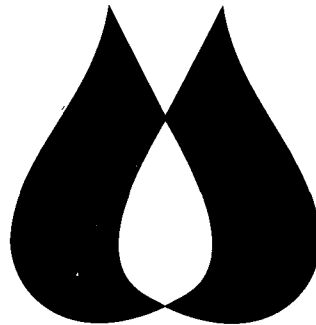


22ND
A N N U A L
R E P O R T

2012-2013



Siel Financial Services Limited

**BOARD OF
DIRECTORS**

MR. A.K. MEHRA
MR. BHARAT BHUSHAN MEHTA
MR. SANTOSH KUMAR

BANKERS

PUNJAB NATIONAL BANK
ALLAHABAD BANK
STATE BANK OF INDIA

AUDITORS

V. SAHAI TRIPATHI & CO.
CHARTERED ACCOUNTANTS
C-593, LGF,
DEFENCE COLONY
NEW DELHI – 110024

REGISTERED OFFICE

SONI MANSION
12-B, RATLAM KOTHI
INDORE – 452001 (M.P.)

Siel Financial Services Limited

Regd. Office : Soni Mansion, 12-B, Ratlam Kothi, Indore - 452001 (M.P.)



NOTICE

Notice is hereby given that the 22nd Annual General Meeting of the Members of Siel Financial Services Limited will be held as scheduled below:

Day : Thursday
Date : 26.09.2013
Time : 10.30 A.M.
Place : Soni Mansion,
12-B, Ratlam Kothi,
Indore - 452001 (M.P.)

to transact the following business :

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at 31st March, 2013 and the Profit and Loss Account of the Company for the year ended on that date together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Santosh Kumar, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration.
M/s V. Sahai Tripathi & Co., Chartered Accountants are the retiring Auditors.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:
Resolved that Mr. Bharat Bhushan Mehta who was co-opted as an Additional Director on the Board of the Company under Section 260 of the Companies Act, 1956 and Article 81 of the Articles of Association of the Company and who holds such office upto the date of this Annual General Meeting and in respect of whom the Company has received notice in writing from a member, pursuant to Section 257 of the Companies Act, 1956 proposing his candidature to the office of Director, be and is hereby appointed as a Director of the Company.

By Order of the Board
For Siel Financial Services Limited

(SANTOSH KUMAR)
DIRECTOR

Place: New Delhi

Date: 13.08.2013

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE MEETING.**
ADMISSION SLIP AND PROXY FORM ARE ENCLOSED.
2. The information as required to be provided under the Listing Agreement entered into with Stock Exchanges, regarding the Directors who are proposed to be appointed/reappointed are annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 25.9.2013 to 26.9.2013 (both days inclusive).
4. In compliance of SEBI requirements, Mas Services Limited has been appointed the Share Transfer Agent of the Company, who handle share transfer work in Physical as well as in Electronic Form and other related activities at the following address:
Mas Services Limited
T-34, 2nd Floor, Okhla Industrial Area, Phase-II
New Delhi - 110020
Phone No. : 011-26387281-83
Fax No. : 011-26387384
Website : www.masserv.com
E-mail : info@masserv.com
5. Members are requested to notify immediately any change in their address to Mas Services Ltd. quoting their folio numbers.
6. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
7. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days in advance so as to enable the Company to keep the information ready.
8. In terms of Section 109 (A) of the Companies Act, 1956 the Shareholder of the Company may nominate a person to whom the shares held by him/her shall vest in the event of death.
In case any member wishes to avail the nomination facility in respect of shares held by him/her, please write to the Company to obtain the nomination form.
9. The equity shares of the Company have been notified for compulsory trading in demat form by all Investors and are available for trading on Central Depository Services (India) Ltd. (CDSL). The Company's application for admission of its equity shares on National Securities Depository Limited (NSDL) is still pending.
Shareholders are requested to avail this facility and get their shareholding converted into dematerialised form by sending the Dematerialisation Request Form (DRF) along with the share certificates through their Depository Participant (DP) affiliated with Central Depository Services (India) Limited (CDSL) at the address given under Sl.No.4 above.
10. **The Ministry of Corporate Affairs, vide its Circular No.18/2011 dated 29th April, 2011, clarify that as a measure of "Green initiative in Corporate Governance" it will be in compliance, if the Annual Report (i.e. documents listed in section 219(1) of the Companies Act, 1956) is sent through e-mail. To support this green initiative, members holding shares in demat form are requested to provide their e-mail ID to the depository through their concerned depository participant and members holding shares in physical form are requested to provide e-mail ID to the Company's RTA, "M/s Mas Services Limited" by filling the form available with the RTA and also update the e-mail address as and when there is any change.**

Siel Financial Services Limited

NOTICE (Contd.)

INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT

As required under the Listing Agreement, the particulars of Director who is proposed to be appointed/reappointed are given below:

1. **Name** : Mr. Santosh Kumar
Age : 65 years
Qualifications : B.Com (Hons.)
No. of shares held in the Company : 50 Equity shares
Expertise : Mr. Santosh Kumar has vast experience in the field of Accounts & Finance.
Outside Directorships : Nil
Chairmanship/Membership of Board Committees:
Siel Financial Services Limited - Audit Sub-Committee -Chairman
Shareholders Grievance/Share Transfer Committee -Chairman
2. **Name** : Mr. Bharat Bhushan Mehta
Age : 48 Years
Qualifications : B.Com, ACA
No. of shares held in the Company : Nil
Expertise : Having work experience of more than 24 years in the field of Finance and Accounts.
Outside Directorships : Nil
Chairmanship/Membership of the Board Committees:
Siel Financial Services Ltd. - Audit Sub-Committee - Member
Shareholders Grievance/Share Transfer Committee - Member

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

ITEM NO. 4

Mr. Bharat Bhushan Mehta was co-opted as an Additional Director on the Board of the Company w.e.f. 31.7.2013. He holds office upto the date of this Annual General Meeting. Notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose the candidature of Mr. Bharat Bhushan Mehta for the office of Director of the Company.

Mr. Bharat Bhushan Mehta is an Associate Chartered Accountant (ACA) and has worked with various reputed Companies. He has more than 24 years experience in the fields of Finance and Accounts.

The Board of Directors considers that the continuance of Mr. Bharat Bhushan Mehta on the Board will be beneficial to the Company and recommends the resolution for your approval.

None of the Directors, except Mr. Bharat Bhushan Mehta, is concerned or interested in the said resolution.

By Order of the Board
For Siel Financial Services Limited

(SANTOSH KUMAR)
DIRECTOR

Place : New Delhi

Date : 13.08.2013



DIRECTORS' REPORT

To the Members,

Your Directors present the 22nd Annual Report along with Audited Accounts of the Company for the year ended March 31, 2013.

FINANCIAL RESULTS

The Company incurred a net loss of Rs. 176 Lacs during the year under review.

DIVIDEND

In the absence of profits during the year, your Directors express their inability to recommend any dividend.

DIRECTORS

Mr. Santosh Kumar, Director retire by rotation and being eligible, offer himself for reappointment.

Mr. Sunil Kakria, Director of the Company has resigned from the directorship of the Company w.e.f. 31.7.2013.

Mr. Bharat Bhushan Mehta was co-opted as an Additional Director on the Board of the Company w.e.f. 31.7.2013.

AUDITORS

M/s. V. Sahai Tripathi & Co., Chartered Accountants, Auditors of the Company hold office until the conclusion of the forthcoming Annual General Meeting of the Company and are recommended for reappointment. The Company has received certificate from them to the effect that their appointment, if made, would be within the limits as prescribed under Section 224(1B) of the Companies Act, 1956.

AUDITORS' REPORT

The observations of Auditors in their report read with the relevant notes to accounts are self-explanatory and therefore do not require further explanation.

CORPORATE GOVERNANCE

A separate report on Corporate Governance is attached as a part of the Annual Report and annexed hereto as Annexure I along with the Auditors' Certificate on its compliance.

The Management Discussion and Analysis Report forms part of this report and is annexed hereto as Annexure II.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The information required under Section 217(1)(e) of the Companies Act, 1956 on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo are not applicable and hence not furnished for the year under review.

PARTICULARS OF EMPLOYEES

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

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, your directors' state:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) that the accounting policies selected and applied are consistent and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that year;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the annual accounts have been prepared on a going concern basis.

SHARE REGISTRY ACTIVITIES

In terms of SEBI Circular No. D&CC/FITC/CIR-15/2002 dated 27th December 2002, your Company has transferred the work related to share registry to M/s Mas Services Limited, a Registrar and Share Transfer Agent registered with SEBI.

LISTING OF EQUITY SHARES OF THE COMPANY

The Equity Shares of the Company are listed on BSE Limited and Madhya Pradesh Stock Exchange Limited.

The delisting of the Equity Shares of the Company is pending with Calcutta Stock Exchange Ltd.

The Annual Listing Fee upto the years 2013-2014 has been paid to BSE Limited and Madhya Pradesh Stock Exchange Ltd. The Annual Listing Fee upto the year 1998-1999 has been paid to Calcutta Stock Exchange Limited.

DEPOSITORY SYSTEM

The equity shares of the Company have been notified for compulsorily trading in dematerialized form by all investors. The shares of the Company are available for trading on Central Depository Services (India) Ltd. (CDSL). The Company's application for admission of its equity shares on National Securities Depository Limited (NSDL) is still pending.

As on 31st March 2013, a total of 33,930 equity shares of the Company, which forms 0.30% of the Equity Share Capital, stand dematerialized.

FIXED DEPOSITS

There are no fixed deposits outstanding as on 31st March, 2013.

ACKNOWLEDGMENTS

The Directors wish to thank the Company's Bankers, the Shareholders and Business Associates for their continued and unstinted support.

For and on behalf of the Board of Directors

Place : New Delhi

Dated : 13.08.2013

(SANTOSH KUMAR)

DIRECTOR

(A.K. MEHRA)

DIRECTOR

Siel Financial Services Limited

ANNEXURE - I TO DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED MARCH 31, 2013

1. Company's Philosophy on Code of Corporate Governance

Good Corporate Governance act as a catalyst for consistent growth of an organization. It is the adoption of best business practices which ensure that the Company operates not only within the regulatory framework, but is also guided by ethics. The adoption of such corporate practices ensures accountability of the persons in charge of the Company on one hand and brings benefits to investors, customers, creditors, employees and the society at large on the other. The Company firmly believes in practicing good Corporate Governance in true spirit and endeavour to improve on these aspects on ongoing basis.

2. Board of Directors

(I) Composition

The Board meets the expected composition level with all the Directors being Non-Executive Directors. The Board comprises of one Non-Independent and two Independent Directors as on March 31, 2013.

The Independent Directors do not have any material pecuniary professional and/or business relationship or transactions with the Company, its promoters or management and its holding Company.

During the year, 5 Board Meetings were held on 30.5.2012, 22.6.2012, 7.8.2012, 9.11.2012 & 8.2.2013. The Company placed before the Board all statutory and other important items recommended by the SEBI committee on Corporate Governance.

The composition of Board of Directors and their attendance at the Board Meetings held during the year ended March 31, 2013 and at the last Annual General Meeting and also the number of other directorship and membership/ chairmanship of Board committees are as follows:

Director	Category	No. of Board Meetings Attended (Total meetings held 5)	Attended last AGM	No. of outside Directorship held(excluding Private & Foreign Companies)	Committee Membership*	
					Member excluding the Chairman -ship)	Chairman
• Mr. Kakria Sunil**	Non-Independent Non-Executive	5	No	3	5	Nil
• Mr. Kumar Santosh	Independent Non-Executive	5	Yes	Nil	Nil	2
• Mr. Mehra A.K.	Independent Non-Executive	4	No	4	4	Nil

* Consists of Audit Committee and Shareholders Grievance/Share Transfer Committee.

** Ceased to be the Director w.e.f. 31.07.2013.

*** Mr. Bharat Bhushan Mehta appointed as Director w.e.f. 31.7.2013.

3. Audit Committee

(I) Terms of Reference

The Company has an Audit Committee, which is dealing with the matters prescribed by the Board of Directors. The Committee deals with accounting matters, financial reporting and internal controls. The power, role, delegations, responsibilities and terms of reference of the Audit Committee are as prescribed under Section 292A of the Companies Act, 1956 and also as provided in Clause 49 of the Listing Agreement.

(II) Composition

The composition of Audit Sub-Committee is as under:

- Independent Non-Executive Directors	2
- Non Independent Non-Executive Director	1
	<u>3</u>

All the Committee members have sound knowledge of finance and accounting.

The Chairman of the Committee had attended the last Annual General Meeting.

The statutory Auditors attend the meetings of the Committee on the invitation of the Company.

During the year ended 31.3.2013, the Audit Committee met 4 times on 30.5.2012, 7.8.2012, 9.11.2012 & 8.2.2013. The composition of the



ANNEXURE - I TO DIRECTORS' REPORT (Contd..)

Committee and their attendance at the Committee meetings held during the year are as under:

Member Director	Executive/ Non-Executive	Independent/ Independent	No. of Meetings Attended (Total meetings held 4)
• Mr. Kakria Sunil*	Non-Executive	Non-Independent	4
• Mr. Kumar Santosh (Chairman)	Non-Executive	Independent	3
• Mr. Mehra A.K.	Non-Executive	Independent	4

*Ceased to be a member of the Committee w.e.f. 31.7.2013.

**Mr Bharat Bhushan Mehta appointed as member w.e.f. 31.7.2013.

4. Remuneration Committee

The Company does not have any Remuneration Committee.

The Company does not have any Executive Directors.

The Non-Executive Directors do not draw any remuneration from the Company.

5. Shareholders Grievance/Share Transfers Committee

(I) Terms of Reference

The Company has a Board Committee namely 'Shareholders Grievance/Share Transfers Committee', which looks into various issues relating to shareholders including the redressal of shareholders complaints, share transfers/transmission/issue of duplicate shares etc.

The meeting of this Committee is held frequently to ensure completion of share transfer work within the stipulated period.

Mr. A.K. Mehra, Director has been appointed as Compliance Officer under the relevant SEBI directions in place of Mr. Sunil Kakria w.e.f. 31.7.2013.

(II) Composition

The Chairman of this Committee is a Non-Executive Director.

During the year the Committee met 14 times on 4.5.2012, 18.5.2012, 20.6.2012, 18.7.2012, 17.8.2012, 4.9.2012, 21.9.2012, 29.10.2012, 27.12.2012, 24.1.2013, 1.2.2013, 27.2.2013, 7.3.2013 & 11.3.2013.

The Composition of the Committee and their attendance at the Committee meetings held during the year ended March 31, 2013 are as under:

Member Director	Executive/ Non-Executive	Independent/ Non Independent	No. of Meetings Attended (Total meetings held 14)
• Mr. Kakria Sunil*	Non-Executive	Non-Independent	14
• Mr. Kumar Santosh (Chairman)	Non-Executive	Independent	14
• Mr. Mehra A.K.	Non-Executive	Independent	14

*Ceased to be a member of the Committee w.e.f. 31.7.2013.

**Mr Bharat Bhushan Mehta appointed as member w.e.f. 31.7.2013.

The minutes of meetings of the above Committee are placed at the Board meeting held after the committee meetings.

During the year, 4 complaints were received from the shareholders. All complaints were replied/resolved to the satisfaction of the shareholders. No complaints are pending as at the end of the financial year.

6. General Body Meetings

The last three Annual General Meetings were held as under:

Financial Year	Location	Date	Time	Special Resolution Passed
2011-2012	Soni Mansion 12-B, Ratlam Kothi, Indore – 452 001 (M.P.)	28.9.2012	10.30 A.M.	No Special Resolution
2010-2011	Soni Mansion, 12-B, Ratlam Kothi, Indore – 452 001 (M.P.)	30.9.2011	10.30 A.M.	No Special Resolution
2009-2010	Soni Mansion, 12-B, Ratlam Kothi, Indore – 452 001 (M.P.)	30.9.2010	10.30 A.M.	No Special Resolution

No special resolution was put through the postal ballot in the previous year.

There is no item in the Notice for the forthcoming Annual General Meeting proposed to be passed through Postal Ballot.

Siel Financial Services Limited

ANNEXURE - I TO DIRECTORS' REPORT (Contd.)

7. Disclosures

(i) Related Party Transactions

In terms of the Accounting Standard (AS) 18, "Related Party Disclosures" notified in the Companies (Accounting Standards) Rules, 2006, the Company has identified the related parties covered therein and details of transactions with such related parties have been disclosed in the Note No.21 of Notes to Accounts of the Balance Sheet for the year ended March 31, 2013.

During the year, there were no transactions of material nature of the Company with the promoters, directors, management or their relatives, holding Company and other related parties covered under AS 18 that had potential conflict with the interest of the Company.

(ii) There were no instances of penalties, strictures imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to the capital markets, during the last three years.

(iii) Disclosure of Accounting Treatment

The financial statements have been prepared in accordance with applicable Accounting Standards and relevant presentational requirements of the Companies Act, 1956 and are based on the historical cost convention.

(iv) Insider Trading

The Company has adopted the Code of Internal Procedures and Conduct framed under the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended to, inter alia, prevent insider trading in the shares of the Company.

(v) Code of Conduct

The Company has adopted a Code of Conduct (Code) for the members of Board of Directors and Senior Management Personnel of the Company. The essence of the Code is to conduct the business of the Company in an honest and ethical manner, in compliance with applicable laws and in a way that excludes consideration of personal advantage.

(vi) Subsidiary Companies

The Company does not have any subsidiary company as at 31st March, 2013.

(vii) Risk Management

Since the Company at present has not been carrying any business activity, the requirement of laying down a Risk Management Policy to inform Board Members about the risk assessment and minimization procedures is not applicable.

(viii) Shareholding of the Non-Executive Directors

The shareholding of the Non-Executive Directors of the Company as on 31.3.2013 is as under:

Sl. No.	Name of the Director	No. of Equity Shares
1.	Mr. A.K. Mehra	Nil
2.	Mr. Santosh Kumar	50
3.	Mr. Sunil Kakria*	Nil

*Ceased to be the Director w.e.f. 31.07.2013.

8. Means of Communication

- (I) Half-yearly reports of the Company are not sent to the individual shareholders of the Company.
- (II) Quarterly and annual results are published in prominent daily newspapers viz. Free Press Journal and BPN Times. The results are sent to the stock exchanges on which the Company is listed in the prescribed format so as to enable the respective stock exchanges to put the same on their own Web-site. The Notice of AGM along with the Annual Report is sent to the shareholders well in advance of the AGM. The stock exchanges are notified of any important developments that may materially effect the working of the Company. Disclosures with regard to shareholding pattern, change in major shareholdings etc. are also periodically sent to the stock exchanges as required under SEBI Takeover Regulations and SEBI Prohibition of (Insider Trading) Regulations.
- (III) The Company, at present, does not have any Website.
- (IV) During the year no presentations were made to any institutional investors or analysts.
- (V) A Management Discussion and Analysis report, which forms a part of the Annual Report, is given by means of a separate Annexure and is attached to the Directors' Report.



ANNEXURE - I TO DIRECTORS' REPORT (Contd.)

9. General Shareholders' Information

(I) Annual General Meeting is proposed to be held on 26.9.2013 at 10.30 A.M. at Soni Mansion, 12- B, Rattam Kothi, Indore -452001 (M.P.).

(II) Financial Calendar for the year 2013-2014

Accounting year	April 1, 2013 to March 31, 2014
First Quarter results	Upto 14 th August, 2013
Second Quarter results	Upto 14 th November, 2013
Third Quarter results	Upto 14 th February, 2014
Fourth Quarter results/	Upto 15 th May, 2013 (Unaudited) or
Annual Results	30 th May, 2014 (Audited)

(III) **Date of Book Closure:** 25.9.2013 to 26.9.2013 (Both days inclusive)

(IV) Listing on Stock Exchanges:

1. BSE Ltd.
2. The Calcutta Stock Exchange Ltd.
3. The Madhya Pradesh Stock Exchange Ltd.

Stock Code at - BSE Ltd.: 532217

No stock code has been allotted to the Company by the Stock Exchanges indicated in serial numbers 2 & 3 above.

Listing fee for the year 2013-2014 has been paid to BSE Ltd. and The Madhya Pradesh Stock Exchange Ltd.

(V) Stock Market Data for the year ended March 31, 2013

Monthly High & Low quotation and volume of Company's Share on BSE and BSE Sensex are as under:

Month & Year	High (Rs.)	Low (Rs.)	Volume (Nos.)	BSE Sensex	
				High	Low
April 2012	-	-	-	17664.10	17010.16
May 2012	-	-	-	17432.33	15809.71
June 2012	-	-	-	17448.48	15748.98
July 2012	-	-	-	17631.19	16598.48
August 2012	-	-	-	17972.54	17026.97
September 2012	5.49	5.49	100	18869.94	17250.80
October 2012	-	-	-	19137.29	18393.42
November 2012	5.76	5.76	100	19372.70	18255.69
December 2012	-	-	-	19612.18	19149.03
January 2013	6.04	6.04	800	20203.66	19508.93
February 2013	-	-	-	19966.69	18793.97
March 2013	6.65	6.34	500	19754.66	18568.43
TOTAL			1500		

Siel Financial Services Limited

ANNEXURE - I TO DIRECTORS' REPORT (Contd.)

(VI) Registrar and Share Transfer Agent

Mas Services Ltd. has been appointed as the Registrar and Share Transfer Agent of the Company, to handle share transfer work in Physical as well as in Electronic Form and other related activities at the following address:

Mas Services Limited
 T-34, 2nd Floor, Okhla Industrial Area, Phase-II
 New Delhi - 110020
 Phone No. : 011-26387281-83
 Fax No. : 011-26387384
 Website : www.masserv.com
 E-mail : info@masserv.com

(VII) Share Transfer System

All the valid share transfers are registered and duly transferred share certificates are dispatched within a period of 15 days from the date of receipt.

(VIII) Investors' Service

The Company has a system of attending and redressing all investors' grievances/ correspondence within a period of 7-10 days from the date of receipt of the same.

No complaints/grievances are pending as on date.

(IX) Distribution of shareholding as on March 31, 2013

No. of Equity Shares held	Folios		Shares	
	Numbers	%	Numbers	%
Up to 500	20017	99.83	627520	5.54
501-1000	17	0.08	13800	0.12
1001-2000	4	0.02	4800	0.04
2001-3000	5	0.03	12725	0.11
3001-4000	0	0	0	0
4001-5000	2	0.01	9125	0.08
5001-10000	2	0.01	13100	0.12
10001 and above	4	0.02	10662682	93.99
TOTAL	20051	100.00	11343752	100.00

(X) Categories of shareholders as on March 31, 2013

SL.NO.	Category	No. of Shares held	% of shareholding
1	Promoters' Holding	10613382	93.56
2	Non-Promoter shareholding		
	(a) Mutual Funds/ UTI/ Financial Institutions/ Banks/ Insurance Companies/ FIs etc.	50	0.00
	(b) Bodies Corporate	61300	0.54
	(c) Individuals	617120	5.44
	(d) NRIs/OCBs/GDRs	51900	0.46
	TOTAL	11343752	100.00



ANNEXURE - I TO DIRECTORS' REPORT (Contd.)

(XI) **Dematerialisation of shares and liquidity**

The shares of the Company are compulsorily traded in dematerialized form and are available for trading on Central Depository Services (India) Ltd. (CDSL). The Company's application for admission of its shares on National Securities Depository Limited (NSDL) is still pending.

As on 31st March, 2013, a total of 33,930 equity shares of the Company, which form 0.30% of the Equity Share Capital, stand dematerialised.

Under the depository system, the ISIN allotted to the Company's equity shares by CDSL is INE027F01014.

(XII) **Outstanding GDRs and convertible Preference Shares**

The Company has not issued any GDRs or Convertible Preference Shares.

(XIII) **Plant Locations**

The Company is a financial Company.

The address of Delhi Office is as under:

5th Floor, Kirti Mahal
19, Rajendra Place
New Delhi - 110125
Phone: 011-25739103
Fax : 011-25743659

(XIV) **Investors' correspondence may be addressed to:**

Mr. A.K.Mehra
Compliance Officer
C/o Mawana Sugars Limited
Corporate Office : Plot No.15, Institutional Area,
Sector-32, Gurgaon – 122 001 (Haryana)
Phone: 91-124-4298000
Fax : 91-124-4298300
e-mail: akmehra@mawanasugars.com

10. **Non-mandatory requirements**

The Company has not adopted any of the non-mandatory requirements specified in Annexure – I D of clause 49 of the Listing Agreement.

For and on behalf of the Board of Directors

Place : New Delhi
Dated : 13.08.2013

(SANTOSH KUMAR)
Director

(A.K. MEHRA)
Director

DECLARATION

I, A.K. Mehra, the designated Chief Executive Officer (CEO) hereby declare that the Code of Conduct adopted by SIEL Financial Services Limited for its Board Members has been duly complied by all Board Members.

(A.K. Mehra)
Chief Executive Officer

Siel Financial Services Limited

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

To the members of

Siel Financial Services Limited

We have examined the compliance of the conditions of Corporate Governance by Siel Financial Services Limited for the year ended on 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the clause 49 of the Listing Agreement, except that:

- (i) Code of Conduct and Quarterly Result are not posted on the website of the Company. Presently the Company does not maintain any website. It is suggested to have & regularize the website of the Company.
- (ii) A Company Secretary has not been appointed by the Company and hence requirement of acting as Secretary of the Audit Committee has not been complied with.

We state that in respect of investor grievances during the year ended 31st March, 2013, grievances were received & resolved by the Company. There were no grievances which were pending with the Company as at 31st March, 2013 as per records maintained by the Company.

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

For V. Sahai Tripathi & Co.
Chartered Accountants
Firm Registration Number: 000262N

(Manish Mohan)
Partner
Membership No. 091607

Place : New Delhi

Dated : 13.08.2013

ANNEXURE – II TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Siel Financial Services Limited is a Non-Banking Financial Company mainly engaged in the business of leasing, advancing loan/ICDs, making investments, bill discounting and other financial activities. During the course of its business operations, the company entered into financial transactions with various parties. However, due to continuous deterioration of general economic and business conditions, these parties defaulted and have not been able to fulfill their commitment. This has resulted into losses and the Company's substantial funds and assets are blocked in these Non-performing Assets.

Further, the Company's financial assets are substantially blocked in leasing transactions with various parties who have defaulted in the payment of lease rentals. As a result, the Company had to severely curtail its operations due to paucity of funds and adverse market conditions.

However, the Company is negotiating vigorously with these parties for realizing its money and is quite hopeful of generating funds for the revival of the business of the Company.

The internal control systems and procedures are adequate, commensurate to the size of the Company.

The financial performance of the Company is covered in the Directors' Report. The Company being engaged only in financing operations viz, inter corporate deposits and investments, segment wise reporting of revenue, results and capital employed is not required to be given.

As there is no employee on the rolls of the Company, there is nothing to report on the development of human resources.



AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of SIEL Financial Services Limited ("**the Company**"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Basis for Qualified Opinion

The 5% Cumulative Redeemable Preference Shares of Rs 7,30,00,000 were due for redemption on 12th January, 2007. As per Section 80 of the Companies Act, 1956, such preference shares shall be redeemed either out of profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption. The Company has not created Capital Redemption Reserve due to insufficient profits, required for the redemption of 5% Cumulative Redeemable Preference Shares of Rs 7,30,00,000 on 12th January, 2007 nor it redeemed the same by issuing fresh capital. Preference Shares cannot be issued for the tenure of more than 10 years and aforesaid Preferences Shares are already outstanding for redemption beyond ten years which is not in line with Section 80 of the Companies Act, 1956. The same has been explained in Note-1(vii) to the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.:-

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

Emphasis of Matter

We draw your attention to **Note No- 17** to the financial statements indicating that the accounts of the company have been prepared on the basis that the company is a going concern although the ability of the company to continue its operation in the foreseeable future is dependent on the improvement of the related market conditions and financial position of the company. Our opinion is not qualified in respect of this matter.

We draw your attention to **Note No-16** to the financial statements on Contingent Liability for non-payment of Cumulative Preference Dividend of Rs 5,55,20,000. Our opinion is not qualified in respect of this matter.

Siel Financial Services Limited

AUDITORS' REPORT

We draw attention to **Note 1(vii)** to the financial statement which describes the uncertainty, related to the outcome of the non compliance of Section 80 of the Companies Act, 1956 where the company, and every office of the company is in default. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. except for the matter described in the Basis for Qualified Opinion paragraph, 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;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For V. Sahai Tripathi & Co.
Chartered Accountants
Firm's Registration Number : 000262N

(Manish Mohan)
Partner
Membership No. 91607

Place : New Delhi
Dated : 28th May, 2013



ANNEXURE TO THE AUDITORS' REPORT

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

Annexure referred to in paragraph (3) of Auditor's Report to the members of Srei Financial Services Limited on the financial statements for the year ended March 31, 2013

1. In respect of Fixed Assets :-
 - (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) We are informed that a major portion of fixed assets, other than assets given on lease has been verified by the management in accordance with phased program of verification adopted by the company. In our opinion, the frequency of verification is reasonable having regard to the size of the company and nature of its fixed assets.
 - (c) During the year the Company has not disposed off or retired or written off any substantial assets.
 2. In respect of Inventories:
 - a) During the financial year ending 31-March-2013, there were no Inventories maintained by the Company, except inventories comprising of shares.
 - b) During the year, the inventories comprising of shares have been physically verified by the management. In our opinion, the frequency of verification is reasonable.
 - c) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.
 - d) On the basis of our examination of the records of inventories, the company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
 3. In respect of 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) According to the information and explanations given to us, the company has taken unsecured loans/inter Corporate Deposit from one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year-end balances of such advance aggregates to Rs. 365.88 lacs which is same in both the cases.
 - (b) No interest is payable to Holding Company on the amount of Loan. This Loan is Interest Free. The other terms and conditions of loan taken by the company are prima-facie not prejudicial to the interest of the company.
 - (c) Company is not required to pay interest on the unsecured loan as it is interest free.
 - (d) To the best of our knowledge and according to the information and explanations given to us, the Company has not granted any unsecured loan(s) to any party, firms or Companies covered in the register maintained under Section 301 of the Companies Act, 1956.
 - (e) Accordingly, the rest of the sub-clauses are not applicable to the Company during the reporting period ending 31-March-2013.
 4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and nature of its business with regard to purchases and sales of stocks of shares and purchase of fixed assets. There is no sale of services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control system.
 5. In respect of transactions covered under Section 301 of the Companies Act, 1956 :-
 - a. In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
 - b. However, no transaction covered under Section 301 of the Companies Act, 1956, have been entered during the year ending 31-March-2013. Accordingly the rest of the clause is not applicable.
 6. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 to the extent applicable with regard to the deposits accepted from the public. As per the information and explanations given to us, no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India, any other court or any other tribunal with regard to fixed deposits.
 7. The company does not have an average annual turnover exceeding five crore rupees for a period of three consecutive financial years immediately preceding the financial year concerned, however the paid up capital & reserves of the Company are more than Rs 50 Lacs. Considering the volume of work, the internal control, system is commensurate with its size and nature of its business.
-

Siel Financial Services Limited

ANNEXURE TO THE AUDITORS' REPORT (Contd.)

8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
9. In respect of statutory dues:
 - a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including Income Tax and other material statutory dues as applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues where outstanding as at 31st March, 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 and the records of the company produced before us, there were no dues in respect of Sales Tax, Income-tax, Custom Duty, Wealth Tax, Excise Duty, and Cess as at March 31, 2013, which have not been deposited on account of a dispute and pending before appropriate authorities
10. According to the records of the company, the Company's accumulated losses are in excess of fifty percent of the net worth of the company. The company has incurred cash losses (after excluding the balances written off of Rs 642,864) during the financial year ended March 31, 2013 as well as during the financial year ending 31st March, 2012.
11. The Company has no borrowings from financial institutions, banks, or debenture holders. Accordingly the clause is not applicable to the Company.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares and other securities. Accordingly, clause 4(xii) of the order is not applicable.
13. The company is not a chit fund or a nidhi / mutual benefit fund/ society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the company.
14. According to the information and explanations given to us, during the year, the company has not entered into any transactions of dealing or trading in shares, securities, debentures and other investments. Shares and securities already held as stock in trade, have been held by the company in its name.
The shares and securities, debentures and other long-term investments which have been held by Company as Long-Term Investments, have been held by the company in its own name.
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 banks or financial institutions during the year. Accordingly, clause 4(xv) of the order is not applicable.
16. In our opinion and based on the information and explanation given to us, no term loans were borrowed during the year and consequently, the provisions of clause 4 (xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
17. According to the information and explanation given to us, the Company has not raised any funds on short-term basis. All assets have been funded by shareholder's funds.
18. During the year, the company has not made any preferential allotment of share to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clause 4(xviii) of the order is not applicable.
19. The company has not issued any debentures. Accordingly, clause 4(xix) of the order is not applicable.
20. The company has not raised any money by way of public issue during the year. Accordingly, clause 4(xx) of the order is not applicable.
21. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor we have been informed of such case by the management.

For V. Sahai Tripathi & Co.

Chartered Accountants

Firm's Registration Number : 000262N

(Manish Mohan)

Partner

Membership No. 91607

Place : New Delhi
Dated : 28th May, 2013



BALANCE SHEET AS AT MARCH 31, 2013

	Notes	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	186,229,895	186,229,895
Reserves and surplus	2	(222,711,512)	(205,090,714)
		<u>(36,481,617)</u>	<u>(18,860,819)</u>
Non-Current Liabilities			
Long term borrowing	3	36,587,613	36,587,613
		<u>36,587,613</u>	<u>36,587,613</u>
Current Liabilities			
Short term borrowing	4	15,700,000	15,700,000
Other Current Liabilities	5	422,581	1,057,769
		<u>16,122,581</u>	<u>16,757,769</u>
	Total	<u>16,228,577</u>	<u>34,484,563</u>
ASSETS			
Non-current Assets			
Fixed Assets			
- Tangible Assets	6	9,636	11,247
Non-current Investments	7	-	23,543
Long term loans and advances	8	14,216,036	31,893,612
		<u>14,225,672</u>	<u>31,928,402</u>
Current assets			
Inventories	9	20,834	21,058
Trade receivables	10	-	-
Cash and cash equivalents	11	1,904,151	2,447,974
Other Current assets	12	77,920	87,129
		<u>2,002,905</u>	<u>2,556,161</u>
	Total	<u>16,228,577</u>	<u>34,484,563</u>
Notes to accounts are the part of Financials	1-26		

As per our report attached to the Financial Statements
For V.Sahai Tripathi & Co.
Firm Registration Number : 000262N
Chartered Accountants

For and on behalf of Board of Directors

MANISH MOHAN
Partner
M. N.-091607

Place : New Delhi
Date : 28.05.2013

Santosh Kumar
Director

A. K. Mehra
Director

Siel Financial Services Limited

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

	Notes	Year Ended 31.03.2013 Rs.	Year Ended 31.03.2012 Rs.
Income			
Other income	13	829,606	180,698
Total Income		<u>829,606</u>	<u>180,698</u>
Expenditure			
Depreciation and amortization expense	6	1,612	1,883
Other expenses	14	753,514	902,398
		<u>755,126</u>	<u>904,281</u>
Profit/(loss) before exceptional and extraordinary items and tax		74,480	(723,583)
Exceptional Items		-	-
Profit/(loss) before tax		74,480	(723,583)
Less : Current tax		-	-
Less : Prior Period Tax Adjustments		<u>17,695,278</u>	<u>7,957,456</u>
(Refer Note 16)			
Profit/(Loss) from continuing operations		(17,620,798)	(8,681,039)
Basic and Diluted earning per share (Rs.)	20	(1.93)	(1.14)
Notes to accounts are the part of Financials	1-26		

As per our report attached to the Financial Statements
For V.Sahai Tripathi & Co.
Firm Registration Number : 000262N
Chartered Accountants

For and on behalf of Board of Directors

MANISH MOHAN
Partner
M. N.-091607

Place : New Delhi
Date : 28.05.2013

Santosh Kumar
Director

A. K. Mehra
Director



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

PARTICULARS	Year Ended 31.03.2013 Rs.	Year Ended 31.03.2012 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit / (loss) before extra-ordinary items and tax	74,480	(723,583)
Extra ordinary Items(income)	-	-
Net profit / (loss) after extra-ordinary items but before tax	74,480	(723,583)
Add:-		
Depreciation	1,612	1,883
Decrease in value of Stock in Trade	224	-
Loss on sale of Investment	2,802	-
Less:-		
Provision/Liability no longer required written back	(642,864)	-
Interest/Dividend income	(186,742)	(180,698)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	(750,488)	(902,398)
Adjustment for :-		
(Increase)/ Decrease in trade and other receivables	9,209	14,518
(Increase) / Decrease in stock in trade	-	-
Increase / (Decrease) in trade / other payables	7,676	(518,516)
Cash generated from operations	(733,603)	(1,406,396)
Direct taxes paid	-	-
NET CASH INFLOW/(OUTFLOW) FROM OPERATIONS	(733,603)	(1,406,396)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of non trade long term investments	-	-
(Increase)/ Decrease in Investment	20,740	-
Interest/Dividend income	186,742	180,698
(Increase)/Decrease in Long term loans & Advances	(17,702)	(9,671)
NET CASH INFLOW FROM INVESTING ACTIVITIES	189,780	171,027
C. CASH FLOW FROM FINANCING ACTIVITIES		
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	-	-
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(543,823)	(1,235,369)
CASH AND CASH EQUIVALENTS AS AT OPENING	2,447,974	3,683,343
CASH AND CASH EQUIVALENTS AS AT CLOSING	1,904,151	2,447,974

Notes to accounts

1-26

As per our report attached to the Financial Statements

For V.Sahai Tripathi & Co.

Firm Registration Number : 000262N

Chartered Accountants

MANISH MOHAN

Partner

M. N.-091607

Place : New Delhi

Date : 28.05.2013

For and on behalf of Board of Directors

Santosh Kumar
Director

A. K. Mehra
Director

Siel Financial Services Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2013

Note 1 : Share Capital

Particulars	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.		
Authorised				
- 2,00,00,000 Equity Shares of Rs. 10 each	200,000,000	200,000,000		
- 10,00,000 5% Redeemable Cumulative Preference shares of Rs. 100 each	100,000,000	100,000,000		
TOTAL	300,000,000	300,000,000		
Issued, subscribed and fully paid up				
- 11,343,752 Equity Shares of Rs. 10 each	113,437,520	113,437,520		
Less: Calls in arrears	207,625	207,625		
	113,229,895	113,229,895		
- 7,30,000 5% Redeemable Cumulative Preference shares of Rs. 100 each	73,000,000	73,000,000		
TOTAL	186,229,895	186,229,895		
(i) Reconciliation of equity shares :	Nos.	Nos.		
Number of outstanding shares at the beginning of the year/period	11,343,752	11,343,752		
Shares issued/ bought back during the year/period	-	-		
Number of outstanding shares as at the end of the year/period	11,343,752	11,343,752		
(ii) Reconciliation of preference shares :	Nos.	Nos.		
Number of outstanding shares at the beginning of the year/period	730,000	730,000		
Shares issued/ bought back during the year/period	-	-		
Number of outstanding shares as at the end of the year/period	730,000	730,000		
(iii) Equity Shares:- The company has only one class of equity shares having a face value of Rs 10 each. Each holder of equity share is entitled to one vote per share. Share holders are entitled to dividend if any declared by the company. The dividend is payable in Indian rupees. The dividend, if any, declared by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Re-payment of equity share capital shall be made at the time of winding-up of the company in accordance with the provisions of Companies Act, 1956. In event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportionate to the number of equity shares held by the shareholders.				
(iv) Shares held by its holding company and their subsidiary:				
Out of the equity shares issued by the Company, shares held by its holding and their subsidiaries are as below:				
	As at 31.03.2013 No. of Shares held	As at 31.03.2012 No. of Shares held		
Mawana Sugars Limited (Formerly known as Siel Limited) , the holding company				
Equity shares of Rs. 10 each fully paid	10,613,382	10,613,382		
5% Redeemable cumulative preference share of Rs. 100 each fully paid up	730,000	730,000		
(v) Details of shareholders holding more than 5% equity shares in the Company:				
Name of shareholders	As at 31.03.2013 No. of Shares held	As at 31.03.2013 %age of holding	As at 31.03.2012 No. of Shares held	As at 31.03.2012 %age of holding
Mawana Sugars Limited	10,613,382	93.56	10,613,382	93.56
Others (Less than 5% holding)	730,370	6.44	730,370	6.44
Total	11,343,752	100	11,343,752	100
(vi) Details of shareholders holding more than 5% preference shares in the Company:				
Name of shareholders	As at 31.03.2013 No. of Shares held	As at 31.03.2013 %age of holding	As at 31.03.2012 No. of Shares held	As at 31.03.2012 %age of holding
Mawana Sugars Limited	730,000	100	730,000	100
Total	730,000	100	730,000	100
(vii) The 5% Cumulative Redeemable Preference Shares of Rs. 100 each, allotted on January 13, 1998 are redeemable at par at the option of the Company at any time not later than the ninth year from the date of the issue. So, these shares are overdue for repayment on 12-January, 2007. However, due to losses & paucity of funds, capital redemption reserve could not be created & appropriate number of share capital could not be brought in & accordingly the said shares could not be redeemed. The management of the Company intends to redeem it & efforts are being made to redeem the same.				



NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2013

Note 2 : Reserves and Surplus

Particulars	As at 01.04.2012 (Rs)	Additions During the Period (Rs)	Deductions During the Period (Rs)	As at 31.03.2013 (Rs)
General Reserve	5,053,989	-	-	5,053,989
Profit /(Loss)	(210,144,703)	(17,620,798)	-	(227,765,501)
Total	(205,090,714)	(17,620,798)	-	(222,711,512)

Note 3 - Long Term Borrowing

Particulars	Non-Current Portion		Current Maturities	
	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
Unsecured				
Loans and advances from related parties (Refer Note 3A)	36,587,613	36,587,613	-	-
	36,587,613	36,587,613	-	-
	36,587,613	36,587,613	-	-
Less : Amount disclosed under head "Other Current Liabilities"	-	-	-	-
Total	36,587,613	36,587,613	-	-

Notes

3A Company has obtained interest free corporate deposit of Rs 1,20,00,000 & unsecured advance on current account of Rs 2,45,87,613 from Mawana Sugars Limited (formerly known as SIEL Limited) which is its Holding Company. The same shall be adjusted or paid as per mutually agreed terms. The same is not payable within 12 months from date of balance sheet (i.e. 31-March-2013)

Note - 4 Short Term Borrowing

Particulars	Current Maturities	
	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
Unsecured		
Other loans and advances (short term) (Refer Note 4A)	15,700,000	15,700,000
	15,700,000	15,700,000

Notes 4A The Company had obtained interest bearing Inter Corporate Deposit of Rs 1,57,00,000 from SFSL Investments Limited which was step down subsidiary of its holding company. SFSL Investments Limited had been disposed off by holding company on 31st January, 2011 and is no longer a step down subsidiary of its holding company from 31st January, 2011. The Company is not paying interest from last few years and had taken letter for waiver of interest amount from SFSL Investments Limited vide letter dt. 02.09.2012 for previous periods as well as for future periods till the net worth of the Company remains negative. Hence no provision / liability has been provided for interest amount. Since the said amount is payable on demand, the same in the absence of any confirmation, categorized as Short Term Borrowings.

Siel Financial Services Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2013

Note 5 : Other Current Liabilities

Particulars	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
Other payables		
-Statutory Dues	4,640	5,150
- Other Payables	417,941	1,052,619
Total	422,581	1,057,769

Note 6: Fixed Assets

Fixed Assets consists of the following :-

Fixed Assets	Gross Block				Accumulated Depreciation					Net Block		
	Balance as at 1 April 2012	Additions	Deletion/ Adjustments	Revaluations/ (Impairments)	Balance as at 31 March 2013	Balance as at 1 April 2012	Depreciation charge for the year	Adjustment due to revaluations/ Impairments	On disposals	Balance as at 31 March 2013	Balance as at 31 March 2013	Balance as at 31 March 2012
Tangible Assets (Not Under Lease)												
Plant & Machinery	97,179	-	-	-	97,179	87,041	1,412	-	-	88,453	8,726	10,138
Furniture & fixture	21,740	-	-	-	21,740	20,630	200	-	-	20,830	910	1,110
Total	118,919	-	-	-	118,919	107,671	1,612	-	-	109,283	9,636	11,247
Previous Year	118,919				118,919	105,789	1,883			107,671	11,247	13,130

Note : The company has not been written off any amount on a reduction of capital or revaluation of assets during the last five financial year including the current financial year nor any sums have been added on revaluation of assets.

Note 7 : NON CURRENT INVESTMENTS LONG TERM INVESTMENTS - AT COST

7 (a)

Particulars	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
Others (Refer Note 7 (b))		
Investments in Equity Shares	10,823,160	10,823,160
Investments in Government Securities	-	23,542
Less : Provision for diminution in value	10,823,160	10,823,159
Total	-	23,543



NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2013

Non current investments consist of the following :

7 (b) Details of Other Investments

Sr. No.	Particulars	Subsidiary / Associate / JV/ Controlled Special Purpose Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Amount in		Basis of Valuation
			As at 31.03.2013	As at 31.03.2012			As at 31.03.2013	As at 31.03.2012	
(a) Investments in Equity Shares*									
i	MSD Industrial Enterprises Limited of Rs. 10/- each	Other	295,700	295,700	Unquoted	Fully Paid	10,822,620	10,822,620	At Cost
ii	SFSL Investments Limited of Rs. 10/- each	Other	54	54	Unquoted	Fully Paid	540	540	At Cost
Total							10,823,160	10,823,160	
(b) Investments in Government Securities									
	7.40% GOI 2012 Bonds	Other	-	200	Quoted	Fully Paid	23,542	23,542	At Cost
Total							23,542	23,542	

Particulars	As at 31.03.2013	As at 31.03.2012
Aggregate amount of quoted investments.	23542	23542
Market value of quoted investment	23542	23542
Aggregate amount of unquoted investments (after considering provision for diminution)	-	-
* All investments acquired from erstwhile SIEL Financial Services Limited in terms of the Scheme of Amalgamation [Also refer Note 24].		

Note 8 - Long Term Loans and Advances

Particulars	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
Security Deposits		
- Good	12,000	12,000
Other Loans & Advances		
Considered Good		
- Advance Tax/TDS receivable	14,204,036	31,881,612
Doubtful		
- ICD	9,250,150	9,250,150
Sub - Total	23,466,186	41,143,762
Less: Provision for doubtful advances	9,250,150	9,250,150
Total	14,216,036	31,893,612

Note - 9 Inventories

Particulars	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
Stock in Trade	20,834	21,058
Total	20,834	21,058

Siel Financial Services Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2013

Stock in Trade : Shares

Equity Shares of Rs. 10 each Fully Paid Quoted	Cost	Market Value	Inventory Value
Nagarjuna Fertilizers and Chemicals Ltd - 110 shares	2,820.00	2,596.00	2,596.00
Nagarjuna Oil Refineries - 100 shares	-	365.00	-
Spice Mobility Ltd (Formerly Spice Mobiles Ltd) - 700 shares	4,470.00	18,900.00	4,470.00
Asian Hotels Ltd - 140 shares	13,768.00	14,896.00	13,768.00
	<u>21,058.00</u>	<u>36,757.00</u>	<u>20,834.00</u>

Note - 10 Trade Receivable

Particulars	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
Receivable outstanding for a period exceeding six months from the due date		
Unsecured - Considered good	-	-
- Doubtful	2,134,418	2,134,418
	<u>2,134,418</u>	<u>2,134,418</u>
Less : Provision for doubtful debts	2,134,418	2,134,418
(A)	-	-
Other Receivable		
Secured - good	-	-
Unsecured - considered good	-	-
- Doubtful	-	-
	-	-
Less : Provision for doubtful debts	-	-
(B)	-	-
Total (A+B)	-	-

Note 11 - Cash and Cash Equivalents

Particulars	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
Cash and cash equivalents		
Cash in hand	60	184
Balance with banks		
On current accounts	94,775	497,191
Other Bank Balances		
Bank Deposit	1,809,316	1,950,599
(The tenure of said bank deposit is 12 months.)		
	<u>1,904,151</u>	<u>2,447,974</u>



NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2013

Note 12 - Other Current Assets

Particulars	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
Interest accrued on investment and deposits	77,920	87,129
Total	77,920	87,129

Note 13 : Other Income

Particulars	Year ended 31.03.2013 Rs	Year ended 31.03.2012 Rs
Interest received on deposits etc.(Gross)	186,632	180,698
Dividend income on long term investment	110	-
Liabilities / Provision Written Back	642,864	-
Total	829,606	180,698

Note 14 : Other Expenses

Particulars	Year ended 31.03.2013 Rs	Year ended 31.03.2012 Rs
Rent	24,000	24,000
Auditors' remuneration		
As auditors		
- Audit fee	28,605	27,575
- Out -of-pocket expenses	-	-
Advertisement	142,401	128,562
Bank Charges	1,608	2,666
Printing and stationery	21,251	19,783
Postage expenses	34,322	28,389
Listing fee	123,596	133,690
Rate and taxes	624	12,120
Legal & Professional exp	373,678	156,738
Loss on Sale of Investment	2,802	-
Prior Period Expenses	403	360,000
Provision for Stock in Trade	224	-
Miscellaneous	-	8,875
Total	753,514	902,398

Siel Financial Services Limited

NOTES TO ACCOUNTS

15 Significant accounting policies

a **Basis of Preparation of Financial Statements**

The Financial statements have been prepared in accordance with Indian generally Accepted Principles ("GAAP") under the historical cost convention on accrual basis and are in accordance with the applicable accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006. These Accounting policies have been consistently applied, except where a newly issued accounting standard is initially adopted by the company. Management evaluates the effect of accounting standards issued on a going basis and ensures that they are adopted as mandated by the said rules.

As required & mandated by relevant guidelines prescribed under Companies Act, 1956, Company has prepared its financials as per Revised Schedule VI. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule VI to the Companies Act, 1956. Based on the nature of products/services and the time between the acquisition of assets/services for processing and their realization in cash and cash equivalents, the Company has considered a period of twelve months for the purposes of classification of assets and liabilities as current and non-current.

b) **Fixed Assets**

Fixed assets are stated at cost of acquisition/construction less accumulated depreciation. The cost includes all pre-operative expenses and the financing cost of borrowed funds relating to the construction period.

c) **Depreciation**

- i) The Company follows written down value method of depreciation on its fixed assets.
- ii) The rates of depreciation charged on these fixed assets are those specified in Schedule XIV to the Companies Act, 1956.
- iii) On assets sold/discarded during the year/period, depreciation is provided up to the date of sale/ discard.

d) **Investment**

Investments are classified into current and non current (long term) investments. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current (long term) investments. Current investments are stated at the lower of cost and fair value determined on an individual basis. A provision for diminution in value is made to recognize a decline other than temporary in the value of long term investments. Profit/loss on sale of investments is computed with reference to their average cost.

e) **Inventories**

Stock in trade- shares, debentures and other securities are valued at lower of cost or market price/break-up value determined for each category of stock-in-trade. The cost is ascertained on the basis of annual weighted average purchase price of each security.

f) **Revenue Recognition**

- i) Revenue is being recognized on accrual basis in accordance with the Accounting Standard-9 on 'Revenue Recognition'.
- ii) Dividend income is recognized if the right to receive the payment is established by the Balance Sheet date.
- iii) Interest is recognized on a time proportion basis in accordance with agreement taking into account the amount outstanding and the rate applicable.

g) **Employees Benefits**

There were no employees in the company for the period of twelve months ended 31st March, 2013. Accordingly, no provision for Short Term Employee Benefits & Post-Employment Benefits such provident fund, gratuity, superannuation schemes, leave encashment, as mandated by "Accounting Standard-15 on Employees Benefits", issued by Institute of Chartered Accountants of India, has been made during the reporting period.

h) **Taxes on Income**

The current charge for Income Tax is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax act, 1961.

Minimum Alternative Tax ("MAT") paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an Asset if there is convincing evidence that company will pay normal tax in future. MAT Credit entitlement can be carried forward and utilized for a period of seven years from the year in which the same is availed. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the company and the asset can be measured reliably.



j) Provisions and Contingencies

Provisions are recognized when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Where the Company expects a provision to be reimbursed, the reimbursement is recognized as a separate Asset, only when such reimbursement is virtually certain. Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved. Contingent Assets are neither recognized, nor disclosed. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet.

16. Contingent liabilities & other Commitments

	As at March 31, 2013 Rs.	As at March 31, 2012 Rs.
(i) Unpaid preference dividend	5,55,20,000	5,18,70,000
(ii) Disputed Income tax demands	-	1,76,95,278*

* This amount has charged off to Profit & Loss in current financial year.

17. The Company has severely curtailed its operations due to paucity of funds and adverse market conditions. The operations of the Company are restricted to realization of debtors or advances. Besides, the Company has also invested in deposits with banks which are yielding interest income. The management is negotiating with certain parties for realizing some of the assets and is hopeful of generating funds for this business. The accounts of the company have been prepared on a "going concern" basis on an assumption & premises made by the management that adequate finances and opportunities would be available in the foreseeable future to enable the company to start operating on a profitable basis. In view of the above, the accounts of the Company have been prepared on a going concern basis.
18. The company had no outstanding dues to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) as at March 31, 2013.
19. There were no employees in the company for the period of twelve months ended 31st March, 2013. No Employee Benefits Schemes such as Gratuity, Provident Fund & other staff welfare schemes are applicable on the Company during the reporting period. Accordingly no provision has been made during the reporting period as mandated by "Accounting Standard-15 on Employees Benefits", issued by Institute of Chartered Accountants of India.

20. Earnings per Share (EPS) :

(In Rupees)

	Year Ended on 31.03.2013	Year Ended on 31.03.2012
(a) Net Profit/ (Loss) for the year		
attributable to Equity Shares	(1,76,20,798)	(86,81,039)
Less: Preference dividend and dividend tax thereon.	42,42,121	42,56,219
(b) Profit/(loss) attributable to equity shareholders.	(2,18,62,919)	(1,29,37,258)
(c) Number of Shares at the beginning of the year	1,13,22,989	1,13,22,989
Number of Shares at the close of the period	1,13,22,989	1,13,22,989
Weighted average number of shares	1,13,22,989	1,13,22,989
Outstanding during the year		
(d) Nominal value of each equity shares	10	10
(e) Earning per share - Basic (Rs.)	-ve 1.93	-ve 1.14
(f) Earning per share - Diluted (Rs.)	-ve 1.93	-ve 1.14
(After Considering the Calls in Arrears)		

21. Related party transaction :-

A. List of Related Parties

Holding Company	:	Mawana Sugars Ltd. (formerly known as SIEL Limited)
Fellow Subsidiary	:	a. Siel Industrial Estate Limited

Siel Financial Services Limited

	b.	Siel Infrastructure & Estate Developers Private Limited
	c.	Mawana Foods Limited
Related party where control /significant influence exists :		None
Key Managerial Persons :		Mr. Santosh Kumar
		Mr. Sunil Kakria
		Mr. A.K.Mehra

B. Transactions with related parties

Transactions with related party are set out below :-

Particulars	(In Rupees)	
	Year Ended on 31-March-2013	Year Ended on 31-March-2012
Reimburse to Mawana Sugars Ltd.	55,567	88,176
C. Balances Outstanding		
	As at 31-Mar-2013 In Rupees	As at 31-March-2012 In Rupee
(a) Balance outstanding as at the year end – Unsecured loan		
- Holding Company	3,65,87,613	3,65,87,613

22. As the Company's business activity falls within a single primary business segment "Financing Operations viz., inter corporate deposits and investments", the disclosure requirements of Accounting Standard (AS 17) "**Segment Reporting**" issued by Institute of Chartered Accountants of India are not applicable.
23. As the Company has substantial unabsorbed depreciation and carry forward losses under the Income Tax Act, 1961 and is unlikely to have taxable income in the foreseeable future, in accordance with Accounting Standard (AS) 22 issued by the Companies (Accounting Standards) Rules, 2006, the net deferred tax assets has not been recognized in these accounts. **No Deferred Tax Liabilities has been determined during the financial year ending 31-March-2013.**
24. Pursuant to the Scheme of Amalgamation of erstwhile Siel Financial Services Limited (erstwhile SFSL), a Non banking financial company with the Company i.e. Shriram Agro-Tech Industries Limited (since renamed as Siel Financial Services Limited) under section 391 and 394 of the Companies Act, 1956 as approved by the High Court of Madhya Pradesh and Delhi vide its Order dated November 11, 1997 respectively which became effective on January 8, 1998 on filing of the certified copy of the Order of the High Court of Delhi with the Registrar of Companies, Delhi and Haryana, all the properties, assets movable or immovable, rights and power together with all present and future liabilities, including contingent liabilities, obligations and reserves of the erstwhile SFSL were transferred to and vested in the Company with effect from the effective date i.e. April 1, 1996 being the transfer date.
25. **Comparative Figures**
Previous Period's figures have been re-grouped/reclassified, wherever necessary. The figures of current reporting period as well as previous period consist of 12 months ended on 31 March, 2013.

As per our report attached to the Financial Statements

For **V.Sahai Tripathi & Co.**

Firm Registration Number : 000262N

Chartered Accountants

For and on behalf of Board of Directors

MANISH MOHAN

Partner

M. N.-091607

Place : New Delhi

Date : 28.05.2013

Santosh Kumar
Director

A. K. Mehra
Director



Siel Financial Services Limited

Regd. Office: Soni Mansion, 12-B, Ratlam Kothi, Indore – 452001 (M.P.)

22nd ANNUAL GENERAL MEETING - SEPTEMBER 26, 2013

ADMISSION SLIP

PLEASE COMPLETE THE ADMISSION SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING

Folio No./DP ID/Client ID	No. of Share(s)
Name and Address:	

I HEREBY RECORD MY PRESENCE AT THE 22nd ANNUAL GENERAL MEETING OF Siel FINANCIAL SERVICES LIMITED ON THURSDAY, THE 26th SEPTEMBER, 2013 AT 10.30 A.M. AT SONI MANSION, 12-B, RATLAM KOTHI, INDORE-452001 (M.P.)

SIGNATURE OF THE SHAREHOLDER/PROXY

- Notes:
- Shareholders who come to attend the meeting are requested to bring their copies of the Annual Report with them.
 - Shareholders having any queries on accounts are requested to send them 10 days in advance of the date of Annual General Meeting to the Company to enable it to collect the relevant information.
 - This Admission Slip is valid only in case shares are held on the date of this AGM.

----- Please tear here -----



Siel Financial Services Limited

Regd. Office: Soni Mansion, 12-B, Ratlam Kothi, Indore – 452001 (M.P.)

22nd ANNUAL GENERAL MEETING - SEPTEMBER 26, 2013

PROXY FORM

L.F. No. _____

No. of Share Held _____

DP. Id	
--------	--

Client Id.	
------------	--

I/We.....
of

(write full address)

being a member/members of Siel Financial Services Ltd. appoint Mr./Mrs.....

of.....

(write full address)

.....or failing him/her Mr./Mrs.....

of as my/our proxy

(write full address)

to attend and vote for me/us on my/our behalf at the 22nd Annual General Meeting of the Company to be held on Thursday, the 26th September, 2013 at 10:30 A.M. and at any adjournment thereof.

Signed this day of2013.

Affix
Revenue
Stamp

Signature

Notes: (i) The Proxy Form duly completed and signed should be deposited at the Registered Office of the Company not later than 48 hours before the time of the meeting.

(ii) Please mark the envelope 'SFSL – PROXY'

If undelivered, please return to :

Siel Financial Services Limited

Regd. Office: Soni Mansion, 12-B, Ratlam Kothi, Indore – 452001 (M.P.)