

## **NOTICE**

**NOTICE** is hereby given that the Twentieth Annual General Meeting of the members of M/s. GSL SECURITIES LIMITED will be held on Saturday, 20<sup>th</sup> September, 2014 at 10.00 a.m. at Registered Office of the Company at 61 'B' Wing, Mittal Tower, 6<sup>th</sup> Floor, 210, Nariman Point, Mumbai – 400 021, to transact the following business.

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance sheet as at and Profit & loss Account for the year ended 31<sup>st</sup> March 2014 and the Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Shri. Kaushal Atul Mehta, 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 and fix their remuneration.

### **BY ORDER OF THE BOARD OF DIRECTORS**

For **GSL Securities Limited**  
Sd/-

**Place: Mumbai**

**Date: 30/05/2014**

**S.K. Bagrodia**  
**Chairman & Director**

### **Registered Office:**

61 'B' Mittal Tower  
6<sup>th</sup> Floor,  
210, Nariman Point,  
Mumbai – 400 021.

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

### **NOTES FOR MEMBERS' ATTENTION:**

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY, NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE VALID, THE INSTRUMENTS APPOINTING THE PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIMING OF THE MEETING
- The Register of Members & Share Transfer Books of the Company shall remain closed from Thursday 18<sup>th</sup> September, 2014 to Friday, 19<sup>th</sup> September 2014.

## **DIRECTOR'S REPORT**

To,  
The Members,  
GSL Securities Limited.

Your Directors have pleasure in presenting the Twentieth Annual Report with the audited statement of Accounts for the year ended 31<sup>st</sup> March 2014.

### **Financial Results:**

Summary of the working result of the company for the Twentieth Accounting Year ended 31<sup>st</sup> March, 2014 are given as below:

	Rs.	Rs.
	2013-14	2012-13
Gross Profit/(Loss)	301,296.00	185,676.00
Less : Depreciation	59,209.00	113,873.00
Profit/(Loss) before tax	242,087.00	71,803.00
Less: Income Tax paid		
earlier year	-	6,124.00
Profit/(Loss) after tax	242,087.00	65,679.00
Add : Balance brought forward		
from previous year	(15,750,969.00)	(15,816,648.00)
	<u>(15,508,882.00)</u>	<u>(15,750,969.00)</u>

### **Dividend:**

On account of accumulated losses, your directors regret their inability to recommend payment of dividend for the financial year under review.

### **Operation:**

The Company is dealing mainly in the area of Short Term Financing and Investments.

### **Fixed Deposits:**

During the period under review, your company has not accepted any deposits as contemplated under the provisions of section 58A of the Companies Act, 1956. There are no deposits unpaid or unclaimed at the year-end.

**Director:**

Shri. Kaushal Atul Mehta shall be retiring by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

**Employee :**

None of the employees was in receipt of remuneration in excess of limits specified in section 217(2A) of the Companies Act, 1956 read with Companies (particulars of Employees) Rule, 1975.

**Auditors:**

M/s. Vijay R. Tater & Co., Chartered Accountants, Mumbai retiring Auditors will hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

**Director's Responsibility statement:**

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Board of Directors of the Company hereby state and confirm that:

- (i) in the preparation of the Annual Accounts for the financial year ended 31<sup>st</sup> March, 2014 the applicable Accounting standards have been followed ;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for the year under review;
- (iii) the Directors have taken proper and sufficient care 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 irregularities;

- (iv) the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March 2014 on a 'going concern' basis.

**Conservation of Energy, Technology Absorption:**

Being a Finance company, this is not applicable.

**Foreign Exchange Earning & Outgo:**

The Company has neither earned nor spent any Foreign Exchange.

**Cash Flow Statement :**

As required under Clause 32 of the Listing Agreement with the Stock Exchanges, the Cash flow Statement for the year 2013-14 is annexed hereto.

**Management Discussion and Analysis Report :**

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis Report is annexed herewith forming part of this Annual Report.

**Corporate Governance :**

A separate report on Corporate Governance is enclosed as a part of this Annual Report of the Company. A certificate from the Auditors of the Company regarding compliance of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to the Report on Corporate Governance.

**Acknowledgement :**

Your Directors would like to express their appreciation for co-operation and assistance received from the shareholders, bankers, depositors and employees during the year under review.

**On behalf of the Boards of Directors**

Sd/-

**Place : Mumbai**

**S.K. Bagrodia**

**Dated :30/05/2014**

**Chairman & Director**

## ANNEXURE TO THE DIRECTOR'S REPORT MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1) Industry Scenario and developments

The main business of your company is to make investment and to provide short term finance. Most of the shares in which investment were made by the company were quoting at prices below purchase cost, hence the management has not taken active initiative to sell the shares. This year round also your company has not received interest from the parties, resulting in Marginal profit to the company.

### 2) Opportunities and Threats

As pointed out earlier also the threat to the company was and is always in respect of bad and doubtful assets, the provision of which has already been made in the books of your company in accordance with the RBI guidelines. Your company is making all possible efforts to recover such Non-performing Assets, the recovery of which, if possible will improve your company's performance.

### 3) Segment-wise Performance

Since your Company is operating in only one segment (i.e. Financial activity), hence the same is Not Applicable.

### 4) Outlook

If your company is able to recover the huge Non-Performing Assets, for which it is making all its efforts the outlook of your company will be good.

### 5) Risk and Concerns

The potential risk and concern of your company relates to huge Non-Performing Assets and also the funds blocked in various investments not yielding proper incomes. Also the Indian economy & Capital market has remained weak since more than a year, though it is showing some sign of recovery. The concern still remains for the coming years, which ultimately will have an effect on the performance of your company.

### 6) Internal Control system and their adequacy

Your company has an adequate internal control system, which ensures that all its assets are safeguarded from unauthorized use and that all the transactions are authorized, recorded and reported properly. The internal control system also ensures that all the relevant statutes, rules, regulation and guidelines are strictly complied with. Your company also has an Audit committee manned by members with experience from various fields who along with the auditors constantly review the adequacy of internal control systems strength and weaknesses and report their findings and suggestions to the top management so that adequate measures could be taken in time.

### 7) Financial performance vis-à-vis Operational performance

During the year under review, your company has incurred a loss mainly due to non-recovery of interest on finance provided to various parties. Though your company has tried to bring down the various expenses by better utilization of available resources, the huge Non-Performing Assets has become a dent on the Company's performance.

### 8) Human Resources Development

Your company has always given importance to provide utmost satisfaction to its employees through better work environment and updating them of the current development in the market which would have a possible impact on the performance of your company on continuous basis, so that the major threat and challenges to your company can be met with ease.

### 9) Conclusion

Your company though made consistent efforts & drive to reducing operating cost, recover Funds blocked in Non-Performing Assets and to utilize the available resources properly, resulting in some marginal profit to your company during the year. However, performance of your company in ensuing years still largely depends on receipt of interest and Huge Non-Performing Assets.

## ANNEXURE TO THE DIRECTOR'S REPORT REPORT ON CORPORATE GOVERNANCE

The concept of Corporate Governance has been made mandatory through Clause 49 of the Listing Agreement in order to make management accountable to the shareholders for protection of their interest and effective management of the companies in the interest of the company. Your company has made every effort to comply with the provisions of the Corporate Governance and to see that the interest of the Shareholders and the Company are properly served for long. The details of compliance of the Corporate Governance by the Company are as follows :

### **I. Company's philosophy on Corporate Governance :**

Your Company has always given importance to attain the highest level of transparency, accountability and to built up confidence of the investors, employees and others through their operations and interactions and to see that the value of Shareholders are maximized.

### **II. Board of Directors :**

#### **(A) Composition of Board :**

The Board of Directors of the company comprises of four members with experiences in various fields. The Composition of Board of Directors is as follows:

Director	Executive/Non-Executive/ Independent	No. of Outside Directorship held		No. of Outside Committee positions held	
		Public	Private	Member	Chairman/ Chairperson
Mr. SantKumar Bagrodia	Promoter/ Executive Director	Nil	02	Nil	Nil
Mrs. Shailja Bagrodia	Promoter Non Executive Director	NIL	05	Nil	Nil
Mr. Kaushal Mehta	Independent Non-Executive Director	01	Nil	01	01
Mr. Vijay Kumar Lahoti	Independent Non-Executive Director	Nil	Nil	Nil	Nil

#### **(B) Number of Board Meetings held & attended by Directors:**

(i) Five Meetings of the Board of Directors were held during the year ended 31<sup>st</sup> March, 2014. These were held on :-

- |                                    |                                    |
|------------------------------------|------------------------------------|
| (1) 30 <sup>th</sup> April, 2013   | (2) 30 <sup>th</sup> May, 2013     |
| (3) 31 <sup>st</sup> July, 2013    | (4) 31 <sup>st</sup> October, 2013 |
| (5) 31 <sup>st</sup> January, 2014 |                                    |

(ii) The attendance recorded for each of the Directors at the Board Meetings during the year ended on 31<sup>st</sup> March, 2014 and of the last Annual General Meeting is as under :

Directors	No. of Board Meetings		Attended last AGM
	Held	Attended	
Mr. SantKumar Bagrodia	5	5	Yes
Mrs. Shailja Bagrodia	5	5	No
Mr. Kaushal Mehta	5	5	Yes
Mr. Vijay Kumar Lahoti	5	1	No

No Director is related to other Directors on the Board, except for Mr. Sant Kumar Bagrodia and Mrs. Shailja Bagrodia, who are Husband and Wife respectively.

### **III. Audit Committee**

(A) An Audit Committee was constituted by the Board of Directors on 31<sup>st</sup> October, 2002 to look after various matters which are in conformity with the requirements as per Clause 49 of the Listing Agreement with Stock Exchanges & consist of the following members:-

- (1) Shri. Kaushal Atul Mehta – Chairman
- (2) Smt. Shailja Bagrodia – Member
- (3) Shri. Vijay Kumar Lahoti – Member

(B) The Audit Committee meetings were held on 30<sup>th</sup> May, 2013, 31<sup>st</sup> July, 2013, 31<sup>st</sup> October, 2013 & 31<sup>st</sup> January, 2014. The attendance of each Audit Committee member is as under :-

Member	No. of Meetings Attended
Mr. Kaushal Atul Mehta	4
Mr. Vijay Kumar Lahoti	1
Mrs. Shailja Bagrodia	4

### **IV. Remuneration Committee**

The Board of Directors of the Company has not formed Remuneration Committee. No Board Sitting Fees has been given to the Directors of the Company as the Directors vide Company's Board Resolution dt. 30/04/2005 has accepted not to receive Board Sitting Fees henceforth.

### **V. Board Procedure**

The Board of Directors of the Company has met Five times during the year. Agenda papers of each meeting along with explanatory statements were circulated in advance to all the Directors. All the relevant information as required under Clause 49 of the Listing Agreement were placed before the Board from time to time.

**VI. Shareholders/Investors Committee**

- (A) The Board of Directors constituted a Shareholders/Investors Committee on 31<sup>st</sup> October, 2003 under the Chairmanship of Non Executive Director, Smt. Shailja Bagrodia. During the year ended 31<sup>st</sup> March, 2014, no investor complaints were received. There were no share transfers pending for registration for more than 30 days as on the said date.
- (B) Details of Directors seeking re-appointment at the ensuing Annual General Meeting fixed on 20<sup>th</sup> September, 2014 are given hereunder: -

Name of the Director.	<b>Shri. Kaushal Atul Mehta</b>
Date of Appointment	31 <sup>st</sup> October, 2002
Expertise in Specific Functional areas	Practicing Chartered Accountant with Rich Experience in the field of Finance & Accounts.
List of Other Directorships held	M/s. Sobhagya Mercantile Limited.
Chairman/Member of the committees of the Board of the other Companies on which he/she is a Director.	M/s. Sobhagya Mercantile Limited.

To expedite the process of share transfer the Company has appointed M/s. Purva Share Registry (India) Pvt. Ltd. as Registrar & Transfer Agents who completes share transfer formalities every fortnight.

**VII. Compliance Certificate :**

Compliance Certificate for Corporate Governance from Auditors of the Company is annexed herewith.

**VIII. General Body Meetings :**

- (A) The details of the General Meetings held in last three years are as under :-

Date	Location	Time
20 <sup>th</sup> September, 2013	61,Mittal Tower, 6 <sup>th</sup> Floor, B wing 210, Nariman Point, Mumbai – 400 021.	10.00 A.M.
20 <sup>th</sup> September, 2012	61,Mittal Tower, 6 <sup>th</sup> Floor, B wing 210,, Nariman Point, Mumbai – 400 021.	10.00 A.M.
22 <sup>nd</sup> September, 2011	61,Mittal Tower, 6 <sup>th</sup> Floor, B wing 210,, Nariman Point, Mumbai – 400 021.	10.00 A.M.

- (B) **Special Resolution passed during the last three years :-**

No Special Resolution was passed in the last three years.

- (C) **No Special Resolution was put through postal ballot last year.**

- (D) **No Special Resolution is proposed to be put through postal ballot this year.**

**IX. Disclosures :**

- (i) There are no materially significant transactions with related parties viz. Promoters, Directors or the Management, their Subsidiaries or relatives conflicting with company's interest.
- (ii) There have been no instances of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

**X. Means of Communication :**

Half – Yearly report sent to each household of shareholders	No
Quarterly results : Which newspapers normally published in	The Financial Express Mahanayak
Any website, where displayed	<a href="http://www.bseindia.com">www.bseindia.com</a>
Whether MD&A is a part of annual report	Yes

**XI. General Shareholder Information :**

(A) Twentieth Annual General Meeting of the Company will be held on Saturday 20<sup>th</sup> September, 2014 at 10.00 a.m. at Registered Office of the Company at 61, 'B' Wing Mittal Tower, 6<sup>th</sup> Floor, 210, Nariman Point, Mumbai – 400 021.

(B) Financial Calendar 2014 – 2015 :

First Quarterly Results	:	Before end of July, 2014.
Second Quarterly Results	:	Before end of October, 2014.
Third Quarterly Results	:	Before end of January, 2015.
Fourth Quarterly Results	:	Before end of May, 2015.

(C) Date of Book Closure – Thursday 18<sup>th</sup> September, 2014 to Friday, 19<sup>th</sup> September, 2014.

(D) Dividend Payment Date – No Dividend is declared for the year.

(E) Listing on Stock Exchanges – The Shares of Company are listed on the following Stock Exchanges :

Name of the Stock Exchange	Address
The Mumbai Stock Exchange	Phorozee Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai - 400 001.
The Ahmedabad Stock Exchange	Kamdhenu Complex, Near Polytechnic, Panjara Pole, Ahmedabad - 380 015.
The Calcutta Stock Exchange	7, Lyons Range, Calcutta - 700 001.

Listing Fees for the year 2014 – 2015 has been paid to 'The Mumbai Stock Exchange only, as the company is seeking delisting from Calcutta and Ahmedabad Stock Exchanges.

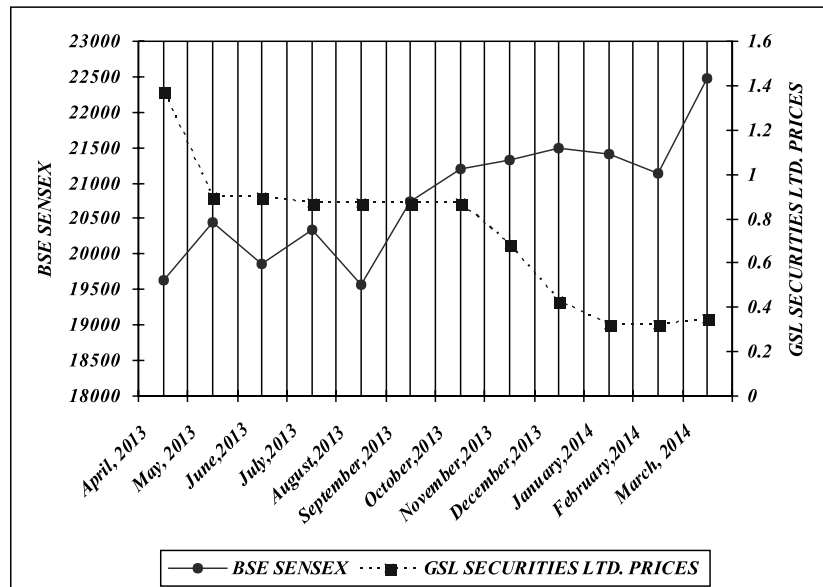
**(F) Stock Code :-**

- (i) The Mumbai Stock Exchange : 530469.  
(ii) Demat ISIN Number : INE721D01017.

**(G) Market Price Data :- High/Low price during each month in the last Financial year on the Mumbai Stock Exchange are as follows :**

Month	Share Price	
	Highest Rate	Lowest Rate
Apr - 13	1.37	0.94
May - 13	0.90	0.86
June - 13	N.A.	N.A.
July - 13	0.87	0.87
Aug - 13	N.A.	N.A.
Sep - 13	N.A.	N.A.
Oct - 13	0.87	0.71
Nov - 13	0.68	0.45
Dec - 13	0.43	0.29
Jan - 14	0.32	0.32
Feb - 14	N.A.	N.A.
Mar- 14	0.35	0.33

Note : N.A. (i.e. Not Applicable), since there was no trading in that particular month.

**(H) Performance in comparison to broad-based indices - BSE Sensex :**


**(A) Registrar and Transfer Agent : M/s Purva Sharegistry (India) Private Limited, Shivshakti Industrial Estate, Gala No. 9, Sitaram Mills Compound, J.R. Boricha Marg, Mahalaxmi, Mumbai – 400 011.**



**(B) Share Transfer System :-** Share Transfers approved by the Share Transfer Committee are registered & returned by the Registrar & Share Transfer Agent within a period of 30 days from the date of receipt, if the documents are clear in all respects

**(C) Distribution of Shareholding as on 31<sup>st</sup> March, 2014:-**

Shareholding of Nominal value	No. of Shareholders (Folios)	% of Shareholders (Folios)	No. of Shares	% of Shareholding
Up to 5000	3,402	91.45	4829900	14.86
5001-10000	163	4.38	1308930	4.03
10001-20000	71	1.91	1013420	3.12
20001-30000	30	0.81	767170	2.36
30001-40000	13	0.35	469730	1.45
40001-50000	7	0.19	324910	1.00
50001-100000	14	0.38	987910	3.04
100001 & above	20	0.54	22798030	70.15
<b>Total</b>	<b>3720</b>	<b>100.00</b>	<b>32500000</b>	<b>100.00</b>

Category	No. of Shareholders (Folios)	% of Shareholders (Folios)	No. of Shares	% of Shareholding
Promoters	7	0.19	13,30,900	40.95
Resident Individual	3638	97.79	11,53,886	35.50
Hindu Undivided Family	23	0.62	14,891	0.46
Corporate Bodies	49	1.32	7,49,144	23.05
Clearing Members	1	0.03	100	0.00
Nationalised Banks and Mutual Funds	0000	0.00	00,00,000	0.00
FIs	0000	0.00	00,00,000	0.00
NRIs and OCBs	2	0.05	1079	0.04
<b>Total</b>	<b>3720</b>	<b>100.00</b>	<b>32,50,000</b>	<b>100.00</b>

**(L) Dematerialisation of Shares and Liquidity :-** 28,34,300 shares representing 87.21 % of Company's total shares were held in dematerialized form as on 31<sup>st</sup> March, 2014 and the balance 4,15,700 shares representing 12.79 % of Company's total shares were held in physical form.

**(M) Address for Correspondence :** M/s. GSL Securities Limited  
61, Mittal Tower,  
'B' Wing 6<sup>th</sup> Floor,  
210, Nariman Point,  
Mumbai - 400 021

**ANNEXURE TO THE DIRECTOR'S REPORT  
COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

The Members of  
M/s. GSL Securities Limited  
Mumbai.

**CERTIFICATE**

We have examined the compliance of conditions of Corporate Governance by GSL Securities Limited, Mumbai, for the year ended on 31.03.2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

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

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

We further state 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 Vijay R. Tater & Co.  
Chartered Accountants**

**Sd/-**

**Suresh G. Kothari**

**Partner**

**M. No. : 47625.**

**Place : Mumbai**

**Dated :30/05/2014**