


GLFL SECURITIES LTD

ANNUAL ACCOUNTS 2014-15


**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
GLFL SECURITIES LIMITED
Report on the Financial Statements**

We have audited the accompanying financial statements of **GLFL SECURITIES LIMITED**, which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information for the year then ended.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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

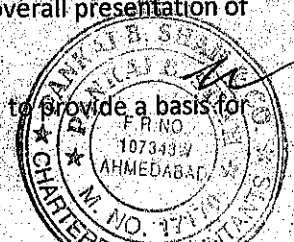
Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.





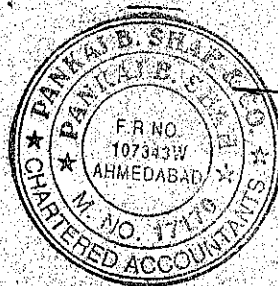
Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

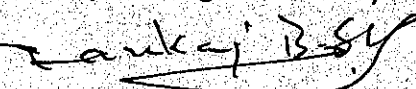
Report on Other Legal and Regulatory Requirements

1. As required by Companies (Auditor's Report, 2015 issued by the Central Government in terms of section 143(11) of the Companies Act, 2013, we give in Annexure-A a statement on the matters specified in paragraph 3 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Comp or the Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

Place : Ahmedabad
Date: 19-05-2015



For, Pankaj B. Shah & Co
Chartered Accountants
(Firm's Reg. No. 107343W)


(Pankaj B. Shah)
(Proprietor)
(Membership No. 017170)

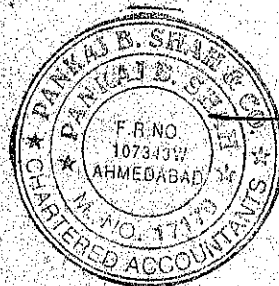


ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

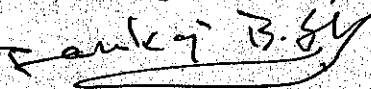
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. The nature of the Company's activities during the year have been such that clause (i), (v), (vi), (vii), (ix), (x) and (xi) of paragraph 3 of Company's (Auditors Report) Order, 2015 are not applicable to the Company for the year.
2. In respect of its inventories:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (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 were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
3. According to the information and explanations given to us, the Company has granted unsecured loans, to companies, covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans:
 - a) In the absence of stipulations, the regularity of the receipts of principal amounts and interest has not been commented upon. (Refer note 2.14 of Notes.)
 - b) In respect of overdue amounts of over Rs. 1 lakh remaining outstanding as at the year-end, as explained to us, Management has entered in to arrangement with Loney as referred to in note no. 2.14 of notes. for recovery of the principal amounts and interest.
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 the nature of its business for the purchase of Shares and for the sale of Shares during the course of our audit we have not observed any continuing failure to correct major weaknesses in such internal control system.
5. The accumulated losses of the Company at the end of the financial year are more than fifty percent of its net worth and the Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
6. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

Place : Ahmedabad
Date: 19-05-2015



For, Pankaj B. Shah & Co
Chartered Accountants
(Firm's Reg. No. 107343W)


(Pankaj B. Shah)
(Proprietor)
(Membership No. 017170)

GLFL SECURITIES LTD.
BALANCE SHEET AS AT 31st MARCH, 2015

PARTICULARS	NOTES	AS AT 31/03/2015 (Rs.)	AS AT 31/03/2014 (Rs.)
I. EQUITY AND LIABILITIES			
(1) SHAREHOLDERS' FUNDS			
(a) Share Capital	2.1	75,000,000	75,000,000
(b) Reserves & Surplus	2.2	(44,473,028)	(44,394,356)
(2) CURRENT LIABILITIES			
(a) Trade Payable	2.3	3,371	83,708
(b) Others Liabilities	2.4	84,302	79,527
TOTAL		30,614,645	30,768,879
II. ASSETS			
1. NON CURRENT ASSETS			
(a) Long Term Loans & Advances	2.5	28,186,372	26,924,686
(b) Other Non Current Assets	2.6	0.00	0.00
(2) CURRENT ASSETS			
(a) Inventories	2.7	1,148,121	1,567,103
(b) Cash & Cash Equivalents	2.8	1,104,164	2,117,809
(c) Other Current Assets	2.9	14,768	21,263
(d) Short Term Loans and Advance	2.10	161,220	138,018
TOTAL		30,614,645	30,768,879

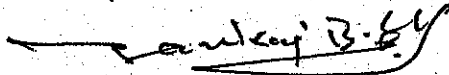
Significant Accounting Policies

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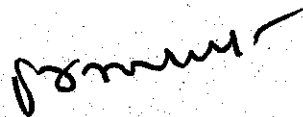
The accompanying notes are an integral part of the Financial Statement

As per our attached report of even date

FOR PANKAJ.B.SHAH & CO.
Chartered Accountants
(Firm Reistration No: 107343W)



PANKAJ.B.SHAH
Proprietor

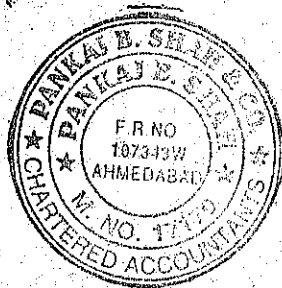


PRADIP MEHTA
Director
(DIN:00254359)



HARNISH PATEL
Director
(DIN:00114198)

Place: Ahmedabad
Date: 19.05.2015



Place: Ahmedabad
Date: 19.05.2015

GLFL SECURITIES LIMITED
STATEMENT OF PROFIT & LOSS as on 31st MARCH 2015

PARTICULARS	NOTES	Year Ended 31/03/2015 (Rs.)	Year ended 31/03/2014 (Rs.)
REVENUE FROM OPERATIONS			
Income from Operations		374,261	239
Other Income	2.11	383,443	1,712,094
Increase/(Decrease) in Stock in Trade		(418,982)	1,281,421
Total Revenue		338,722	2,993,754
EXPENDITURE			
Decrease in Stock in Trade	2.12	0	0
Administrative Expenses	2.13	396,502	1,087,131
Total Expenses		396,502	1,087,131
PROFIT / LOSS BEFORE TAXATION		(57,780)	1,906,623
Tax Expenses		0	66,300
Current Tax		(20,892)	0.00
Short provisions for taxation of earlier years			
PROFIT / LOSS FOR THE PERIOD		(78,672)	1,840,323
Earning per Equity shares(Refer Note No:2.18)			
Basic		(0.01)	0.24
Diluted		(0.01)	0.24

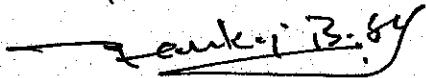
Significant Accounting Policies

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The accompanying notes are an integral part of the Financial Statement

As per our attached report of even

FOR PANKAJ.B.SHAH & CO.
Chartered Accountants
(Firm Reistration No: 107343W)



PANKAJ.B.SHAH
Proprietor

Place:Ahmedabad
Date: 19.05.2015

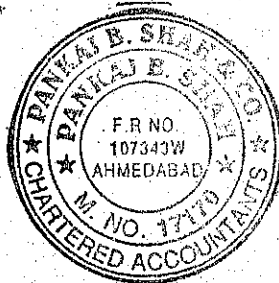


PRADIP MEHTA
Director
(DIN:00254359)



HARNISH PATEL
Director
(DIN:00114198)

Place:Ahmedabad
Date: 19.05.2015



GLFL SECURITIES LTD.

CASH FLOW STATEMENT FOR YEAR ENDED 31ST MARCH, 2015

	2014-15	2013-14
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT / (LOSS) BEFORE TAX	(57780)	1906623
Adjustments for :		
INTEREST RECEIVED	(107354)	(153170)
OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES	(165134)	1753453
Adjustments for :		
TRADE AND OTHER RECEIVABLES	6495	0
TRADE PAYABLES & OTHER LIABILITIES	(75562)	0
STOCK IN TRADE	418982	(1281421)
CASH GENERATED FROM OPERATIONS	184781	472032
DIRECT TAXES REFUND - NET	(44094)	9247
EXCEPTIONAL ITEMS (Lead Bank Charges)		
NET CASH GENERATED FROM OPERATING ACTIVITIES	140687	481279
B. CASH FLOW FROM INVESTING ACTIVITIES		
INTEREST RECEIVED	107354	139080
NET CASH GENERATED FROM INVESTING ACTIVITIES	107354	139080
C. CASH FLOW FROM FINANCING ACTIVITIES		
(INCREASE) IN INTERCORPORATE DEPOSIT	(1261686)	(1321331)
NET CASH (USED IN) FINANCING ACTIVITIES	(1261686)	(1321331)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(1013645)	(700972)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	2117809	2700994
CASH AND CASH EQUIVALENT AT THE END OF THE YEAR	1104164	2117809
CASH AND CASH EQUIVALENTS COMPRISE		
- CASH ON HAND	0.00	0.00
- BALANCES WITH SCHEDULED BANKS:		
- CURRENT ACCOUNTS	104164	617809
- DEPOSIT ACCOUNTS	1000000	1500000
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	1104164	2117809

Notes:

1. The Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard 3 'Cash Flow Statement' issued by The Institute of Chartered Accountants of India.

2. Figures in brackets represent outflow.

As per our report of even date

For PANKAJ B SHAH & CO.
Chartered Accountants

Pankaj B. Shah

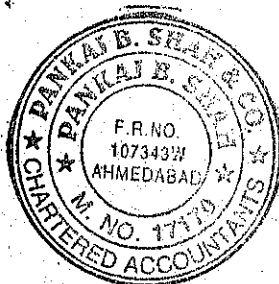
PANKAJ B SHAH
Partner Proprietor

Pradip Mehta

PRADIP MEHTA
Director
(DIN: 00254359)

HARNISH PATEL
Director
(DIN: 00114198)

Place : Ahmedabad
Date : 19.05.2015



Place: Ahmedabad
Date: 19.05.2015

(1) SIGNIFICANT ACCOUNTING POLICIES :

1.1 Method of Accounting :

The company follows accrual method of accounting.

1.2 Fixed Assets

Fixed Assets are stated at historical cost less accumulated depreciation

1.3 Depreciation :

Depreciation on all assets is provided on Straight Line Method as per useful life prescribed in Schedule II to the Companies Act,2013.

1.4 Stock in Trade :

Stock in Trade is valued at cost or market price whichever is lower.

1.5 Income Recognition:

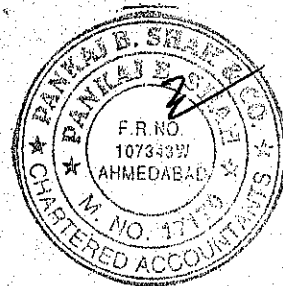
Dividend: Dividend Income is accounted on receipt basis.

Other Income: Recognized when no significant uncertainty as to the measurability or collectability exists.

1.6 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and its probable that there will be an out flow of resources.

Liabilities which are contingent nature are not provided but are disclosed at their estimated amount in the Notes to the Accounts. Contingent assets are neither recognized nor disclosed in the financial statement.



Notes to Financial Statement

NOTES :2.1	AS AT 31/03/2015 (Rs.)	AS AT 31/03/2014 (Rs.)
SHARE CAPITAL		
AUTHORISED 10,000,000 Equity Shares of Rs.10/- each	100,000,000	100,000,000
ISSUED, SUBSCRIBED & PAID UP 7,500,000 Equity shares of Rs. 10/- each Fully paid-up	75,000,000	75,000,000

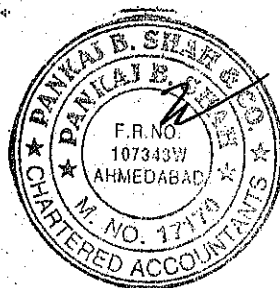
(A)The company has only one Class of equity shares having a par value of Rs 10/- per share. Each share holderes is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of share holders, except in case of interim dividend in the event of liquidation,the equity shareholders are eligible to receive remaning assets of the company after the distribution of all preferential amount, in proportion of their shareholding.

(B).Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholders	As at 31st MARCH , 2015	
	% of Shareholding	Nos of shares Held
Gujarat Lease Financing Ltd	100 (100)	75,00,000 (75,00,000)

NOTES :2.2	AS AT 31/03/2015 (Rs.)	AS AT 31/03/2014 (Rs.)
RESERVE AND SURPLUS		
Debit Balance in the Statement of Profit & Loss As per Last Balance Sheet	(44,394,356)	(46,234,679)
Add / (Less): (Loss) / Profit during the period	(78,672)	1,840,323
TOTAL	(44,473,028)	(44,394,356)

NOTES :2.3	AS AT 31/03/2015 (Rs.)	AS AT 31/03/2014 (Rs.)
CURRENT LIABILITIES		
Trade Paybale	3,371	83,708
TOTAL	3,371	83,708



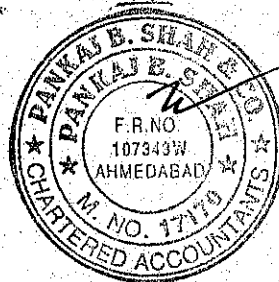
NOTES :2.4	AS AT 31/03/2015 (Rs.)	AS AT 31/03/2014 (Rs.)
OTHER CURRENT LIABILITIES Other Payables	84,302	79,527
TOTAL	84,302	79,527

NOTES :2.5	AS AT 31/03/2015 (Rs.)	AS AT 31/03/2014 (Rs.)
Long Term Loans & Advances:(Un secured Considered Good)		
Loan to Gujarat Lease Financing Limited (Holding Company)	28,086,372	26,824,686
Deposit with Ahmedabad Stock Exchange	100,000	100,000
TOTAL	28,186,372	26,924,686

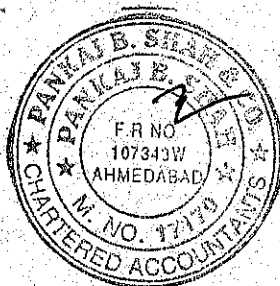
NOTES :2.6	AS AT 31/03/2015 (Rs.)	AS AT 31/03/2014 (Rs.)
Other Non Current Assets		
Trade Receivable (Unsecured) - Debts outstanding for a period exceeding six months	14,159,736	14,159,736
Less: Provision for Doutful Debts	14,159,736	14,159,736
	0.00	0.00

NOTES :2.7	AS AT 31/03/2015 (Rs.)	AS AT 31/03/2014 (Rs.)
Inventories Stock in Trade (As per Annexure)	1,148,121	1,567,103
TOTAL	1,148,121	1,567,103

NOTES :2.8	AS AT 31/03/2015 (Rs.)	AS AT 31/03/2014 (Rs.)
CASH & CASH EQUIVALENTS		
Balances with Banks in Current Accounts	104,164	617,809
Fixed Deposits (i) Maturing After 12 Months (ii) Others	0.00 1,000,000	0.00 1,500,000
TOTAL	1,104,164	2,117,809



ANNEXURE TO NOTE NO 2.7									
Statement of Stock in Trade of Shares as at 31st March-2015									
Sr. No.	Name of Securities	Opening Stock		Purchase/ Adjustment		Sale/ Adjustment		Closing Stock (qty)	Value of Closing Stock as on 31/03/2015
		(qty)	(Rs.)	(qty)	(Rs.)	(qty)	(Rs.)		
1	Amethi Textiles Ltd.	200	1	-				200	1
2	Bluechip Stockspin Ltd.	100	1	-				100	1
3	HDFC BANK (Bank Of Punjab)	40305	1148095	-	-	-	-	40305	1148095
4	Chemo Pharma Ltd.	3000	1	-				3000	1
5	Competent Auto Ltd.	6677	418982	-	-	6677	374261	0	0
6	Energy Products (India) Ltd.	39800	1	-				39800	1
7	Excel Glasses Ltd.	100	1	-				100	1
8	Galaxy Appliances Ltd.	500	1	-				500	1
9	Harvic Management Serv. (I) Ltd.	200	1	-				200	1
10	Jolly Plastics Ind. Ltd.	1500	1	-				1500	1
11	Liverpool Finance Ltd.	100	1	-				100	1
12	Malhotra Steel Ltd.	1500	1	-				1500	1
13	Merry Sherefin Ltd.	900	1	-				900	1
14	Pan Auto Ltd.	350000	1	-				350000	1
15	Preyanshu Exports Ltd.	800	1	-				800	1
16	Rahi Chemicals Ltd.	200	1	-				200	1
17	Rahul Dairy & Allied Prod. Ltd.	100	1	-				100	1
18	Reil Products Ltd.	500	1	-				500	1
19	Sarthak Securities Ltd.	500	1	-				500	1
20	Shree Araveli Finlease Ltd.	100	1	-				100	1
21	SIEL Financial Services Ltd.	25	1	-				25	1
22	Silver Oak (India) Ltd.	1000	1	-				1000	1
23	Somani Cement Company Ltd.	100	1	-				100	1
24	Somani Iron & Steel Ltd.	26200	1	-				26200	1
25	Somani Strips Ltd.	500	1	-				500	1
26	Sonal Sil-Chem Ltd.	400	1	-				400	1
27	Sonell Clocks & Gift Ltd.	100	1	-				100	1
28	SSP Polymer Industries Ltd.	400	1	-				400	1
	TOTAL	475807	1567103	0	0	6677	374261	469130	1148121



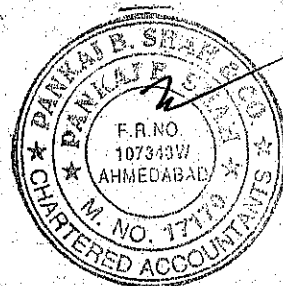
NOTES :2.9	AS AT 31/03/2015 (Rs.)	AS AT 31/03/2014 (Rs.)
Other Current Assets:		
Interest Receivable	14,768	21,263
TOTAL	14,768	21,263

NOTES :2.10	AS AT 31/03/2015 (Rs.)	AS AT 31/03/2014 (Rs.)
Short Term Loan and Advances		
Advance Tax and Tax Deducted at Source (Net of Provisions)	161,220	138,018
TOTAL	161,220	138,018

Notes :2.11	Year Ended 31/03/2015 (Rs.)	Year ended 31/03/2014 (Rs.)
OTHER INCOME		
Miscellaneous Income	107,354	153,170
Interest Income	276,089	1,558,800
Dividend Income	0	124
Misc Income		
TOTAL	383,443	1,712,094

Notes :2.12	Year Ended 31/03/2015 (Rs.)	Year ended 31/03/2014 (Rs.)
DECREASE IN STOCK-IN-TRADE		
Stock as at 31st March, 2015	1,148,121	1,567,103
Less : Stock as at 1st April, 2014	1,567,103	285,682
TOTAL	(418,982)	1,281,421

Notes :2.13	Year Ended 31/03/2015 (Rs.)	Year ended 31/03/2014 (Rs.)
ADMINISTRATIVE EXPENSES		
Office Expenses	214,701	91,200
Rates & Taxes	33,824	34,811
Repair & Maintenance	13,600	13,600
Telephone Expenses	7,640	9,764
Administration Expenses	48,659	36,206
Legal & Professional Fees	25,674	854,550
Audit Fees	3,371	3,371
Bank Charges	2,180	933
Electricity Expenses	12,657	4,418
Conveyance Expenses	34,196	38,278
TOTAL	396,502	1,087,131

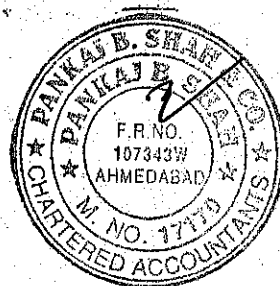


2.14 GLFL Securities Limited had extended loan to Gujarat Lease Financing Limited (GLFL), the holding company. In the year 2004-05 GLFL had arrived at the settlement under the scheme of compromise & arrangement under section 391 of the Companies Act with the Consortium of banks and settled the liability at 65% of the principal outstanding as of 01.04.1999 and assignment of receivables. Considering the negative net worth of the company, adverse financial position and at the request of Gujarat Lease Financing Limited, it has been decided not to charge interest from 01.04.04. Further, in view of the scheme of arrangement under contemplation for both the companies, the loan outstanding from GLFL, the holding company, has not been considered as doubtful of recovery.

2.15 Related party Disclosure:

The Disclosure pertaining to related parties and transaction there with are set out in the table below:

Nature of Transaction	Controlling Company		Total	
	2014-15	2013-14	2014-15	2013-14
A. Volume of Transaction				
Loan (repaid)/given to:				
Gujarat Lease Financing Limited	1261686	1321331	1261686	1321331
Total	1261686	1321331	1261686	1321331



B . Balance at the end of the period:				
Loan receivable:				
	28086372	26824686	28086372	26824686
Gujarat Lease Financing Limited				
Total	28086372	26824686	28086372	26824686

Related party with whom no transactions made during the year.

Enterprise controlled by holding Company	(a) GLFL Housing Finance Limited (b) GLFL International Limited
Key Managerial Person	Mr. Harnish Patel

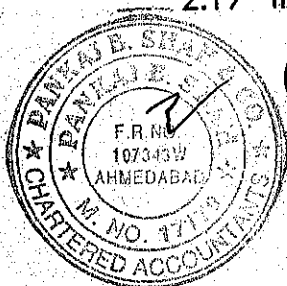
2.16 The balances of trade receivable as on 31st March, 2015 are subject to confirmation from respective parties and necessary adjustments, if any, will be made on receipt of the same.

2.17 The company has only one revenue segment- Broking service and Investment in Securities. Accordingly, segment reporting disclosure as envisaged in Accounting standard (AS-17), segment issued by the Institute of Chartered Accountant of India is not applicable to the company.

2.18 The basic and diluted earnings per share are :

Particulars	2014-15	2013-14
Net profit (a)	(78672)	1840323
No. of equity shares (b)	75,00,000	75,00,000
Basic & Diluted EPS (a/b)	(0.01)	0.24
Nominal value of shares (75 lacs shares of Rs.10/- each)	75,00,000	75,00,000

2.19 Income Tax



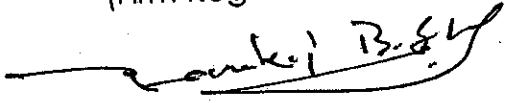
(a) In view of unabsorbed losses and in absence of taxable income under the provision of Income Tax Act, 1961 in the current year, the company believes that there will be no tax liability including liability U/S 115J(B) of income Tax Act,

Therefore no provision has been made in the account under review.

- (b) The company has carry forward losses under the Income Tax Act, 1961. In the absence of virtual certainty of sufficient future taxable income, net deferred tax assets are not recognized in the accounts.

2.20 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure

Signature to Notes
As per our report of even date
For PANKAJ B SHAH & CO.
Chartered Accountants
(Firm Registration No 107343W)



PANKAJ B. SHAH
PROPRIETOR



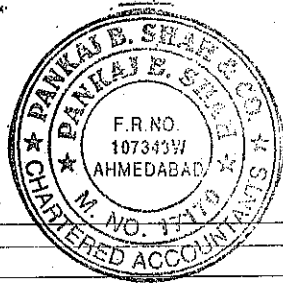
PRADIP MEHTA
Director
(DIN:00254359)



HARNISH PATEL
Director
(DIN:00114198)

Ahmedabad:

Date: 19.05.2015



Ahmedabad:

Date : 19.05.2015

