or unsecured during the year to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements as per clause (iii) (e) of paragraph 4 of the order are not applicable in case of the company.
 - b) The Company has not taken any loans, secured or unsecured during the year from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements as per clause (iii) (f) and (iii) (g) of paragraph 4 of the order are not applicable in case of the company.

4. In our opinion, and according to the information and explanation given to us, there is an 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 or services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. As explained and according to information given to us there has not been any contract or arrangement referred to in section 301 of the Act, particulars of which need to be entered in the register required to be maintained under section 301 of the Companies Act, 1956.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the company.
7. In our opinion, the Company has an internal audit system commensurate with the size of the company and the nature of its business.
8. The cost record maintained by the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 are not applicable to the company.
9. In respect of statutory dues:
 - a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amount payable in respect of the aforesaid statutory dues were outstanding as at 31.03.2013 for a period of more than six months from the date of becoming payable.
 - b) According to the information and explanations given to us, there are no outstanding statutory dues on the part of company which is not deposited on account of dispute.
10. The company does not have accumulated losses at the end of financial year. The company has not incurred any cash losses during the financial year covered by the audit and in the immediately preceding financial year.
11. According to the information and explanations given to us the company has not taken any loan from any financial institution or bank or debenture holder.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities, and in our opinion, adequate documents and records are maintained.
13. The Company is not a chit fund, nidhi or mutual benefit society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. The Company has kept adequate records of its transactions and contracts in shares, securities, debentures and other investments and timely entries have been made therein. The shares, securities, debentures and other investments held by the company, in it's own name.
15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by other from bank or financial institutions.

16. As per information and explanations given to us, the company has not obtained any term loans during the year and no term loans are outstanding on the company at the end of year.
17. According to the information and explanations given to us, no funds raised on short-term basis have been used for long-term investment.
18. According to the information and explanations given to us no preferential allotment of shares has been made by the company to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued any debentures. Hence the requirements of clause (xix) of paragraph 4 of the Order is not applicable to the company.
20. As explained to us, the management has disclosed on the end use of money raised by public issues and the same has been verified.
21. According to the information and explanations given to us, a fraud on or by the company has not been noticed or reported during the year.

**For V.N. PUROHIT & CO.
Firm Regn. No. 304040E
Chartered Accountants**

**Place : New Delhi
Date : 05.09.2013**

**Sd/-
Gaurav Joshi
Partner
M.No.516027**

INDIA FINSEC LIMITED

BALANCE SHEET AS ON 31ST MARCH, 2013

Particulars	Notes	31st March 2013 (Rupees)	31st March 2012 (Rupees)
EQUITY AND LIABILITIES			
Shareholders' fund			
Share Capital	3	134,417,150.00	19,202,450.00
Reserves and Surplus	4	153,808,129.09	268,557,230.50
Non-current liabilities			
Long-term Borrowings	5	717,361.60	1,115,184.10
Long-term Provisions	6	546,700.00	-
Current liabilities			
Short-term Borrowings	7	15,670,221.00	5,000,000.00
Trade Payables	8	1,488,150.00	82,485,000.00
Short-Term Provisions	9	430,662.00	344,761.00
Total		307,078,373.69	376,704,625.60
ASSETS			
Non-Current Assets			
Fixed Assets			
(i) Tangible Assets	10	1,380,490.00	1,732,485.00
Capital & amortised expenses not w/off	11	818,484.20	23,601.20
Deferred Tax Assets (net)	12	54,172.00	4,941.00
Current Assets			
Inventories	13	8,858,522.92	5,098,040.37
Cash and Cash Equivalents	14	574,107.55	1,866,514.03
Trade Receivables	15	1,559,857.02	-
Short- term loan and advances	16	290,361,611.00	367,359,470.00
Other current assets	17	3,471,129.00	619,574.00
Total		307,078,373.69	376,704,625.60
Summary of significant accounting policies	2	-	-

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

IN TERMS OF OUR REPORT ATTACHED
FOR V.N. PUROHIT & CO.
Firm Regn. No. 304040E
Chartered Accountants

For and on behalf of the Board of Directors of
INDIA FINSEC LIMITED

Sd/-
Gaurav Joshi
Partner
Membership No. 516027

Sd/-
Gopal Bansal
Managing Director

Sd/-
Mukesh Sharma
Director

Sd/-
Rachna Bhasin
Secretary

New Delhi, the 5th day of September 2013

INDIA FINSEC LIMITED

STATEMENT OF TRADING & PROFIT AND LOSS FOR THE PERIOD ENDED ON 31ST MARCH, 2013

Particulars	Notes	From 1st April 2012 to 31st March 2013 (Rupees)	From 1st April 2011 to 31st March 2012 (Rupees)
A. CONTINUING OPERATIONS			
Income			
Revenue from operations	18	47,854,103.92	49,690,600.68
Other Income	19	456,405.89	6,308.00
Total Revenue (I)		48,310,509.81	49,696,908.68
Expenses			
Purchases of stock in trade	20	40,512,227.78	43,577,883.21
Changes in inventories	21	(3,760,482.55)	(4,512,486.25)
Employee benefit expenses	22	2,524,554.00	1,702,149.00
Financial cost	23	1,743,695.18	436,496.09
Depreciation & amortise expenses	24	692,884.00	353,657.00
Other administrative expenses	25	5,203,901.81	7,076,841.62
Total (II)		46,916,780.22	48,634,540.67
Profit/(loss) before tax provision		1,393,729.59	1,062,368.01
Tax expenses			
Current Tax		430,662.00	344,761.00
Deferred tax		(49,231.00)	(11,456.00)
Total Tax Expenses		381,431.00	333,305.00
Profit/ (loss) for the year after tax (PAT)		1,012,298.59	729,063.01
Less: Contingent provision against standard assets		546,700.00	-
Less: Special reserve u/s 45-IC of the RBI Act,1934		202,460.00	145,813.00
Net profit transfer to appropriation		263,138.59	583,250.01
Earning per share (EPS)			
Inominal value of share Rs. 10/-]			
Basic		0.0753	0.3797
Diluted		0.0753	0.3797
Summary of significant accounting polices	2		

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

**IN TERMS OF OUR REPORT ATTACHED
FOR V.N. PUROHIT & CO.
Firm Regn. No. 304040E
Chartered Accountants**

**For and on behalf of the Board of Directors of
INDIA FINSEC LIMITED**

Sd/-
Gaurav Joshi
Partner
Membership No. 516027

Sd/-
Gopal Bansal Mukesh Sharma
Managing Director Director

Sd/-
Rachna Bhasin
Secretary

New Delhi, the 5th day of September 2013

INDIA FINSEC LIMITED**CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2013**

	For the year ended 31st March 2013 (Rupees)	For the year ended 31st March 2012 (Rupees)
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and after extra- ordinary items (As per profit & loss account)	2,086,613.59	1,416,025.01
Adjustments for items not included	-	-
Operating Profit before working capital changes	2,086,613.59	1,416,025.01
Working capital adjustments:-		
(Increase)/ decrease in current loans and advances	76,997,859.00	(91,956,201.00)
(Increase)/ decrease in Trade receivables	(1,559,857.02)	-
(Increase)/ decrease in inventories	(3,760,482.55)	(4,512,486.25)
(Increase)/ decrease in other current assets	(2,851,555.00)	-
Increase/ (decrease) in short term borrowings	10,670,221.00	-
Increase/ (decrease) in current liabilities	(80,996,850.00)	85,178,953.00
Cash generated from operations	585,949.02	(9,873,709.24)
Direct Taxes Paid	(344,761.00)	(134,220.00)
Net cash flow from operating activities (A)	241,188.02	(10,007,929.24)
CASH FLOW FROM INVESTING ACTIVITIES		
Proceed from sale of investments	-	4,300,000.00
Expenses for capital expenses	(1,005,382.00)	-
Purchase of fixed assets	(130,390.00)	(1,634,995.00)
Net cash flow from investing activities (B)	(1,135,772.00)	2,665,005.00
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares	-	-
Increase/ (decrease) in long-term borrowings	(397,822.50)	1,115,184.10
Increase/ (decrease) in secured loans	-	-
Net cash flow from financing activities (C)	(397,822.50)	1,115,184.10
Net cash flow during the year (A + B + C)	(1,292,406.48)	(6,227,740.14)
Add: Opening cash and cash equivalents	1,866,514.03	8,094,254.17
Closing cash and cash equivalents	574,107.55	1,866,514.03
Components of cash and cash equivalents		
Cash in hand	409,334.55	1,478,558.00
Deposit with banks in current accounts	164,773.00	387,956.03
Toal cash and cash equivalents (note 8)	574,107.55	1,866,514.03
	0.00	(0.00)

IN TERMS OF OUR REPORT ATTACHED

FOR V.N. PUROHIT & CO.

Firm Regn. No. 304040E

Chartered Accountants

For and on behalf of the Board of Directors of
INDIA FINSEC LIMITED

Sd/-

Gaurav Joshi

Partner

Membership No. 516027

New Delhi, the 5th day of September 2013

Sd/-

Gopal Bansal Mukesh Sharma
Managing Director Director

Sd/-

Rachna Bhasin
Secretary

INDIA FINSEC LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD
FROM 1ST APRIL 2012 TO 31ST MARCH 2013

1. Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended from time to time) and the relevant provisions of the Companies Act, 1956.

The financial statements have been prepared on accrual basis and under the historical cost convention. The accounting policies not specifically referred, are consistently applied from the past accounting periods.

2. Summary of significant accounting policies

a. Changes in accounting policy

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

b. Revenue recognition

Having regard to the size, nature and level of operation of the business, the company is applying accrual basis of accounting for recognition of income earned and expenses incurred in the normal course of business.

c. Fixed assets:

Fixed Assets are valued at cost of purchase and/or construction as increased by necessary expenditure incurred to make them ready for use in the business.

d. Inventories

Inventories include investments in shares of other companies. The company classifies such investments as inventory and valuation of them has been made at lower of cost or market value. However, unquoted investments are stated at cost.

e. Depreciation

The company charged depreciation on its fixed assets on WDV method as per rates prescribed under Schedule XIV of the Companies Act, 1956.

f. Taxes on income

Current taxes on income have been provided by the Company in accordance with the relevant provisions of the Income Tax Act, 1961. Deferred Taxes has been recognised on timing differences between accounting income and taxable income subject to consideration of prudence.

Signed for the purpose of Identification

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. 304040E

Sd/-
Gaurav Joshi
Partner
Membership No. 516027

New Delhi, the 5th day of September 2013

For and on behalf of Board of Directors of
INDIA FINSEC LIMITED

Sd/- Sd/-
Gopal Bansal Mukesh Sharma
Managing Director Director

Sd/-
Rachna Bhasin
Secretary

INDIA FINSEC LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1ST APRIL 2012 TO 31ST MARCH 2013

3. Share capital	As at 31st March 2013 (Rupees)	As at 31st March 2012 (Rupees)
Authorised shares		
20450000 Equity Shares of Rs.10/- each (Previous year 19,26,000)	204,500,000.00	19,260,000.00
Issued, subscribed and fully paid- up shares		
1,34,41,715 Equity Shares of Rs.10/- each fully paidup (Previous year 19,20,245)	134,417,150.00	19,202,450.00
Total issued, subscribed and fully paid- up share capital	134,417,150.00	19,202,450.00

a. Reconciliation of Shares outstanding at the beginning and at the end of reporting period

	As at 31st March 2013		As at 31st March 2012	
	No.	(Rupees)	No.	(Rupees)
Share Capital at the beginning of the period	1,920,245	19,202,450.00	1,920,245	19,202,450.00
Issue during the period: -				
Equity share capital - Bonus Issue	11,521,470	115,214,700.00	-	-
Outstanding at the end of the period	13,441,715	134,417,150.00	1,920,245	19,202,450.00

b. Terms and rights attached to equity shares

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

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

c. Details of shareholders holding more than 5% shares in the company

(as per list attached)

4. Reserves and surplus	As at 31st March 2013 (Rupees)		As at 31st March 2012 (Rupees)	
<u>Securities premium account</u>				
Opening balance	267,220,750.00		267,220,750.00	
Add: Premium on share capital	-		-	
Less: Utilized/ transfer during the period	115,214,700.00		-	
Closing balance		152,006,050.00		267,220,750.00
<u>Special reserves u/s 45-IC of the RBI Act, 1934</u>				
Opening balance	263,394.00		117,581.00	
Add: transfer from P&L a/c during the year	202,460.00		145,813.00	
Less: Utilized/ transfer during the period	-		-	
Closing balance		465,854.00		263,394.00
<u>Surplus/ (deficit) in statement of profit & loss</u>				
Balance as per last financial statements	1,073,086.50		489,836.49	
Add: Profit/ (loss) for the year	263,138.59		583,250.01	
Less: Utilized/ transfer during the period	-		-	
Net (deficit) in statement of profit and loss		1,336,225.09		1,073,086.50
		153,808,129.09		268,557,230.50

IN TERMS OF OUR REPORT ATTACHED

FOR V.N. PUROHIT & CO.

Firm Regn. No. 304040E

Chartered Accountants

Sd/-

Gaurav Joshi

Partner

Membership No. 516027

New Delhi, the 5th day of September 2013

For and on behalf of the Board of Directors of
INDIA FINSEC LIMITED

Sd/-

Gopal Bansal
Managing Director

Sd/-

Mukesh Sharma
DirectorSd/-
Rachna Bhasin
Secretary

INDIA FINSEC LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1ST APRIL 2012 TO 31ST MARCH 2013

5. Long-term Borrowings	As at 31st March 2013	As at 31st March 2012
	(Rupees)	(Rupees)
ICICI Bank Car Loan	<u>717,361.60</u>	<u>1,115,184.10</u>
	<u>717,361.60</u>	<u>1,115,184.10</u>
6. Long-term provisions	As at 31st March 2013	As at 31st March 2012
	(Rupees)	(Rupees)
Contingent provision against standard assets*		
Opening Balance	-	-
Add: Addition(written off) during the year	<u>546,700.00</u>	<u>-</u>
	<u>546,700.00</u>	<u>-</u>
*A contingent provision against standard assets has been created at 0.25% of the outstanding standard assets in terms of the RBI circular Ref. No. DNBS(PD) CC No. 225/03.02.001/2011-12 dated July 1, 2011.		
7. Short-term Borrowings	As at 31st March 2013	As at 31st March 2012
	(Rupees)	(Rupees)
Unsecured loans	<u>15,670,221.00</u>	<u>5,000,000.00</u>
	<u>15,670,221.00</u>	<u>5,000,000.00</u>
8. Trade Payables	As at 31st March 2013	As at 31st March 2012
	(Rupees)	(Rupees)
Share Application Money received pending allotment	-	82,000,000.00
Audit fee payable	11,236.00	25,000.00
Rent payable	108,000.00	90,000.00
Salary payable	314,466.00	123,867.00
Electricity charges payable	4,981.00	-
TDS payable	220,949.00	11,133.00
Sundry creditors	317,278.00	235,000.00
Professional charges payable	<u>511,240.00</u>	<u>-</u>
	<u>1,488,150.00</u>	<u>82,485,000.00</u>
9. Short-term provisions	As at 31st March 2013	As at 31st March 2012
	(Rupees)	(Rupees)
Provision for income tax	<u>430,662.00</u>	<u>344,761.00</u>
	<u>430,662.00</u>	<u>344,761.00</u>
11. Capital & amortised expenses not w/off	As at 31st March 2013	As at 31st March 2012
	(Rupees)	(Rupees)
Deferred revenue expenses		
Opening Balance	23,601.20	33,023.80
Add: addition during the year	1,005,382.00	-
Less: written off during the year	<u>210,499.00</u>	<u>9,422.60</u>
	<u>818,484.20</u>	<u>23,601.20</u>
12. Deferred tax assets (net)	As at 31st March 2013	As at 31st March 2012
	(Rupees)	(Rupees)
Opening Balance	4,941.00	(6,515.00)
Add: Addition(written off) during the year	<u>49,231.00</u>	<u>11,456.00</u>
	<u>54,172.00</u>	<u>4,941.00</u>
13. Inventories	As at 31st March 2013	As at 31st March 2012
	(Rupees)	(Rupees)
Stock in trade	<u>8,858,522.92</u>	<u>5,098,040.37</u>
	<u>8,858,522.92</u>	<u>5,098,040.37</u>

IN TERMS OF OUR REPORT ATTACHED
FOR V.N. PUROHIT & CO.
Firm Regn. No. 304040E
Chartered Accountants

For and on behalf of the Board of Directors of
INDIA FINSEC LIMITED

Sd/-
Gaurav Joshi
Partner
Membership No. 516027

Sd/- Sd/-
Gopal Bansal Mukesh Sharma
Managing Director Director

Sd/-
Rachna Bhasin
Secretary

New Delhi, the 5th day of September 2013

INDIA FINSEC LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1ST APRIL 2012 TO 31ST MARCH 2013

14. Cash and cash equivalents	As at 31st March 2013	As at 31st March 2012
	(Rupees)	(Rupees)
Cash in hand	164,773.00	1,478,558.00
Balances with banks	409,334.55	387,956.03
	<u>574,107.55</u>	<u>1,866,514.03</u>
15. Trade Receivables	As at 31st March 2013	As at 31st March 2012
	(Rupees)	(Rupees)
Sundry Debtors	1,559,857.02	-
	<u>1,559,857.02</u>	<u>-</u>
16. Short-term loan and advances	As at 31st March 2013	As at 31st March 2012
	(Rupees)	(Rupees)
Loans portfolio* (recoverable in cash or kind, unsecured, considered good)	218,680,059.00	299,120,630.00
	<u>(A) 218,680,059.00</u>	<u>299,120,630.00</u>
Advances against investment & others (recoverable in cash or kind, unsecured, considered good)	68,131,933.00	66,276,787.00
	<u>(B) 68,131,933.00</u>	<u>66,276,787.00</u>
Balance with government authorities		
Tax deposited / TDS	3,549,619.00	1,962,053.00
	<u>(C) 3,549,619.00</u>	<u>1,962,053.00</u>
Total (A + B + C)	<u>290,361,611.00</u>	<u>367,359,470.00</u>
*Standard Assets - as per The classification of loans under the RBI guidelines.		
17. Other current assets	As at 31st March 2013	As at 31st March 2012
	(Rupees)	(Rupees)
Rent security	-	600,000.00
Prepaid insurance	16,129.00	19,574.00
Advance against property	3,350,000.00	-
Advance against expenses	105,000.00	-
	<u>3,471,129.00</u>	<u>619,574.00</u>
18. Revenue from operations	For the year ended	For the year ended
	31st March 2013	31st March 2012
	(Rupees)	(Rupees)
Sales	24,544,223.54	27,484,082.68
Interest on loans	23,309,880.38	22,206,518.00
	<u>47,854,103.92</u>	<u>49,690,600.68</u>
19. Other Income	For the year ended	For the year ended
	31st March 2013	31st March 2012
	(Rupees)	(Rupees)
Income from F&O market	425,914.14	-
Divident income	30,487.30	6,304.00
Short & excess	4.45	4.00
	<u>456,405.89</u>	<u>6,308.00</u>
20. Purchase of trade goods	For the year ended	For the year ended
	31st March 2013	31st March 2012
	(Rupees)	(Rupees)
Purchases of stock in trade	40,512,227.78	43,577,883.21
	<u>40,512,227.78</u>	<u>43,577,883.21</u>

IN TERMS OF OUR REPORT ATTACHED
FOR V.N. PUROHIT & CO.
Firm Regn. No. 304040E
Chartered Accountants

For and on behalf of the Board of Directors of
INDIA FINSEC LIMITED

Sd/-
Gaurav Joshi
Partner
Membership No. 516027

Sd/-
Gopal Bansal
Managing Director

Sd/-
Mukesh Sharma
Director

Sd/-
Rachna Bhasin
Secretary

New Delhi, the 5th day of September 2013

INDIA FINSEC LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1ST APRIL 2012 TO 31ST MARCH 2013

	For the year ended 31st March 2013 <u>(Rupees)</u>	For the year ended 31st March 2012 <u>(Rupees)</u>
21 Changes in inventories		
Inventories at the beginning of the year - Stock in trade	5,098,040.37	585,554.12
Less : Inventories at the end of the year -Stock in trade	8,858,522.92	5,098,040.37
	<u>(3,760,482.55)</u>	<u>(4,512,486.25)</u>
22. Employee benefit expenses		
Director remuneration	120,483.00	165,000.00
Salaries and wages	2,218,640.00	1,479,818.00
Staff welfare expenses	185,431.00	57,331.00
	<u>2,524,554.00</u>	<u>1,702,149.00</u>
23. Finance costs		
	For the period ended 31st Dec 2012 <u>(Rupees)</u>	For the year ended 31st March 2012 <u>(Rupees)</u>
Bank Charges	6,431.50	12,215.37
Interest on car loan	101,605.50	49,721.10
Interest on loan	1,634,908.18	370,270.62
Interest on tax deposit	750.00	4,289.00
	<u>1,743,695.18</u>	<u>436,496.09</u>
24. Depreciation & amortise expenses		
	For the year ended 31st March 2013 <u>(Rupees)</u>	For the year ended 31st March 2012 <u>(Rupees)</u>
Depreciation charged	482,385.00	344,234.40
Deferred revenue expenditure w/off	210,499.00	9,422.60
	<u>692,884.00</u>	<u>353,657.00</u>
25. Other administrative expenses		
	For the year ended 31st March 2013 <u>(Rupees)</u>	For the year ended 31st March 2012 <u>(Rupees)</u>
Auditors remuneration	11,236.00	25,000.00
Business Promotion	604,524.16	-
Car Insurance	32,445.00	15,621.00
Commission paid	215,000.00	-
Computer Repair & Maintenance	46,442.00	70,325.00
Conveyance expenses	161,852.00	61,415.00
Donation	-	12,000.00
Dmat A/c charges	110.65	-
Electricity & Water Expenses	59,801.00	64,970.00
Filing fee	157,832.00	6,000.00
Loss on future & option contracts	-	5,507,121.62
News Paper, Books & Periodicals	14,935.00	13,260.00
Postage, Stamps & Couriers	47,310.00	-
Printing and Stationery	163,890.00	48,117.00
Professional charges	1,199,600.00	25,000.00
Rent expenses	1,220,000.00	1,200,000.00
Repairs & Maintenance	22,760.00	-
Sponsorship Expenses	941,697.00	-
Telephone & Mobile expenses	36,206.00	28,012.00
Tours & Travelling	60,920.00	-
Vehicle Running & Maintenance	197,341.00	-
Webside expenses	10,000.00	-
	<u>5,203,901.81</u>	<u>7,076,841.62</u>

IN TERMS OF OUR REPORT ATTACHED
FOR V.N. PUROHIT & CO.
Firm Regn. No. 304040E
Chartered Accountants

For and on behalf of the Board of Directors of
INDIA FINSEC LIMITED

Sd/-
Gaurav Joshi
Partner
Membership No. 516027

Sd/-
Gopal Bansal
Managing Director

Sd/-
Mukesh Sharma
Director

Sd/-
Rachna Bhasin
Secretary

New Delhi, the 5th day of September 2013

INDIA FINSEC LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD
FROM 1ST APRIL 2012 TO 31ST MARCH 2013

26. There is no Micro, Small and Medium Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 to which Company owes dues which are outstanding for a period more than 45 days as on Balance Sheet Date.

The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information availed with the Company and has been duly relied by the auditors of the Company.

27. Provisions of Accounting Standard (AS) - 17 issued by the ICAI on 'Segment Reporting' are not been applicable to the Company.
28. In view of present uncertainty regarding generation of sufficient future income, net deferred tax asset or liability has not been recognized in these accounts on prudent basis.
29. In the opinion of the management, the current assets, loans and advances have a reliable value in the ordinary course of business is not less than the amount at which they are stated in the Balance Sheet.

30. **Related party disclosures/ transactions**

There is no transaction entered with the related party covered by the Accounting Standard (AS) - 18 on 'Related Party Disclosure' during the period covered by these financial statements.

31. Balance shown under head Sundry Debtors, Creditors and Advances are subject to confirmation.

32. Particulars	Current Period (Rs.)	Previous Year (Rs.)
Earnings/ Remittances and/ or Expenditure in Foreign Currency	Nil	Nil

33. Quantitative Information in respect of Opening Stock, Purchases, Sales and Closing Stock pursuant to Schedule VI of the Companies Act, 1956 are as per list attached.

34. Particulars	Current Period (Rs.)	Previous Year (Rs.)
Contingent Liability not provided for	Nil	Nil

35. Previous Year's Figures have been re- arranged or re- grouped wherever considered necessary.

36. Figures have been rounded off to the nearest rupees.

37. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. 304040E

Sd/-
Gaurav Joshi
Partner
Membership No. 516027

New Delhi, the 5th day of September 2013

For and on behalf of Board of Directors of
INDIA FINSEC LIMITED

Sd/-	Sd/-
Gopal Bansal	Mukesh Sharma
Managing Director	Director

Sd/-
Rachna Bhasin
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INDIA FINSEC LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1ST APRIL 2012 TO 31ST MARCH 2013

Note - 10 (Fixed Assets)

(Amount in Rupees)

Tangible assets	Rate	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	WDV	Balance as at 1 April, 2012	Additions / Deletion	Balance as at 31 March, 2013	Balance as at 1 April, 2012	Depreciation during the year	Balance as at 31 March, 2013	W.D.V. as on 31.03.13	W.D.V. as on 31.03.2012
Tangible Assets									
(a) Aircondition	13.91%	25,300.00	-	25,300.00	6,067.00	2,675.00	8,742.00	16,558.00	19,233.00
(b) Computers	40.00%	511,904.00	-	511,904.00	254,765.00	102,856.00	357,621.00	154,283.00	257,139.00
(c) Furniture & Fixtures	18.10%	45,000.00	-	45,000.00	20,129.00	4,502.00	24,631.00	20,369.00	24,871.00
(d) I.P. Camera	13.91%	22,000.00	-	22,000.00	42.00	3,054.00	3,096.00	18,904.00	21,958.00
(e) LCD TV	13.91%	22,800.00	-	22,800.00	5,019.00	2,473.00	7,492.00	15,308.00	17,781.00
(f) Mobile Phone	13.91%	30,300.00	123,890.00	154,190.00	15,769.00	10,101.00	25,870.00	128,320.00	14,531.00
(g) Motor Car-Civic	25.89%	1,554,495.00	-	1,554,495.00	177,523.00	356,498.00	534,021.00	1,020,474.00	1,376,972.00
(h) Oil Heater 9 pin	13.91%	-	6,500.00	6,500.00	-	226.00	226.00	6,274.00	-
Total		2,211,799.00	130,390.00	2,342,189.00	479,314.00	482,385.00	961,699.00	1,380,490.00	1,732,485.00
Previous year		576,804.00	1,634,995.00	2,211,799.00	135,080.00	344,234.40	479,314.40	1,732,485.00	441,724.00

IN TERMS OF OUR REPORT ATTACHED

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