





**Form A**

(Clause 31(a) of the Listing Agreement)

**Format of covering letter of the annual audit report to be filed with the Stock Exchange:**

1.	Name of the Company	Consolidated Securities Limited
2.	Annual financial statements for the year ended	31.03.2015
3.	Type of Audit Observation	Unqualified
4.	Frequency of Observation	Not Applicable
5.	To be signed by: <ul style="list-style-type: none"><li>- Managing Director</li><li>- CFO</li><li>- Auditor of Company</li><li>- Audit Committee Chairman</li></ul>	<p>For CONSOLIDATED SECURITIES LTD.</p> <p></p> <p>MANAGING DIRECTOR</p> <p></p> <p>For R.Mahajan &amp; Associates Chartered Accountants F.R.N.011348N</p> <p> (Ratnesh Mahajan) (Partner) Membership No.085484</p> <p></p>

# 23<sup>rd</sup> annual report

**Consolidated  
Securities Limited**

2014-2015



**Consolidated  
Securities Ltd**

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Kapil Aggarwal	Chairman
Rohit Gupta	Managing Director
Ashok Kumar Kathuria	Director
Anirudha Kumar	Director
Anjna	Additional Director

### REGISTERED OFFICE

8/19, 3<sup>rd</sup> Floor, W.E.A.  
Pusa Lane, Karol Bagh  
New Delhi-110005  
Tel: 011-42503441-44  
Fax: 011-42503444  
E-mail: info@consec.in

### AUDITORS

R. Mahajan & Associates  
Chartered Accountants  
402, Jain Bhawan, W.E.A  
Karol Bagh  
New Delhi-110005

### BANKERS

HDFC Bank Limited

### REGISTRAR & SHARE TRANSFER AGENTS

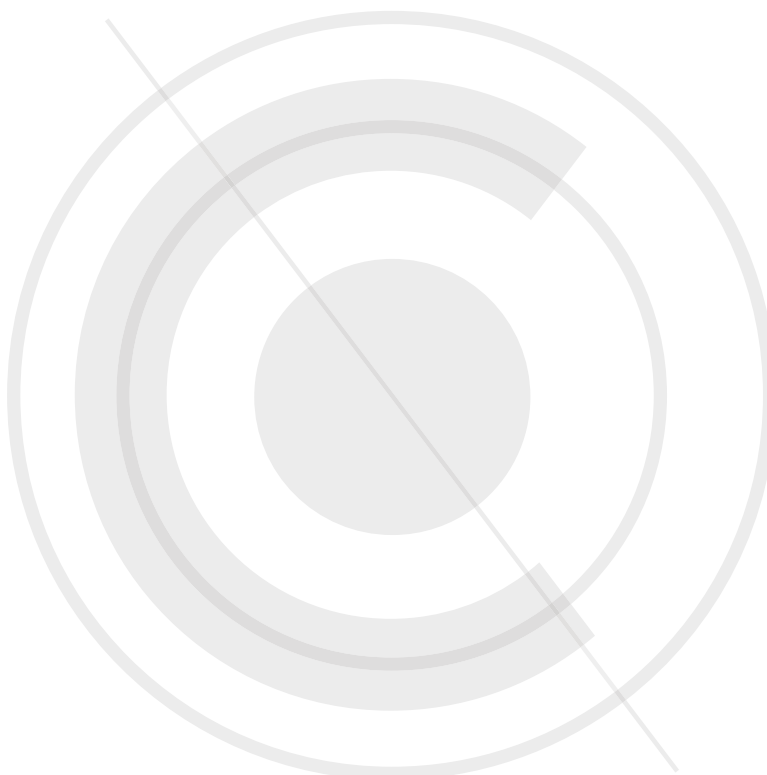
MAS Services Limited  
T-34, 2<sup>nd</sup> Floor,  
Okhla Industrial Area Phase-2,  
New Delhi-110020

### COMPANY SECRETARY & LEGAL HEAD

Mr. Akash Gupta

### CHIEF FINANCIAL OFFICER

Mr. Rohit Gupta



**NOTICE**

Notice is hereby given that the Twenty Third Annual General Meeting of the members of Consolidated Securities Limited will be held on Wednesday, 30<sup>th</sup> day of September 2015 at 11:00 a.m. at Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi-110005, to transact the following businesses:-

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2015 and the Profit & Loss Account for the year ended on that date, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ashok Kumar Kathuria (DIN: 01010305), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. R. Mahajan & Associates, Chartered Accountants, the retiring auditors of the company as Statutory Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and in this regard to consider and if, thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and 142(1) of the Companies Act, 2013 and the rules made thereunder, M/s. R. Mahajan & Associates, (Firm Registration No. 011348N) Chartered Accountants, New Delhi, be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company."

**SPECIAL BUSINESS**

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** for Regularization of Additional Director, Ms. Anjna:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150 & 161 of the Companies Act, 2013 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013, Ms. Anjna (DIN: 07143461) who was appointed as an Additional Director (Independent) in the meeting of the Board of Directors held on 30.03.2015 and whose term expires at the ensuing Annual General Meeting of the company and for the appointment of whom the Company has received a notice in writing proposing her candidature for the office of the Director be and is hereby appointed as director of the Company."

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** for Appointment of Ms. Anjna as an Independent Director:

**"RESOLVED THAT** pursuant to the provisions of Sections 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Ms. Anjna (DIN: 07143461), a Non-executive Additional Director of the Company whose term expires at the ensuing Annual General Meeting of the company be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years from the 23<sup>rd</sup> Annual General Meeting i.e. from 30.09.2015 to 29.09.2020."

6. To consider and, if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution** for change in name of the company to CSL Finance Limited:

**“RESOLVED THAT** pursuant to the provisions of Section 4(4), 13 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force) and the rules framed there under, consent of the Shareholders of the Company be and is hereby accorded, subject to the approval of the Reserve bank of India , Central Government and other regulatory authorities to change the name of the Company from Consolidated Securities Limited to CSL Finance Limited.

**RESOLVED FURTHER THAT** Clause I of the Memorandum of Association of the Company be substituted by the following:

The Name of the company is CSL Finance Limited.

**RESOLVED FURTHER THAT** Clause I of the Articles of Association of the company be substituted by the following:

The Company means CSL Finance Limited.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Directors and Secretary of the Company, be & are hereby severally authorised, on behalf of the Company, to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution and to do all such acts, deeds, filings and things as deemed necessary, proper or desirable including but not limited to filings with the Registrar of Companies, Reserve Bank of India and any other authority(s) in this regard.”

7. To consider and, if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution** for revision in terms of remuneration of Mr. Rohit Gupta, Managing Director of the company:

**“RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, the remuneration of Mr. Rohit Gupta, Managing Director of the Company, be and is hereby revised with effect from 01.04.2015 to 31.03.2017 as detailed below, subject to the approval of the shareholders of the company, other approvals, if any, in accordance with the applicable provisions of the Companies Act, 2013, other applicable provisions. The revised terms of the remuneration of Mr. Rohit Gupta, Managing Director, for the period 01.04.2015 to 31.03.2017 are as follows:

- i. **Salary** : Rs.7,00,000/- per month
- ii. **Commission** : Commission at the rate of 3% on the net profits of the company computed in the manner laid down in the Companies Act, 2013 as amended to date & subject to a ceiling of three months' salary of Mr. Rohit Gupta in a year i.e. Rs.21,00,000/- (Rupees twenty one lacs only) & further subject to the other applicable provisions, if any, of the Companies Act, as amended to date; with the liberty to the Board of Directors to decide and alter/vary the % of commission as may be agreed to between the Board of Directors and Mr. Rohit Gupta.
- iii. **Perquisites** :
  - Leave Travel Assistance: for self and family once in a year,
  - Medical reimbursement: Reimbursement of all hospitalization and medical expenses actually incurred for self and family provided that the expenses incurred by the company in this regard for him and his family shall be subject to a ceiling of one month's salary in a year,
  - Car/telephone: The Company shall provide car for the company's business and cellular phone provided that the personal long distance calls and use of car for private purpose shall be billed by the company to Mr. Rohit Gupta;  
the aggregate of all perquisites being subject to a ceiling of two months' salary in a year of Mr. Rohit Gupta i.e. Rs.14,00,000/- (Rupees fourteen lacs only).

Minimum Remuneration – Notwithstanding anything herein above stated, where in any financial year during the tenure of Mr. Rohit Gupta, Managing Director of the company, the company incurs a loss or its profits are inadequate, the company shall pay to Mr. Rohit Gupta the remuneration by way of salary, variable pay and other allowances not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act 2013, (including any statutory modifications or re-enactment(s) thereof, for the time being in force), or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.



**RESOLVED FURTHER THAT** the Board be and is hereby authorised to alter and vary the terms and conditions of appointment and/or remuneration, subject to the necessary approvals as per the applicable provisions in this regard.

**RESOLVED FURTHER THAT** the Directors and the Secretary of the Company be and are hereby severally authorised to do all such acts, things, filings as may be deemed necessary for seeking the approval of the shareholders of the company, and for filing of any statutory forms or other related documents for seeking its approval to revise the remuneration and to do all such acts and things as may be necessary in this regard, including but not limited to sending all requisite disclosures, intimations, filings etc as per the Companies Act, 2013, any other applicable provisions, if any."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution**, for the appointment of Mr. Anirudha Kumar as an Independent Director:

**"RESOLVED THAT** pursuant to the provisions of sections 149, 150 and 152 and any other applicable provisions of the Companies Act 2013, and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV to the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), Mr. Anirudha Kumar (DIN-00084495), be and is hereby appointed as an Independent Director of the company to hold office upto 29.09.2019 and whose office shall not be liable to retire by rotation."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution**, for the appointment of Mr. Kapil Aggarwal as an Independent Director:

**"RESOLVED THAT** pursuant to the provisions of sections 149, 150 and 152 and any other applicable provisions of the Companies Act 2013, and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV to the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), Mr. Kapil Aggarwal (DIN-00032225), be and is hereby appointed as an Independent Director of the company to hold office upto 29.09.2019 and whose office shall not be liable to retire by rotation."

**Consolidated Securities Limited**

**Regd. Office:**

8/19, 3<sup>rd</sup> Floor, W.E.A.,  
Pusa Lane, Karol Bagh,  
New Delhi-110005  
(CIN: L74899DL1992PLC051462)

**For and on behalf of the Board**

**Rohit Gupta**  
**Managing Director & CFO**  
(DIN: 00045077)

Place: New Delhi

Date: 22<sup>nd</sup> August 2015

**NOTES:**

1. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IS ANNEXED HERETO.
2. A MEMBER ENTITLED TO ATTEND AND VOTE 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 AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING. PROXIES SUBMITTED ON BEHALF OF COMPANIES, SOCIETIES, PARTNERSHIP FIRMS, ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE, ISSUED ON BEHALF OF THE NOMINATING ORGANIZATION.

MEMBERS ARE REQUESTED TO NOTE THAT A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

3. Corporate Members are requested to send a duly certified copy of the Board Resolution to the Registered Office of the Company, pursuant to applicable provisions of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.

4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 24<sup>th</sup> September 2015 to Wednesday, 30<sup>th</sup> September 2015 (both days inclusive).
6. Members are requested to bring their own copies to the meeting.
7. Members desirous of any information/clarification on the accounts are requested to write to the Company at least 10 days in advance so as to enable the management to keep the same ready at the Annual General Meeting.
8. Please send your requests for transfer/transmission/consolidation and demat of shares, change of address to our Registrar and Transfer Agents (RTA) - MAS Services Ltd. at T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area Phase-2, New Delhi-110020
9. Members attending the meeting are requested to bring with them their Client ID and DP ID Numbers/ Folio Numbers for identification. Further members/proxies should bring the attendance slip for attending the meeting.
10. Members having multiple folios in identical names or in joint names in the same order are requested to send the share certificate(s) to the Company's Registrar & Transfer Agents, M/s. MAS Services Limited for consolidation of all such shareholding into one folio to facilitate better service.
11. Shareholders holding shares in certificate form are requested to de-materialize their holding in electronic form.
12. The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
13. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrar & Transfer Agents, M/s. MAS Services Limited.
14. Voting through electronic means:  
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 23<sup>rd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The instructions for members for voting electronically are being provided separately at the end of the Annual Report.
15. The Company has designated an exclusive email id viz [investor@consec.in](mailto:investor@consec.in) to enable the investors to post their queries/suggestions/grievances and monitor its redressal.

**For and on behalf of the Board**

Place: New Delhi  
Date: 22<sup>nd</sup> August 2015

**Rohit Gupta**  
**Managing Director & CFO**  
**(DIN: 00045077)**

**ANNEXURE TO THE NOTICE**

Details of the Directors seeking appointment/re-appointment in the ensuing Annual General Meeting to be held on 30<sup>th</sup> September, 2015 pursuant to the requirement of the Companies Act, 2013 and the Listing Agreement:

<b>Name of Director</b>	<b>Mr. Ashok Kumar Kathuria</b>
DIN	01010305
Date of Birth	24.02.1969
Nationality	Indian
Date of appointment	29.10.2005
Qualification	B.A.
Expertise in specific functional areas	He has more than 25 years of rich experience in administration.
Shareholding in CSL	Nil
List of outside Directorships	CSL Holdings Private Limited Jan Uddhaar Finance Private Limited
Chairmanship / membership of the Committee of the Board of the Company	Chairman - Investor Relations & Share Transfer Committee Chairman - Stakeholder Relationship Committee Member - Audit Committee Member - Nomination & Remuneration Committee Member - CSR Committee

<b>Name of Director</b>	<b>Mr. Anirudha Kumar</b>
DIN	00084495
Date of Birth	15.08.1966
Nationality	Indian
Date of appointment	01.09.2010
Qualification	B.Sc, FCA
Expertise in specific functional areas	He has more than 25 years of rich & diverse experience in the field of investment, corporate finance, audit, banking and taxation.
Shareholding in CSL	Nil
List of outside Directorships	AGM Placement Private Limited AGM Corporate Services Private Limited
Chairmanship/membership of the committee of the Board of the Company	Chairman – Nomination & Remuneration Committee Chairman – CSR Committee Member – Audit Committee

<b>Name of Director</b>	<b>Mr. Kapil Aggarwal</b>
DIN	00032225
Date of Birth	14.06.1959
Nationality	Indian
Date of appointment	15.12.2005
Qualification	B.com(H), FCA
Expertise in specific functional areas	Having more than 25 years of experience in Audit, taxation & legal matters, is a renowned figure in taxation matters
Shareholding in CSL	Nil
List of outside Directorships	Nil
Chairmanship/membership of the committee of the Board of the Company	Chairman – Audit Committee Member – Nomination & Remuneration Committee Member – CSR Committee

**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013****Item No.4 & Item No.5:**

Ms. Anjna was appointed as an Additional (Non-Executive Independent) Director by the board of directors of the company with effect from 30.03.2015. In accordance with the provisions of Section 161 of the Companies Act, 2013, Ms. Anjna holds office upto the date of the forthcoming Annual General Meeting.

Ms. Anjna is a commerce graduate and a member of The Institute of Chartered Accountants of India (ICAI). She has vast and diverse experience in the field of finance, taxation, accounts & corporate affairs. The company has received notice proposing the candidature of Ms. Anjna for appointment as Independent Director in the company.

In the opinion of the Board, the Independent Director proposed to be appointed fulfills the conditions specified in the Act and the Rules made thereunder and that the proposed director is independent of the management.

Except Ms. Anjna, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in Item no.4 & Item No.5 of the notice.

The Board recommends the Ordinary Resolutions set out at Item No.4 and Item No.5 of the Notice for approval by the members.

**Item No.6:**

The Company is carrying on the business of Secured Lending and Investment, dealing in securities of all kinds. The board of directors of the company in its meeting held on 28.07.2015 has approved the change in the name of the company to '**CSL Finance Limited**', subject to the necessary approvals from Reserve Bank of India, shareholders of the company, Registrar of Companies, other authorities, if any. The rationale for the proposed name change to 'CSL Finance Limited' is as follows:

'CSL'- The Company is the flagship company of the group better known as 'CSL' Group (CSL being the abbreviated form of Consolidated Securities Limited). Over the years, the company/group has positioned itself under the brand name-'CSL', which has become an integral part of the Company's/Group's overall branding/marketing. Hence, the word 'CSL' is proposed.

'Finance'- The Company is primarily engaged in the business of providing finance to small & mid-sized entities. The other segment i.e. proprietary investments/securities dealing, forms only a small part of the entire operations of the company. Accordingly, the company now intends to market itself as a Finance company, which would directly correspond with the primary business of the company i.e. financing. The directors believe that the change in the name of the Company which is being undertaken would make the name of the company sharp, focused & more aligned with the primary business of the company. The company intends to further scale up its finance business in the future. Hence, the word 'Finance' is proposed.

The Registrar of Companies has confirmed the availability of this new name to the Company. The proposed change of name will not affect any of the rights of the Company or of the shareholders/stakeholders of the Company. The provisions of the Companies Act require the Company to seek the approval of Members by Special Resolution for change in name. The Board of Directors, accordingly, recommends the Resolution for the approval of Members.

None of the Directors, Manager, other Key Managerial Personnel and their relatives is concerned or interested in the Resolution, except to the extent of their respective interest as shareholders of the Company, if any.

**Item No.7:**

The Board of Directors of the company on the recommendation of the Nomination & Remuneration Committee in its meeting held on 22.08.2015, has approved the revision in the terms of the remuneration of Mr. Rohit Gupta, the Managing Director of the Company, with effect from 01.04.2015 upto 31.03.2017. The details of the revision are as provided in the resolution.

Save and except as indicated here in above, other terms of appointment of Mr. Rohit Gupta, Managing Director; are governed by the agreement entered into between the company and Mr. Rohit Gupta. This Explanatory Statement shall be treated as a written memorandum under Section 190 of the Companies Act, 2013, of the Agreement entered into between the Company and Mr. Rohit Gupta.

A copy of the Agreement referred to in the said resolution is available for inspection by the members at the Registered Office of the Company on any working day excluding public holidays and Sundays, between 11:00 A.M. to 1:00 P.M. upto and including the date of the Annual General Meeting. In compliance with the applicable provisions of the Companies Act, 2013, a Special Resolution as per the terms set out in Item No.7 of the accompanying notice is being placed before the members in the Annual General Meeting.

The statement in terms of Section II of Part II of the Schedule V to the Companies Act 2013 is as follows:

**I. General Information:**

- a. Nature of Industry - Secured Lending
- b. Financial performance - The company has earned profit after tax of Rs.7.99 crores during the financial year 2014-15.

**II. Information about Mr.Rohit Gupta:**

- a. Background details - Mr.Rohit Gupta is a commerce graduate and a Member of the Institute of Chartered Accountants of India (ICAI). He has more than 20 years of diverse experience in the field of Merchant Banking, Corporate Finance, Restructuring, Project Finance, Stock Markets & Real Estate.
- b. Past remuneration - The details of annual remuneration paid to Mr.Rohit Gupta is as follows:
  - i. FY 2014-15 – Rs.90,00,000/-
  - ii. FY 2013-14 – Rs.30,00,000/-
  - iii. FY 2012-13 – Rs.30,00,000/-
  - iv. FY 2011-12 – Rs.30,00,000/-
- c. Job profile & his suitability- The Company is performing and progressing well under the vision and directions of Mr. Rohit Gupta. He has diverse knowledge & experience in the Secured Lending segment and has healthy network amongst business circles, which has enabled the company to expand its operations with much more ease. Considering the company's focus on the expansion of its Secured Lending business, the in-depth knowledge, experience & network that Mr. Rohit Gupta possesses in the real estate sector are of paramount importance to the growth of the company.
- d. Remuneration proposed- As provided in the resolution
- e. Comparative remuneration profile with respect to industry, size of company, profile of the position and person- The remuneration being proposed is commensurate with the size and operation of the Company and Industry. The Company values the contribution being made by Mr. Rohit Gupta to the company and it is his vision that has helped the company diversify & expand its business operations.
- f. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel-Mr.Rohit Gupta is the Managing Director of the company. The transactions, if any, done with the company are being done at arm's length.

- III.** The Company sees ample opportunities in the Secured Lending segment and going forward, the company is looking to scale up its loan book. The proprietary investments segment has witnessed severe volatility during the FY 2014-15 and gradually the company shall scale down the deployment of funds in this segment as our loan book grows in the coming years. Though, the company expects the business environment to remain challenging in the next couple of years, the company strongly believes that with the right set of people having adequate experience & knowledge, a sound due diligence system in place, it would be able to perform well in the coming years as well.

The Board of Directors recommends the special resolution for approval by members.

Except Mr. Rohit Gupta, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in Item No.7 of the notice.



**Item No.8:**

Mr. Anirudha Kumar is an Independent Director of the Company (appointed pursuant to Clause 49 of the Listing Agreement). The provisions relating to retirement of directors by rotation shall not apply to the appointment of independent directors. Mr. Anirudha Kumar being eligible, the resolution seeks the approval of members for his appointment as an Independent Director, for the period upto 29.09.2019. Hence, it is proposed to appoint Mr. Anirudha Kumar as an Independent Director for the period upto 29.09.2019, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including and statutory modifications or re-enactment(s) thereof, for the time being in force), and that he shall not be liable to retire by rotation. The Company has received notice in writing pursuant to Section 160 of the Companies Act, 2013 along with a deposit of Rs.1,00,000/- proposing the candidature of Mr. Anirudha Kumar for the office of Independent Director, to be appointed as such under the provisions of section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr. Anirudha Kumar fulfils the conditions specified in the Companies Act, 2013, and Rules made thereunder for his appointment as an Independent Director of the Company. Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Anirudha Kumar as an Independent Director, for the approval by the members of the Company.

In the opinion of the Board, the Independent Director proposed to be appointed fulfils the conditions specified in the Act and the Rules made thereunder and that the proposed director is independent of the management.

No director, Key managerial personnel or their relatives, except Mr. Anirudha Kumar, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No.8 for the approval of members.

**Item no.9:**

Mr. Kapil Aggarwal is an Independent Director of the Company (appointed pursuant to Clause 49 of the Listing Agreement). The provisions relating to retirement of directors by rotation shall not apply to the appointment of independent directors. Mr. Kapil Aggarwal being eligible, the resolution seeks the approval of members for his appointment as an Independent Director, for the period upto 29.09.2019. Hence, it is proposed to appoint Mr. Kapil Aggarwal as an Independent Director for the period upto 29.09.2019, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including and statutory modifications or re-enactment(s) thereof, for the time being in force), and that he shall not be liable to retire by rotation. The Company has received notice in writing pursuant to Section 160 of the Companies Act, 2013 along with a deposit of Rs.1,00,000/- proposing the candidature of Mr. Kapil Aggarwal for the office of Independent Director, to be appointed as such under the provisions of section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr. Kapil Aggarwal fulfils the conditions specified in the Companies Act, 2013, and Rules made thereunder for his appointment as an Independent Director of the Company. Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Kapil Aggarwal as an Independent Director, for the approval by the members of the Company.

In the opinion of the Board, the Independent Director proposed to be appointed fulfils the conditions specified in the Act and the Rules made thereunder and that the proposed director is independent of the management.

No director, Key managerial personnel or their relatives, except Mr. Kapil Aggarwal, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No.9 for the approval of members.

## DIRECTOR'S REPORT

### Dear Shareholders

Your Directors take pleasure in presenting the 23<sup>rd</sup> Annual Report together with the Audited Annual Accounts of your Company for the year ended 31<sup>st</sup> March, 2015 together with the Auditor's Report thereon.

### 1. Financial Performance

(Rs. In Crores)

Particulars	Current Year Ended 31.03.2015	Previous Year Ended 31.03.2014
Total Revenue	93.77	115.10
Profit before Tax	12.26	9.98
Less: Provision for Taxation	4.27	2.78
Profit After Taxes	7.99	7.20

### 2. Dividend

Your directors do not recommend any dividend for the year ended 31<sup>st</sup> March, 2015

### 3. Management Discussion & Analysis Report

As required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges and Circular/ Notifications/ Directions issued by Reserve Bank of India from time to time, the Management Discussion and Analysis for the year under review is presented in a separate section forming part of the Annual Report.

### 4. Corporate Governance

A separate report on Corporate Governance is provided together with certificate from the Auditors of the Company confirming compliance to the conditions of Corporate Governance as stipulated under Clause 49 of the Equity Listing Agreement and is forming part of this Annual Report.

### 5. RBI Guidelines

As a Non Deposit accepting Non-Banking Finance Company, your Company always aims to operate in compliance with applicable RBI laws and regulations and employs its best efforts towards achieving the same.

### 6. Subsidiaries Companies, Joint Ventures and Associates

The Company has no subsidiary Company. The company has one Associate company, Jan Uddhaar Finance Private Limited, which was incorporated on 06.08.2015.

### 7. Number of Meetings of the Board

The Board met 10 times in financial year 2014-15 viz., 23<sup>rd</sup> April 2014, 25<sup>th</sup> April 2014, 29<sup>th</sup> May 2014, 14<sup>th</sup> August 2014, 26<sup>th</sup> September 2014, 29<sup>th</sup> October 2014, 9<sup>th</sup> January 2015, 30<sup>th</sup> January 2015, 14<sup>th</sup> February 2015 and 30<sup>th</sup> March, 2015. The maximum interval between any two meetings did not exceed 120 days.

### 8. Committees of the Board

During the year, in accordance with the Companies Act, 2013 and Clause 49 of Listing Agreement, the Board constituted a Corporate Social Responsibility Committee. The Committees of the Board in place are as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Investor Relations & Share Transfer Committee
- Corporate Social Responsibility Committee

Details of the said Committees along with their charters, composition and meetings held during the year, are provided in the "Report on Corporate Governance", a part of this Annual Report.

## 9. Details of Directors or KMP appointed/ resigned during the year

Pursuant to the requirements of the listing agreement and applicable rules of Companies Act 2013, Ms. Anjna (DIN: 07143461) was appointed as an Additional Director (Independent) by the Board of Directors with effect from 30.03.2015. No other KMP/Director was appointed or resigned during the year.

## 10. Board's Independence

The definition of 'Independence' of Directors is derived from Clause 49 of the Listing Agreement with Stock Exchange and Section 149(6) of the Companies Act, 2013. Based on the confirmation/ disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Clause 49 of the Listing Agreement and Section 149(6) of the Companies Act, 2013:-

1. Mr. Kapil Aggarwal (DIN: 00032225)
2. Mr. Anirudha Kumar (DIN: 00084495)
3. Ms. Anjna (DIN: 07143461)

## 11. Director's Responsibility Statement

In pursuance to applicable provisions of the Companies Act, with respect to Director's Responsibility Statement, your directors hereby state and confirm:

- a. that in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2015, the applicable accounting standards has been followed
- b. that the Directors has selected such accounting policies and applied them consistently and made judgment and estimates that were 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 profits or loss of the company for the year under review
- c. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities
- d. that the Directors had prepared the annual accounts for the financial year ending 31<sup>st</sup> March 2015 on a going concern basis.
- e. the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 12. Company's Policy on Directors' Appointment and Remuneration & Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and other employees has been formulated including criteria for determining qualifications, positive attributes, Independence of a Director and other matters as required under the said Act and Listing Agreement. The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- Expertise;
- Objectivity and Independence;
- Guidance and support in context of life stage of the Company;
- Understanding of the Company's business;
- Understanding and commitment to duties and responsibilities;
- Willingness to devote the time needed for effective contribution to Company;
- Participation in discussions in effective and constructive manner;
- Responsiveness in approach;
- Ability to encourage and motivate the Management for continued performance and success;

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his/ her evaluation.



### **13. Particulars of Loans, Guarantees or Investments**

Details of loans, guarantees and investments are given in the notes to the Financial Statements.

### **14. Particulars of Contracts or Arrangements with Related Parties referred to in Section 188**

During and subsequent to the year under review, the contracts or arrangements with related parties have been on arms length and in ordinary course of business and they were not material in nature. Accordingly, the particulars of the transactions as prescribed in Form AOC-2 of the rules prescribed under chapter IX relating to Accounts of Companies under the Companies Act, 2013 are not required to be disclosed as they are not applicable.

### **15. Statutory Auditors & their Report**

M/s. R. Mahajan & Associates, Chartered Accountants were appointed as Statutory Auditors of your Company at its 22<sup>nd</sup> Annual General Meeting (AGM) held on 30th September, 2014, from the conclusion of the said AGM till conclusion of Twenty Third Annual General Meeting being held on 30th September, 2015. Accordingly, the appointment M/s. R. Mahajan & Associates, as the Statutory Auditor of the Company is placed for ratification by the shareholders. The Auditor's Report does not contain any qualification, reservation or adverse remark.

### **16. Secretarial Auditors & their Report**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company had appointed Mr. Sanjay Kumar, Practicing Company Secretary, to undertake the Secretarial Audit of the Company for the financial year 2014-15. The Secretarial Audit Report for Financial Year 2014-15 has been appended as Annexure-I to this Report.

### **17. Extract of Annual Return**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as Annexure-II to this Director's Report.

### **18. Corporate Social Responsibility (CSR)**

The Board of Directors of the company, during the year under review, had constituted the Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of Companies Act, 2013 read with rules formulated therein.

The Company pursuant to the recommendation of the CSR Committee had adopted a detailed policy on Corporate Social Responsibility and also discussed and identified the core areas in which the CSR activities was proposed to be carried out in the CSR Committee Meetings from time to time. The CSR Policy of the Company has been annexed as Annexure-III to this Report.

### **19. The state of the Company's affairs**

During the year under review the performance of the company has been satisfactory, even despite the challenges in the operating environment. The company continues to run a zero-default loan book. Though credit growth is yet to pick up, going ahead the company sees ample opportunities in the secured lending segment and is looking to scale up its loan book in the years to come.

### **20. The amounts, if any, which the Company proposes to carry to any reserves**

During the year under review, the company has transferred an amount of Rs.1.59 Crores from the Profit & Loss Account of the company to the Statutory Reserve created u/s 45 IC of the Reserve Bank of India Act, 1934.

## **21. Change In the Nature of Business, if any**

There was no change in the nature of the business of the Company during the Financial Year 2014-15.

## **22. Meeting of Independent Directors**

During the year under review, the Independent directors in their meeting held on 31.03.2015 reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairperson of the company; and also assessed the quality, quantity and timelines of flow of information between the company management and the Board in line with the requirement of Clause 49 of the listing agreement read with applicable provisions of Schedule IV of the Companies Act, 2013.

## **23. Remuneration to Managing Director**

Mr. Rohit Gupta, Managing Director of the company has drawn Rs.90,00,000/- (Rupees ninety lacs only) as salary during the year. The company shall continue to ensure compliance with all the applicable rules and regulations in this regard. The revision in terms of the remuneration of Mr. Rohit Gupta is being placed before the shareholders for their approval at the ensuing Annual General Meeting of the Company.

## **24. Ratio of the remuneration of each director to the median employee's remuneration.**

The remuneration is paid by the company to Mr. Rohit Gupta, Managing Director of the company. No other director was paid any remuneration during the year. The ratio of the remuneration of Mr. Rohit Gupta to the median employee's remuneration is as follows:

Median Employee's Remuneration (Annual)	- Rs.3,01,000/-
Annual Salary of the Managing Director	- Rs.90,00,000/-
Ratio (remuneration of MD: remuneration of median employee)	- 0.03:1

## **25. Vigil Mechanism**

Your Company has established a 'Whistle Blower Policy and Vigil Mechanism' for directors and employees to report to the appropriate authorities concerns about unethical behavior, actual or suspected, fraud or violation of the Company's code of Conduct. The said policy has been uploaded on the website of the Company.

## **26. Particulars of Energy Conservation, Technology Absorption, expenditure on research and development, foreign exchange inflow/outflow, etc.**

The requirements of disclosure with regard to Conservation of Energy in terms of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are not applicable to the Company since it doesn't own any manufacturing facility.

## **27. Risk Management Policy And Internal Control**

The Company has adopted a Risk Management Policy to identify, assess, monitor and mitigate various risks to its key business objectives. Major risks, if any identified, are systematically addressed through corrective measures on a continuing basis. The Company's internal control systems are commensurate with the nature of its business and the size and complexity.

**28. Acknowledgement**

Your directors take this opportunity to place their sincere appreciation for significant contribution made by all the employees for their dedication, hard work and commitment towards the success and growth of the Company. The directors also place their thanks to the company's bankers, depositories, Government and all the regulatory authorities including SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies and Reserve Bank of India.

And last but not the least we put our sincere thanks to the shareholders for the confidence reposed by them in the company and looking forward to have the same support in the coming time.

**Place: New Delhi****Date: 22<sup>nd</sup> August, 2015****For on & behalf of the Board**

**Rohit Gupta  
Managing Director  
& CFO  
(DIN: 00045077)**

**Ashok Kumar Kathuria  
Director  
(DIN: 01010305)**

**Annexure-I****Secretarial Audit Report  
To the members of CONSOLIDATED SECURITIES LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CONSOLIDATED SECURITIES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we, hereby, report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act 1956, Companies Act 2013 (as applicable) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).
- (ii) The Listing Agreement entered into by the Company with the Bombay Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review, if any, were carried out in compliance with the provisions of the Act.

Adequate notice were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through, while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**Place: New Delhi**  
**Date: 20<sup>th</sup> August, 2015**

**Sanjay Kumar**  
**FCS-5569**  
**CP No: 5177**

**Annexure-II**

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31.03.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

- |  |  |
|--|--|
| i) CIN   | : L74899DL1992PLC051462  |
| ii) Registration Date  | : 28.12.1992   |
| iii) Name of the Company   | : Consolidated Securities Limited  |
| iv) Category/ Sub-Category of the Company                                      | : Public Company/ Limited by Shares  |
| v) Address of the Registered office and contact details                        | : 8/19, 3rd Floor, W.E.A., Pusa Lane,<br>Karol Bagh, New Delhi- 110005<br>Tel.: +91-11-42503441-44<br>Fax: +91-11-42503444<br>Email: info@consec.in<br>Website: www.consec.in                                |
| vi) Whether listed company   | : Yes, listed on Bombay Stock Exchange   |
| vii) Name, Address and Contact details of Registrar and Transfer Agent, if any | : MAS Services Limited<br>T-34, IIInd Floor, Okhla Industrial Area<br>Phase-II, New Delhi-110020<br>Tel.: +91-11-26387281- 83<br>Fax: +91-11-26387384<br>Email: info@masserv.com<br>Website: www.masserv.com |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S. No.	Name and Description of main Product / Service	NIC Code of the Product/Service	% of total turnover of the Company
1.	NBFC engaged in lending & allied services	65923	14.39
2.	Dealing in securities & other financial assets	6430	85.00

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	CSL Holdings Private Limited Regd Office: 8/19, 3rd Floor, W.E.A., Pusa Lane, Karol Bagh, New Delhi-110005	U74899DL1992PTC049391	Holding	73.328	2(46) of the Companies Act, 2013
2	CSL Capital Private Limited Regd Office: 8/19, 3rd Floor, W.E.A., Pusa Lane, Karol Bagh, New Delhi-110005	U65921DL1993PTC219701	Holding	1.465	2(46), 2(87) of the Companies Act, 2013

**IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**
**i) Category-wise Share Holding:**

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF									
b) Central Govt									
c) State Govt									
d) Bodies Corp.	3501968		3501968	74.793	3501968		3501968	74.793	NIL
e) Banks FI									
f) Any Other									
<b>Sub Total (A)(1)</b>	<b>3501968</b>		<b>3501968</b>	<b>74.793</b>	<b>3501968</b>		<b>3501968</b>	<b>74.793</b>	<b>NIL</b>

2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A)(2)</b>	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter= (A)(1) + (A)(2)	3501968		3501968	74.793	3501968		3501968	74.793	NIL
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total (B)(1)</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	328646	35100	363746	7.769	3301877	35100	336977	7.197	(0.572)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individuals Shareholders holding nominal Share Capital Upto Rs. 1 Lakh	434764	131325	566089	12.090	421120	128725	549845	11.743	(0.347)
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	152548	-	152548	3.258	202750	-	202750	4.330	1.072



c) Other (Specify) (Non Resident indian/ OCB)	12724	79800	92524	1.978	8146	79800	87946	1.878	(0.1)
d) Others (Clearing Member)	5332	-	5332	0.114	2721	-	2721	0.058	(0.056)
Sub-Total(B)(2)	934014	2462251	1180239	25.207	936614	243625	1180239	25.206	(0.001)
<b>Total public shareholding (B)=(B)(1)+(B)(2)</b>	<b>4435982</b>	<b>246225</b>	<b>4682207</b>	<b>100.00</b>	<b>4438582</b>	<b>243625</b>	<b>4682207</b>	<b>100.00</b>	<b>NIL</b>
C. Share held by Custodian for ADRs & GDRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>4435982</b>	<b>246225</b>	<b>4682207</b>	<b>100.00</b>	<b>4438582</b>	<b>243625</b>	<b>4682207</b>	<b>100.00</b>	<b>NIL</b>

**ii) Shareholding of Promoters:**

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1.	CSL Capital Private Limited	68605	1.465	-	68605	1.465	-	NIL
2.	CSL Holdings Private Limited	3433363	73.328	-	3433363	73.328	-	NIL

**iii) Change in Promoters' Shareholding:**

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	NOT APPLICABLE as there is no change in the promoters' shareholding during the year			
	Date wise increase/ decrease in promoter's shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	At the end of the year				

**iv) Shareholding pattern of top ten shareholders (other than directors, promoters and holders of GDRs and ADRs):**

S.No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative shareholding during the year (01.04.2014-31.03.2015)	
		No. of Shares at the beginning of the year (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the company				No. of Shares	% of total shares of the company
1	Nikki Securities Private Limited	154119	3.292	01.04.2014	NIL	N.A.	154119	3.292
		154119	3.292	31.03.2015				
2	PTG Consultants Private Limited	61863	1.321	01.04.2014	NIL	N.A.	61863	1.321
		61863	1.321	31.03.2015				
3	Sangeetha S	0	NIL	01.04.2014	50310	Purchase	50310	1.074
		50310	1.074	31.03.2015				
4	Vinay Kumar Garg (HUF)	50211	1.072	01.04.2014	NIL	N.A.	50211	1.072
		50211	1.072	31.03.2015				
5	Mamta Garg	48275	1.031	01.04.2014	NIL	N.A.	48275	1.031
		48275	1.031	31.03.2015				

6	Jubilant Stock Holding Private Limited	37133	0.793	01.04.2014	NIL	N.A.	37133	0.793
		37133	0.793	31.03.2015				
7	Lloyds Finance Limited	30800	0.658	01.04.2014	NIL	N.A.	30800	0.658
		30800	0.658	31.03.2015				
8	Anjali Atul Amersey	25000	0.534	01.04.2014	NIL	N.A.	25000	0.534
		25000	0.534	31.03.2015				
9	Rajiv Atul Amersey	25000	0.534	01.04.2014	NIL	N.A.	25000	0.534
		25000	0.534	31.03.2015				
10	Ashok K Pophale	15505	0.331	01.04.2014	95	Purchase	15600	0.333
		15600	0.333	31.03.2015				

**v) Shareholding of Directors and Key Managerial Personnel:**

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For each of Directors and KMP	No. of shares	% of the total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	NOT APPLICABLE as there is no Shareholding of Directors and Key Managerial Personnel in the company			
	Date wise increase/ decrease in promoter's shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)				
	At the end of the year				

**V. INDEBTEDNESS**

Indebtedness of the company including interest outstanding/ accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total indebtedness
<b>Indebtedness at the beginning of the year</b>				<b>(In Lacs)</b>
i) Principal Amount	850427	42473744	N.A.	43324171
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
<b>Total (i+ii+iii)</b>	<b>850427</b>	<b>42473744</b>		<b>43324171</b>
<b>Change in indebtedness during the financial year</b>				
Addition	-	-		-
Reduction	222726	36880102		37102828
Net Change	(222726)	(36880102)		(23072786)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	627701	5593642		20251385
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
<b>Total (i+ii+iii)</b>	<b>627701</b>	<b>5593642</b>	<b>N.A.</b>	<b>20251385</b>

\*Figures provided as per balance sheet dated 31.03.2015

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director:**

S.No	Particulars of Remuneration	Mr. Rohit Gupta	Total Amount
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	90,00,000/-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	

2.	Stock Option	-	
3.	Sweat Equity	-	
4.	Commission - as % of profit - others, specify	-	
5.	Other, Please Specify		
	<b>Total (A)</b>	<b>90,00,000/-</b>	<b>90,00,000/-</b>
	Ceiling as per the Act	84,00,000/-	

**B. Remuneration to other Directors**

S.No	Particulars of Remuneration	Name of Directors	Total Amount
	<b>3. Independent Directors</b> . Fee for attending board/ committee meetings . Commission . Others, please specify	Not Applicable as no remuneration was paid to any other director except Mr. Rohit Gupta, Managing Director of the Company	
	<b>Total (I)</b>		
	<b>4. Other Non-Executive Directors</b> . Fee for attending board/ committee meetings . Commission . Others, please specify <b>Total (2)</b> <b>Total (B) = (1+2)</b> <b>Total Managerial Remuneration</b>  <b>Overall ceiling as per the Act</b>	Not Applicable as no remuneration was paid to any other director except Mr. Rohit Gupta, Managing Director of the Company	

**C. Remuneration to Company Secretary**

S.No	Particulars of Remuneration	Mr. Akash Gupta	Total Amount
	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	9,20,000/-  NIL  NIL	9,20,000/-
2.	Stock Option	NIL	
3.	Sweat Equity	NIL	
4.	Commission - as % of profit - others, specify	NIL	
5.	Other, Please Specify	NIL	
	Total (A)	9,20,000/-	9,20,000/-
	<b>Total</b>	<b>9,20,000/-</b>	<b>9,20,000/-</b>

**VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Discription	Details of Penalties / Punishment / compounding fees imposed	Authority ( RD / NCLT / Court)	Appeal made, if any (Give details)
A. Company		NIL			
Penalty		NIL			
Punishment		NIL			
Compounding		NIL			
B. Directors		NIL			
Penalty		NIL			
Punishment		NIL			
Compounding		NIL			
C. Other officer in default		NIL			
Penalty		NIL			
Punishment		NIL			
Compounding		NIL			

**Annexure-III****Company's CSR POLICY****1. OBJECTIVE**

CSL's CSR Policy intends to:

- Strive for economic development that positively impacts the society at large with minimal resource footprint.
- Embrace responsibility for the Company's actions and encourage a positive impact through its activities on hunger, poverty, malnutrition, environment, communities, stakeholders and the society.

**2. FOCUS AREAS**

In accordance with the requirements under the Companies Act, 2013, CSL's CSR activities, amongst others, will focus on:

- **HUNGER, POVERTY, MALNUTRITION AND HEALTH:** Eradicating extreme hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water.
- **EDUCATION:** Promoting education, including special education and employment-enhancing vocational skill especially among children, women, elderly and the differently abled, and livelihood enhancement project; monetary contributions to academic institutions for establishing endowment funds, chairs, laboratories, etc., with the objective of assisting students in their studies.
- **RURAL DEVELOPMENT PROJECTS:** Strengthening rural areas by improving accessibility, housing, drinking water, sanitation, power and livelihood, thereby creating sustainable villages.
- **GENDER EQUALITY AND EMPOWERMENT OF WOMEN:** Promoting gender equality and empowering women; setting up homes, hostels and day care centres for women and orphans; setting up old age homes such other facilities for senior citizens; and adopting measures for reducing inequalities faced by socially and economically backward group.
- **ENVIRONMENTAL SUSTAINABILITY:** Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining the quality of soil, air and water.
- **NATIONAL HARITAGE, ART AND CULTURA:** Protecting national heritage, art and culture including restoration of building and sites of historical importance and works of art; setting up public libraries; promoting and developing traditional arts and handicrafts.
- **OTHER ALLIED ACTIVITIES**

**3. UNDERTAKING CSR ACTIVITIES**

CSL will undertake its CSR activities approved by the CSR Committee, through an entity/organization as approved by the CSR Committee. The surplus arising out of the CSR activities, projects or programs shall not form part of the business profit of the Company.

**4. COMPOSITION OF CSR COMMITTEE**

In CSR Committee shall consist of the following directors:

- Anirudha Kumar (Chairman)
- Kapil Aggarwal
- Ashok Kumar Kathuria

**5. RESPONSIBILITIES OF THE COMMITTEE**

The responsibilities of the CSR Committee include:

- Formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken,
- Recommending the amount of expenditure for the CSR activities, and
- Monitoring CSR activities from time to time.

## 6. MONITORING

The Company shall be entitled to receive the following information from the Partnering NGOs/Trusts/Societies etc.

- Audited financial statements, including cash flow statements and management accounts within 60 days of the end of the relevant financial year.
- Quarterly operational / progress reports from time to time within 60 days of the end of each month along with a consolidated statement of expense along with the operational / progress reports mentioned above.
- Copies of any other reports or communications received from the auditors relating to its financial position of affairs which is of a material nature.
- Any information or circumstance which may affect or jeopardise the implementation of the Project Plan or the activities of the Partnering NGOs/Trusts/Societies etc. in general.

To ensure steady progress and proper utilization of CSR amount, the following monitoring mechanism may be depending upon the size of contribution and the Partnering NGOs/Trusts/Societies etc.

- Periodic field visits by the person deputed by the Corporation.
- Undertaking sample internal audit of the project / activities.
- Review of the reports submitted by the Partnering NGOs/Trusts/Societies etc.

The CSR Committee may engage external agencies to evaluate the CSR projects and monitor its progress. The Committee would constantly monitor the implementation of the CSR project and the utilization of the CSR amount.

## 7. EFFECTIVE DATE

This policy is effective from April 1, 2014.

## 8. CONTACT

For queries related to the CSR Policy, please write to us at: [investor@consec.in](mailto:investor@consec.in).



## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **ECONOMY OVERVIEW**

#### **GLOBAL ECONOMY**

The Global economy grew at a slightly faster pace in 2014, as a modest revival in the euro zone and a pickup in India helped offset slowdowns in China and Japan. While showing signs of recovery, the global economy is still struggling to gain momentum as many countries continue to grapple with various internal and global challenges. Economic challenges in Europe and emerging economies continue to be a cause for concern. Developed countries like the US, the UK, and Germany continue to recover, albeit slowly. The major economies are faced with a multitude of challenges. Compared to last year, the outlook for advanced economies has improved, while growth in emerging markets and developing economies is projected to be lower, primarily reflecting weaker prospects for some large emerging markets and oil exporting countries. Disappointing growth in other developing countries in 2014 reflected not only in weak external demand, but also domestic policy tightening, political uncertainties and supply-side constraints.

Major factors driving the global outlook include soft commodity prices; persistently low interest rates but increasingly divergent monetary policies across major economies; and weak world trade. In particular, the sharp decline in oil prices since mid- 2014 will support global economic activity. It will also help offset some of the headwinds to growth in oil-importing developing economies. However, it will dampen growth prospects for oil exporting countries, with significant regional repercussions. Overall, global growth is expected to rise moderately, to 3.0 per cent in 2015, and average about 3.3 per cent through 2017.

#### **INDIAN ECONOMY**

The Financial Year (2014-15) began on a positive note with a clear mandate to the National Democratic Alliance. During the year there has been significant reduction in crude oil prices, narrowing of the current account deficit, drop in consumer price inflation and the liquidity situation has somewhat eased on account of proactive measures taken by the Reserve Bank of India. All these have reasserted India's reputation as an attractive investment destination compared to other emerging countries. This performance comes on the back of lowered fiscal and current account deficits, easing inflation, manageable commodity prices and structural reforms initiated by the newly-instated Central Government. The banking sector in particular, has witnessed low credit growth coupled & high non-performing assets (NPAs) during the year under review. The Indian economy grew at a rate of 7.4% during 2014-15.

The outlook for the Indian economy looks good as the economy is showing signs of improvement. There is optimism around the slew of initiatives taken by the Government like 'Make in India' program, coal and telecom auctions, increased FDI limits in certain sectors, a financial inclusion effort through its Pradhan Mantri Jan Dhan Yojana and India's improved rating outlook. Monetary policy is also likely to be more supportive with the Reserve Bank of India having resorted to a flexible methodology to reduce inflation. The pick-up in rural demand would further improve economic growth.

### **INDUSTRY STRUCTURE & DEVELOPMENTS**

#### **NON-BANKING FINANCIAL COMPANIES (NBFCs)**

NBFCs have emerged as vital intermediaries and have competed strongly with banks and financial institutions. Though, the last two years have been tough on NBFCs on account of the economic slowdown, subdued operating environment, moderation in asset growth rates, rise in delinquencies & plummeting profits; the NBFCs have steadily grown in number &

have enhanced their market share, indicating the strength of their business models. The share of NBFCs has grown from 10.7% of banking assets in 2009 to 14.3% in 2014.

The competition in the NBFC sector has been increasing and the sector has been engaged in steady consolidation during the past few years and has been witness to weaker NBFCs gradually exiting, paving the way for a stronger sector. As for the loan base, the stagnation in infrastructural development, stunted growth, negative political environment of the past, & distressed business have increased the likelihood of defaults, increased restructuring of loans, which in turn could further lead to a deterioration of asset quality.

Nevertheless, in the recent months, the macroeconomic vulnerabilities at the domestic front have subsided considerably owing to the improvement in growth outlook, fall in inflation, recovery in industrial production data. Further impetus is provided by the government's commitment to enforce fiscal discipline & with the sharp decline in international oil prices, the current account deficit also remains within the comfort zone. The role of NBFCs in financial inclusion continues to be of significant importance and with their unique business models, it remains to be seen how the NBFCs will respond to the various initiatives announced by the Central Government.

The regulatory framework for NBFCs has also undergone change, with the revised RBI regulations for NBFCs being formed for strengthening the financial system, bringing the norms in line with those of banks and for reducing the systematic risk the NBFCs pose to the financial system since they borrow heavily from banks. Though, prime facie it may appear to be affecting the productivity of NBFC, with time, they are more likely to improve NBFCs capacity to endure asset quality shocks and also deal with systemic risks. The increased disclosure requirements & corporate governance norms will enhance transparency, increase the responsibility of the management and further supplement investor awareness. The RBI has also come out with its Guidelines for Licensing of Small Finance Banks in the Private Sector with the objective of furthering its initiative of financial inclusion.

## **SEGMENT-WISE PERFORMANCE**

Though the year under review has been challenging, the performance of the company has been good with both its major segments i.e. Secured Lending and Proprietary Investments, doing well.

### **Secured Lending**

In the Secured Lending segment, the company has followed a more cautious approach this year and the emphasis has been on consolidation of the loan book. The company has coupled its strong underwriting practices with additional checks & more frequent monitoring to run a zero-default loan book in an environment where the overall financial sector has seen rising NPAs. The loan book as on 31 Mar 2015 stood at Rs.68.51 cr. The blended yield for the FY 2014-15 was 20.11%.

The company strongly values the relationships with its clients, building on transparency and trust with them. It looks after their best interests to allowing them the flexibility to prepay and ensures quick turnaround time for loan processing and approval. Over time the company has become the Lender of choice for small & mid-sized companies in the Delhi NCR region looking for short term loans.

The company continues to cater to the short-term/working capital requirements of small and mid-sized companies. The due diligence process followed by the company is constantly improved to adapt to newer challenges in the operating environment. Amongst other aspects, the company continues to lay emphasis on borrower's cash flows, borrower's equity in the project during the due diligence process. During the year under review, the company has added new clients to ensure rotation of its loan book, so as to mitigate any exposure risks. With the slowness in the overall economic environment, especially the real-estate sector, the company would be following a more cautious approach to lending. The focus will be to ensure the quality of its loan book by lending to high quality borrowers. We will lend to the borrowers with strong balance sheets, even if it comes at a decline in our yields. The knowledge and experience of the management coupled with the strong due diligence mechanism have helped the company operate with low NPAs in a challenging economic environment. The company is confident of scaling up its loan book in the coming years.

### **Proprietary Investments**

The other major segment of the company i.e. Proprietary Investments, wherein the company trades in arbitrage opportunities arising in the stock market like Open Offers, Demergers, Delistings etc; has done reasonably well during the year under review, despite the extreme uncertainty prevailing in the stock market on account of micro & macro-economic factors. We will gradually scale down the deployment of funds in this segment as our loan book grows in the coming years.

Going forward, the company's intends to focus on its Secured Lending business and further expand its loan book as it sees ample opportunities in the lending space, for those NBFCs which have the right set of people, knowledge, internal systems & network in place.

### **BUSINESS OUTLOOK**

The year under review was challenging with slowness in the overall economic environment & rising NPAs in the banking sector. However, despite of the subdued environment, the company has performed well, which is not only encouraging but also motivating for the company to further expand its operations. Though, the company expects the business environment to remain challenging in the for the next couple of years, the company strongly believes that with the right set of people having adequate experience & knowledge, a sound due diligence system in place, it would be able to perform well in the coming years as well.

As part of the due diligence process the company conducts extensive site visits, ground checks so as to get a complete view of the Borrower's profile. Post-disbursal of the loan, the company regularly conducts site visits, takes regular sales and cash flow updates, to identify any stress as early as possible, which enable it take corrective action at the earliest. The systems and procedures of the entire lending model have evolved over the years on account of continuous refinement. The company understands and values the relationship with all its stakeholders, which coupled with its prudent business approach, has held it in good stead over the years. Though the company is cautious in expanding its loan book in the immediate short-term; it is expecting a better business environment in the coming years. This will create more opportunities for those NBFCs which have the right set of people, systems in place in the medium to long term. The company is on the right track and will steadily expand its loan book in the years to come.

### **RISKS AND CONCERNS**

The financial services space in India is highly competitive. Being in the credit business, the company is exposed to risks that are innate to the business environment which include market, credit, operational, human resource, interest, liquidity and economic risks. The banking system as a whole has been witnessing higher level of non-performing assets (NPA) and with the restructured loans turning bad, the problems of the industry have only compounded. However, the outlook for the sector over next few years looks comparatively better on account of positive trend of growth in the economy which is expected to boost credit demand.

The Company ensures that the underwriting and collection process and infrastructure are well streamlined and managed by a highly competent workforce that is imparted necessary training as well. This helps the company in maintaining high asset quality and no-default record. The company lays emphasis not just on detailed credit analysis but also considers other factors too which may affect the quality of Credit.

The Company believes its efforts to continuously strengthen its risk framework and portfolio quality, will help it maintain & further expand a stable & healthy loan book.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The company has transparent & reliable operating systems, control measures which provide it reliable financial reports, operating effectiveness and overall efficiency. The internal control systems are commensurate with the size and nature of

the operations of the company, to ensure smooth working and strict compliance with all rules & regulations. The Company has also put in place Management Information Systems (MIS) to assist in monitoring of portfolios on a continuous basis and has been continuously monitoring & realigning its credit policies and processes at regular intervals to ensure better credit quality. Corrective actions are taken as & when the need identified. The robust internal controls and risk management systems in place give us an advantage over peers in the sector.

## **FINANCIAL PERFORMANCE**

The company had Sales of Rs.93.10 crores this financial year Vs. Rs. 112.96 crores in the previous year.

The Company's Profit before tax (PBT) stood at Rs.12.26 crores as against Rs.9.98 crores during the previous year 2013-14. The corresponding figures for Profit after Tax (PAT) are Rs.7.99 crores and Rs.7.20 crores for the current year and previous year, respectively.

## **HUMAN RESOURCES**

The Company continues to emphasise on retaining, training and enhancing its human resource base. The Company continues to value the critical role that human capital plays in the modern workplace and aims to create a harmonious environment to enable the raising of employee productivity and hence allow employees to reach their full potential. With the focus being on scaling up its loan book, the company continues to develop a stronger & better secured lending team equipped with the right set of people having the right set of knowledge, expertise & experience. The company is hopeful of making even better strides towards its goals in the coming years.

As on 31<sup>st</sup> March 2015, the company has 11 people on its payrolls.

## **CAUTIONARY STATEMENT**

Statement in the Management Discussion and Analysis of financial condition and result of operations of the Company, describing Company's objectives, expectations or predictions are "forward looking statements" within the meaning of applicable Securities Laws and Regulations. Investors are cautioned that actual results could differ materially from those express and implied. Important factors that could make a difference to the Company's operations include economic conditions, Government policies, taxation laws, market conditions, over which the Company does not have any control. This report must be read in conjunction with Company's financial statements and notes on accounts.

## REPORT ON CORPORATE GOVERNANCE

### (Pursuant to Clause 49 of the Listing Agreement)

#### 1. Company's Philosophy on Code of Corporate Governance

The Company strongly believes that sound corporate governance in all its practices is critical not only for the creation of wealth for its stakeholders but for the better interest of the company in the long run. The company adheres to all the applicable laws and regulations. The company will keep on striving for further higher standards of corporate governance.

#### 2. Prevention of Insider Trading

The company has duly complied with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 and has instituted a comprehensive code of conduct for prevention of Insider Trading in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Companies Act, 2013.

#### 3. Whistle Blower Policy & Vigil Mechanism

The Company has adopted a Whistle Blower & Vigil Mechanism Policy pursuant to which employees of the company can raise their concerns relating to malpractices, inappropriate use of funds or any other activity or event which is against the interest of the Company.

#### 4. Board of Directors

##### A. Composition of Board

The Board has an optimal mix of Executive and Non-executive Directors and is in full compliance to Clause 49 of the Listing agreement.

As on 31<sup>st</sup> March 2015, there are five (5) directors on the Board of the company, out of which one (1) director is a woman director, four (4) directors are Non-executive and three (3) amongst those are Independent directors. The Chairman of the Board is non-executive director. The size and composition of the Board confirms with the norms prescribed in Clause 49 of the Listing Agreement and the Companies Act, 2013.

None of the directors of the Company are related inter-se to each other.

##### B. Board Meetings

During the year 2014-15, the Board of Directors met 10 (ten) times. The dates of these meetings were 23<sup>rd</sup> April 2014, 25<sup>th</sup> April 2014, 29<sup>th</sup> May 2014, 14<sup>th</sup> August 2014, 26<sup>th</sup> September 2014, 29<sup>th</sup> October 2014, 9<sup>th</sup> January 2015, 30<sup>th</sup> January 2015, 14<sup>th</sup> February 2015 and 30<sup>th</sup> March, 2015. The attendance at the Board Meetings during the financial year and the last Annual General Meeting as also the number of other Directorships and Committee Memberships are given below:

Name of Director	Category of Director	Attendance	
		Board Meeting	Last AGM
Mr. Rohit Gupta (DIN: 00045077)	Executive Promoter Managing Director	10	Yes
Mr. Ashok Kumar Kathuria (DIN: 01010305)	Non-Executive Promoter Director	10	Yes
Mr. Kapil Aggarwal (DIN: 00032225)	Non-Executive Independent Director	10	Yes
Mr. Anirudha Kumar (DIN: 00084495)	Non-Executive Independent Director	9	Yes
Ms. Anjna* (DIN: 07143461)	Additional Non-Executive Independent Director	1	No

\*Ms.Anjna was appointed on the Board w.e.f. 30.03.2015.

No. of other directorships and committee membership as on 31<sup>st</sup> March 2015 is as follows:

Name of Director	No. of other Director-Ships	No. of other committee Memberships / Chairman-Ship*
Mr. Rohit Gupta <sup>#</sup>	3	NIL
Mr. Ashok Kumar Kathuria	2	NIL
Mr. Kapil Aggarwal	NIL	NIL
Mr. Anirudha Kumar	2	NIL
Ms. Anjna	NIL	NIL

\*represents Memberships/ Chairmanships of Audit Committees and Investor Grievance Committee.

<sup>#</sup>Rohit Gupta is Partner in RGA Capital Advisors LLP.

#### C. Remuneration of Directors

During the year under review, the company had paid annual remuneration of Rs.90,00,000/- as salary to Mr.Rohit Gupta, Managing Director of the company. The company shall continue to ensure compliance with all the applicable rules and regulations in this regard.

#### D. Code of Conduct

The Board of Directors has laid down a code of conduct for directors and senior management personnel of the Company under Clause 49 of the Listing Agreement. The Code of conduct is also updated at the website of the Company [www.consec.in](http://www.consec.in).

The Code has been circulated to all the directors and senior personnel of the company who has affirmed compliance with this Code for the year ended 31<sup>st</sup> March 2015. A declaration of compliance of this code signed by the Managing Director & CFO is given below:

“In terms of Clause 49 of the Listing Agreement with the Stock Exchanges, I, Rohit Gupta, CFO & Managing Director of the Company, hereby declare that the all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March 2015.

**Rohit Gupta**  
**CFO & Managing Director”**



## 5. Audit Committee

The Audit Committee comprises of 3 (three) directors out of which 2 (two) directors are Non-Executive independent directors. The Chairman of the Audit Committee is Non-Executive Independent Director. All the members of the Committee have good financial and accounting knowledge. The Audit Committee satisfies the requirement under the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Company Secretary acts as the Secretary of the Committee. The terms of reference, role and scope are in line with those prescribed by Clause 49 of the Listing Agreement.

The chairman of the Audit Committee was present in the last Annual General Meeting to answer shareholders query.

During the year the committee met 5 (five) times on 29<sup>th</sup> May 2014, 14<sup>th</sup> August 2014, 29<sup>th</sup> October 2014, 30<sup>th</sup> January 2015 and 14<sup>th</sup> February, 2015. The details of the composition, its meeting and attendance are given below:

Name of Director	Designation	Category	Attendance
Mr. Kapil Aggarwal	Chairman	Non-Executive Independent Director	5
Mr. Anirudha Kumar	Member	Non-Executive Independent Director	5
Mr. Ashok Kumar Kathuria	Member	Non-Executive Director	5

During these meetings, the committee, inter-alia, reviewed the financial statements before submission to the board, oversees the company's financial reporting process and the working of its internal control system.

## 6. Nomination & Remuneration Committee

The Nomination & Remuneration Committee comprises of 3 (three) directors out of which 2 (two) directors are Non-Executive Independent Directors. The Chairman of the Nomination & Remuneration Committee is Non-Executive Independent Director. The Nomination & Remuneration Committee satisfies the requirement under Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Company Secretary acts as the Secretary of the Committee. The terms of reference, role and scope are in line with those prescribed by Clause 49 of the Listing Agreement. The composition of the committee is as follows:

Name of Directors	Designation	Category
Mr. Kapil Aggarwal	Chairman	Non-Executive Independent Director
Mr. Anirudha Kumar	Member	Non-Executive Independent Director
Mr. Ashok Kumar Kathuria	Member	Non-Executive Director

## 7. Investor Relations & Share Transfer Committee

The Committee consists of 2 (two) directors i.e. Mr. Ashok Kumar Kathuria and Mr. Rohit Gupta. Mr. Ashok Kumar Kathuria, a Non-Executive Director, is acting as the Chairman of the Committee. Mr. Akash Gupta- Company Secretary & Legal Head acts as its Secretary.

The Committee deals with the following:

- Noting transfer/transmission of shares
- Review of demat/remat of shares
- Oversee redress shareholder's grievances like non-receipt of balance-sheet/ annual report and other related matters
- Other matters related to shares

During the year, 4 (four) meetings of the Committee were held. All the members of the Committee were present in the meeting.

During the year under review, no investor complaints were received. As on 31<sup>st</sup> March 2015, no investor complaint was pending.

#### **8. Stakeholders Relationship Committee**

The Committee consists of two members i.e. Mr. Ashok Kumar Kathuria and Mr. Akash Gupta. Mr. Ashok Kumar Kathuria, a Non-Executive Director, is acting as the Chairman of the Committee.

The Committee deals with resolving the grievances of security holders of the Company.

#### **General Body Meetings**

The last three annual general meetings were held as under:

AGM	Year	Date	Venue	Time	Special Resolution(s) Passed
22 <sup>nd</sup>	2013-14	30.09.2014	Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi -110005	11:00 a.m.	3
21 <sup>st</sup>	2012-2013	30.09.2013	Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi -110005	12:15 p.m.	Nil
20 <sup>th</sup>	2011-2012	09.08.2012	Hotel Jivitesh, Sat Brahma Road, Karol Bagh, New Delhi-110005	10:30 a.m.	2

#### **Postal Ballot**

No postal ballots were used for voting at these meetings in respect of the resolutions passed thereat.

During the year under review, the approval of the shareholders of the company was sought by way of Postal Ballot for revision in terms of the Remuneration of Mr.Rohit Gupta, Managing Director of the company vide Postal ballot notice dated 30.01.2015, the result of which was announced on 12.03.2015

#### **Extra-Ordinary General Meeting (EOGM)**

During the year under review, the Company has not conducted any Extra-Ordinary General Meeting.



## 9. Disclosures

- a) During the year 2013-14, other than the transactions entered in the normal course of the company, the Company has not entered any materially significant related party transaction with its Promoters/ Directors/ Senior Employees or relatives etc., which could have a potential conflict with the interest of the Company at large. The details of the related party transactions have been reported in the notes to accounts in compliance with AS 18.
- b) During the year under review, the Company has duly complied with the requirements of the regulatory authorities on capital markets. No penalties have been imposed on the Company by the stock exchanges, SEBI or other statutory authorities during the year.
- c) The Company promotes a favorable environment for employees and employees can report to the management their concern about any unethical behavior, actual or suspected fraud or violation of company's code of conduct. No Personnel has been denied access to audit committee, so as to ensure ethical and fair conduct of the business of the company.
- d) In preparation of financial statements, the company has followed the Accounting Standards laid by the Institute of Chartered Accountants of India to the extent applicable and the significant accounting policies have been set out in the Notes to the Accounts.
- e) The Company is complying with all mandatory requirements on Corporate Governance as specified in Clause 49 of the Listing Agreement.
- f) Disclosure in terms of Section II of the Part II of Schedule V to the Companies Act 2013-
  - (i) Mr.Rohit Gupta, Managing Director of the company has been paid a remuneration of Rs.90,00,000/- during the Financial Year 2014-15 by way of salary of Rs.90,00,000/-. (No other director has been paid any remuneration during the year). Further, the remuneration of Mr. Rohit Gupta has been revised w.e.f. 01.04.2015 vide the meeting of the Board of directors dated 22.08.2015, subject to the approval of the shareholders of the company in the ensuing Annual General Meeting of the company.
  - (ii) The details of revised remuneration of Mr.Rohit Gupta, Managing Director, are as follows:
    - a) Salary: Rs.7,00,000/- per month
    - b) Commission: Commission at the rate of 3% on the net profits of the company computed in the manner laid down in the Companies Act, 2013 as amended to date & subject to a ceiling of three months' salary of Mr.Rohit Gupta in a year i.e. Rs.21,00,000/- (Rupees twenty one lacs only) & further subject to the other applicable provisions, if any, of the Companies Act, as amended to date; with the liberty to the Board of Directors to decide and alter/vary the % of commission as may be agreed to between the Board of Directors and Mr. Rohit Gupta.
    - c) Perquisites :
      - Leave Travel Assistance: for self and family once in a year,
      - Medical reimbursement: Reimbursement of all hospitalization and medical expenses actually incurred for self and family provided that the expenses incurred by the company in this regard for him and his family shall be subject to a ceiling of one month's salary in a year,
      - Car/telephone: The Company shall provide car for the company's business and cellular phone provided that the personal long distance calls and use of car for private purpose shall be billed by the company to Mr. Rohit Gupta;The aggregate of all perquisites being subject to a ceiling of two months' salary in a year of Mr.Rohit Gupta i.e. Rs.14,00,000/- (Rupees fourteen lacs only).
  - (iii) Service contracts are as per the Agreement entered into between the company and Mr.Rohit Gupta, Managing Director of the Company.
  - (iv) No stock options have been given to any director of the company.

## 10. Means of Communication

### Quarterly /Annual Results

The quarterly/ annual financial results are usually published in 'The Financial Express'/ 'Business Standard' (English) and in 'Jansatta'/ 'Amritvarsha'/'BPN Times'(Hindi).

Further, the Company disseminates to the Stock Exchange (i.e. BSE), wherein its equity shares are listed, all mandatory information and price sensitive/ such other information, which in its opinion, are material and/or have a bearing on its performance/operations, for the information of the public at large. Further the information about the company and its financials are available at its website also "[www.consec.in](http://www.consec.in)".

## 11. General Information for Shareholders

### 11.1 Forthcoming Annual General Meeting

Date, Day & Time

- 30<sup>th</sup> September 2015 (Wednesday)  
at 11:00 a.m.

Venue

- Hotel Swati Deluxe Banquet Hall, 17A/32,  
Gurudwara Road, W.E.A., Karol Bagh, New  
Delhi-110005

### 11.2. Financial Calendar 2014-15 (tentative)

#### Approval of quarterly/Annual Results

For the quarter ending June, 2015

- July 15

For the quarter ending September, 2015

- Oct./Nov.15

For the quarter ending December, 2015

- Jan./Feb.16

For the quarter/year ended March, 2016

- April /May 16

### 11.3 Book Closure dates

Thursday, 24<sup>th</sup> September 2015 to Wednesday, 30<sup>th</sup> September 2015 (both days inclusive).

### 11.4 The Company is listed at the following stock exchange:

The Bombay Stock Exchange Limited (BSE)  
25<sup>th</sup> Floor, P. J. Towers, Dalal Street  
Mumbai-400001

Annual Listing Fees for the Financial Year 2015-16 has been duly paid to BSE.

### 11.5 Stock Code

The Bombay Stock Exchange Limited

: 530067

CIN (allotted by Ministry of Corporate Affairs)

: L74899DL1992PLC051462

## 11.6 Stock Market Data

BSE Scrip Code: 530067

For the period: April 2014-March 2015

Month	Open Price	High Price	Low Price	Close Price	No. of Shares traded
Apr-14	22.7	33.7	22.7	28.8	9355
May-14	30.2	44.5	28.1	44.5	12130
Jun-14	44.9	44.9	35.6	37.0	12664
Jul-14	35.1	38.2	33.5	38.1	3201
Aug-14	39.7	45.6	29.6	45.6	26080
Sep-14	47.9	57.5	43.8	51.0	28711
Oct-14	50.0	53.8	46.5	53.1	132720
Nov-14	55.7	82.1	52.0	75.0	90956
Dec-14	75.0	82.8	63.7	75.3	54135
Jan-15	73.8	83.4	72.0	83.0	18343
Feb-15	79.5	80.0	57.2	71.9	24713
Mar-15	63.2	67.5	50.5	54.0	16001

## 11.7 Performance in comparison with BSE

Month	Sensex Closing	CSL Closing Price
Apr-14	22,417.8	28.8
May-14	24,217.3	44.5
Jun-14	25,413.7	37.0
Jul-14	25,894.9	38.1
Aug-14	26,638.1	45.6
Sep-14	26,630.5	51.0
Oct-14	27,865.8	53.1
Nov-14	28,693.9	75.0
Dec-14	27,499.4	75.3
Jan-15	29,182.9	83.0
Feb-15	29,361.5	71.9
Mar-15	27,957.4	54.0

## 11.8 Registrar and Share Transfer Agent

MAS Services Limited  
T-34, 2<sup>nd</sup> Floor,  
Okhla Industrial Area Phase-2,  
New Delhi-110 020  
Tel: 011-26387281, 82, 83  
Fax: 011-26787384  
Email: info@masserv.com

### 11.9 Share Transfer System

Share transfer and other related operations for the Company-Consolidated Securities Limited, is conducted by M/s. MAS Services Ltd., Registrar and Share Transfer Agent. Share transfer(s) are processed and share certificates are returned within stipulated time period subject to the documents being valid and complete in all respects.

Further, the Company obtains half-yearly certificate from Practicing Company Secretary regarding the adherence to the timely transfer of shares as stipulated under clause 47 (c) of the Listing Agreement.

### 11.10 Distribution of shareholding

Distribution of shareholding as on 31<sup>st</sup> March, 2015 is as under:-

Shareholding of Nominal Value of Rs.	No. of shareholders		Number of shares	Amount	
	Number	%		Rs.	%
Upto-5000	1001	79.697	161763	1617630	3.455
5001-10000	125	9.952	100103	1001030	2.138
10001-20000	52	4.140	77368	773680	1.652
20001-30000	25	1.990	64624	646240	1.380
30001-40000	6	0.478	21733	217330	0.464
40001-50000	8	0.637	34411	344110	0.735
50001-100000	23	1.831	172572	1725720	3.686
1,00,001 & above	16	1.274	4049633	40496330	86.490
<b>Total</b>	<b>1256</b>	<b>100.000</b>	<b>4682207</b>	<b>46822070</b>	<b>100.000</b>

Shareholding pattern of the Company as on 31<sup>st</sup> March 2015 was as under:

Category	No. of shares held	% of Equity Capital
Promoters	35,01,968	74.793
Mutual Funds	NIL	NIL
Bodies Corporate	3,63,746	7.793
Non-Resident Indias/OCB	92,524	1.878
Others	7,23,969	15.56
<b>Total</b>	<b>46,82,207</b>	<b>100.00</b>

### 11.11 Dematerialization of shares

As on 31<sup>st</sup> March, 2015, 94.74% of the Share Capital stands dematerialized. The break-up of equity shares held in demat and physical form as on 31<sup>st</sup> March, 2015 is as follows:

Particulars	No. of shares	% of shares
Held in dematerialized form in NSDL	3944839	84.25
Held in dematerialized form in CDSL	493743	10.55
Physical	243625	5.20
<b>Total</b>	<b>4682207</b>	<b>100.00</b>

The Company's shares are traded at BSE.

The promoters' hold their entire shareholding in dematerialized form.

**11.12 Address for investor's correspondence**

For share transfer/transmission/  
Dematerialization or other query relating  
to the securities of the Company:

MAS Services Limited  
T-34, 2<sup>nd</sup> Floor  
Okhla Industrial Area Phase-2,  
New Delhi-110 020  
Tel: 011-26387281, 82, 83  
Fax: 011-26787384  
Email: [info@masserv.com](mailto:info@masserv.com)

For General Correspondence:

Secretarial Department  
Consolidated Securities Limited  
8/19, 3<sup>rd</sup> Floor, Pusa Lane,  
W.E.A., Karol Bagh,  
New Delhi-110005  
Tel: 011-42503441-44  
Fax: 011-42503444

Email id for investor grievance:

[investor@consec.in](mailto:investor@consec.in)

Compliance Officer

Mr. Akash Gupta,  
Company Secretary & Legal Head

**ELECTRONIC SERVICE OF DOCUMENTS TO REGISTERED EMAIL ADDRESS**

In view of the Green Initiatives announced by the Ministry of Corporate Affairs, the Company shall send all documents to Shareholders like General Meeting Notices (including AGM), Annual Reports comprising Audited Financial Statements, Directors' Report, Auditors' Report and any other future communication (hereinafter referred as "documents") in electronic form, in lieu of physical form, to all those shareholders, whose email address is registered with Depository Participant (DP)/Registrars & Share Transfer Agents (RTA) (hereinafter "registered email address") and made available to us, which has been deemed to be the shareholder's registered email address for serving documents including those covered under the applicable provisions of the Companies Act as amended upto date and other applicable provisions of the Listing Agreement, if any, executed with the Stock Exchange.

To enable the servicing of documents electronically to the registered email address, we request the shareholders to keep their email addresses validated/updated from time to time. We wish to reiterate that Shareholders holding shares in electronic form are requested to please inform any changes in their registered e-mail address to their DP from time to time and Shareholders holding shares in physical form have to write to our RTA, M/s. MAS Services Limited at their address specified below, so as to update their registered email address from time to time M/s MAS Services Limited, T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area Phase-2, New Delhi-110020, Tel: 011-26387281, 82, 83, Fax: 011-26787384  
Email: [info@masserv.com](mailto:info@masserv.com)

Please note that the Annual Report of the Company will also be available on the Company's website [www.consec.in](http://www.consec.in) for ready reference. Shareholders are also requested to take note that they will be entitled to be furnished, free of cost, the aforesaid documents, upon receipt of requisition from the shareholder, any time, as a member of the Company.

**CFO CERTIFICATION**

The Board of Directors,  
Consolidated Securities Limited  
8/19, 3<sup>rd</sup> Floor, Pusa Lane,  
W.E.A., Karol Bagh,  
New Delhi-110005

I, the undersigned, do hereby confirm and certify under Clause 49 of the Listing Agreement that:-

1. I have reviewed the Balance Sheet and Profit and Loss Account of the Company for the year ended March 31, 2015 and its schedule and notes on accounts, as well as the Cash Flow Statement and to the best of my knowledge and belief:
  - These statements do not contain any materially untrue statement or omit material fact or contain statements that might be misleading.
  - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. I also certify, that based on my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violate the Company's Code of Conduct.
3. I am responsible for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
4. I have indicated to the auditors and the Audit Committee, as may be applicable
  - significant changes in internal control during the year; if any,
  - there were no significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; if any, and
  - there were no instances of fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting system.

Place: New Delhi  
Date: 29<sup>th</sup> May, 2015

**For Consolidated Securities Limited**

**Rohit Gupta**  
**CFO & Managing Director**  
**(DIN:00045077)**

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE AS STIPULATED UNDER CLAUSE 49  
OF THE LISTING AGREEMENT**

**CERTIFICATE**

To  
The Members of  
Consolidated Securities Limited,

We have examined the compliance of conditions of Corporate Governance by the Consolidated Securities Limited, for the year ended on 31<sup>st</sup> March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said company, with the Stock Exchange(s).

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 compliance of the conditions of the Corporate Governance as stipulated in the said clause. 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 the 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.

We 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 R. Mahajan & Associates  
Chartered Accountants  
F.R.N. 011348N**

**Ratnesh Mahajan  
Partner  
M. No. 085484**

Place: New Delhi  
Date: 29.05.2015

## INDEPENDENT AUDITOR'S REPORT

To the Members of

### **CONSOLIDATED SECURITIES LIMITED**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of **CONSOLIDATED SECURITIES LIMITED ("The Company")**, which comprise the Balance Sheet as at March 31, 2015, 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**

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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 judgement, 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 March 31, 2015 and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 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, 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 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 Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 22 (a)(A).
    - 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.

**For R.MAHAJAN & ASSOCIATES**  
**Chartered Accountants**  
**F. R. N. 011348N**

Place: New Delhi  
Date: 29.05.2015

**[RATNESH MAHAJAN]**  
**Partner**  
**M. No. 085484**

The Annexure referred to in paragraph 1 under the heading of “Report on other Legal and Regulatory requirements” of Our Report of even date to the members of **CONSOLIDATED SECURITIES LIMITED** on the accounts of the Company for the year ended 31<sup>st</sup> March, 2015.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1.
  - a. The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
  - b. As explained to us, the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
2.
  - a. The management has conducted physical verification of inventory of shares held as stock-in-trade at reasonable intervals.
  - b. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3.
  - a. The Company has granted unsecured loans to one company covered in the register maintained under section 189 of the Companies Act, 2013.
  - b. In the case of loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrower have been regular in the payment of interest as stipulated. The terms of arrangement do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly clause (iii)(b) of the Order is not applicable to the company in respect of principal amount.
  - c. There is no overdue amount of the loan given to the company
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods & services. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. The Company has not accepted any deposits from the public covered under Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules made there under.
6. We have been informed that the Central government has not prescribed maintenance of cost records under section 148(I) of the Companies Act, 2013.
7.
  - a. According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues to the extent applicable have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date of becoming payable.
  - b. According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax, Wealth Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess which have not been deposited

on account of any dispute except the following:

<b>Nature of Statute</b>	<b>Nature of Dues</b>	<b>Period</b>	<b>Amount (Rs.)</b>	<b>Forum where dispute is pending</b>
Income Tax Act, 1961	Income Tax	Year 2006-07	595782/- (Deposited under Protest)	CIT (Appeal)
Income Tax Act, 1961	Income Tax	Year 2008-09	4968594/-	CIT (Appeal)
Income Tax Act, 1961	Income Tax	Year 2011-12	1024631/- (Deposited under Protest)	ITAT

- c. There were no amounts which were required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
8. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year and in the immediately preceding financial year.
9. Based on our audit procedures and on the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks. Company has not taken any loans from financial institutions and also not issued any debenture. Hence question of default does not arise.
10. As explained by the management, company has not given guarantee for loans taken by other from banks or financial institutions.
11. As per information and explanations given to us No term loan was obtained by the company during the year.
12. According to the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the year.

**For R.MAHAJAN & ASSOCIATES**  
Chartered Accountants  
F. R. N. 011348N

Place: New Delhi  
Date: 29.05.2015

**[RATNESH MAHAJAN]**  
Partner  
M.No. 085484

**NON BANKING FINANCIAL COMPANIES AUDITOR'S REPORT**

To,

The Board of Directors  
Consolidated Securities Limited  
8/19, 3<sup>rd</sup> Floor, Pusa Lane,  
W.E.A., Karol Bagh,  
New Delhi - 110005.

Dear Sir,

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 issued by Reserve Bank of India, on the matters specified in para 3 and 4 of the said Directions to the extent applicable to the Company, we report that:

1. The Company had applied for registration as provided in Section 45-IA of the Reserve Bank of India Act, 1934 and has been granted certificate of registration by Reserve Bank of India on 03<sup>rd</sup> March 2003 having Registration No. B-14.00652.
2. The Company has passed a resolution for non-acceptance of public deposits.
3. The Company has not accepted any public deposits during the year 2014-15.
4. For the financial year ended 31.03.2015, the Company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to the Company.

**For R Mahajan & Associates**  
**Chartered Accountants**  
**FRN 011348N**

**(Ratnesh Mahajan)**  
**Partner**  
**M. No. 085484**

Place: New Delhi  
Date: 29.05.2015

**BALANCE SHEET AS AT 31ST MARCH, 2015**
**(Amount in Rs.)**

PARTICULARS	NOTE	AS AT	AS AT
		31st MARCH 2015	31st MARCH 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) SHAREHOLDER'S FUND</b>			
(A) SHARE CAPITAL	02	46,822,070	46,822,070
(B) RESERVES AND SURPLUS	03	806,282,463	726,601,819
(C) MONEY RECEIVED AGAINST SHARE WARRANTS		-	-
<b>(2) NON CURRENT LIABILITIES</b>			
(A) LONG TERM BORROWINGS	04	627,701	850,427
(B) DEFERRED TAX LIABILITIES(NET)		52,984	164,595
<b>(3) CURRENT LIABILITIES</b>			
(A) SHORT TERM BORROWINGS	05	19,623,684	42,473,744
(B) OTHER CURRENT LIABILITIES	06	12,152,788	11,890,894
(C) SHORT-TERM PROVISIONS	07	14,932,175	4,624,495
<b>TOTAL</b>		<b>900,493,865</b>	<b>833,428,045</b>
<b>II. ASSETS</b>			
<b>(1) NON CURRENT ASSETS</b>			
(A) FIXED ASSETS			
(i) TANGIBLE ASSETS	08	4,799,698	5,656,905
(B) NON CURRENT INVESTMENTS	09	39,904,745	146,752,444
(C) LONG TERM LOANS AND ADVANCES	10	-	95,000,000
<b>(2) CURRENT ASSETS</b>			
(A) CURRENT INVESTMENTS	11	45,000,000	-
(B) INVENTORIES	12	43,194,627	46,626,822
(C) CASH AND BANK BALANCES	13	17,368,187	16,430,325
(D) SHORT TERM LOANS AND ADVANCES	14	730,150,450	517,821,450
(E) OTHER CURRENT ASSETS	15	20,076,158	5,140,099
<b>TOTAL</b>		<b>900,493,865</b>	<b>833,428,045</b>
SIGNIFICANT ACCOUNTING POLICIES	01		

The note nos. 1 to 22 are integrated part of these financial statements

**FOR & ON BEHALF OF THE BOARD**

As per our report of even date attached

For **R.MAHAJAN & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
FRN 011348N

**(RATNESH MAHAJAN)**

Partner  
M. No. 085484  
Place: New Delhi  
Date: 29.05.2015

(Rohit Gupta)  
**Managing Director  
& CFO**  
(DIN - 00045077)

(Ashok Kumar Kathuria)  
**Director**  
(DIN - 01010305)

(Akash Gupta)  
**Company Secretary  
& Legal Head**  
(M. No. - A23248)

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

S.NO	PARTICULARS	NOTE	YEAR ENDED 31st MARCH 2015	YEAR ENDED 31st MARCH 2014
I.	REVENUE FROM OPERATIONS	16	931,093,638	1,129,624,917
II.	OTHER INCOME	17	6,619,431	21,459,366
III.	TOTAL REVENUE		<b>937,713,069</b>	<b>1,151,084,283</b>
IV.	EXPENSES:			
	PURCHASE OF STOCK-IN-TRADE		775,473,296	990,241,796
	CHANGES IN INVENTORIES	18	3,432,195	36,500,144
	EMPLOYEE BENEFIT EXPENSES	19	12,555,224	5,380,408
	FINANCE COSTS	20	11,809,961	10,652,479
	DEPRECIATION		962,364	727,197
	OTHER EXPENSES	21	10,856,468	7,703,855
	TOTAL EXPENSES		815,089,509	1,051,205,880
V.	<b>PROFIT BEFORE TAX</b>		<b>122,623,560</b>	<b>99,878,403</b>
VI.	TAX EXPENSE:			
(1)	CURRENT TAX	-	42,843,251	26,315,454
(2)	DEFERRED TAX	-	(111,611)	65,225
(3)	FOR EARLIER YEARS		-	1,472,085
	<b>PROFIT(LOSS) FOR THE PERIOD(V-VI)</b>		<b>79,891,920</b>	<b>72,025,639</b>
(1)	BASIC		17.06	15.47
(2)	DILUTED		17.06	15.47
	SIGNIFICANT ACCOUNTING POLICIES	01		

The note nos. 1 to 22 are integrated part of these financial statements

As per our report of even date attached

For **R.MAHAJAN & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
FRN 011348N

**(RATNESH MAHAJAN)**  
Partner  
M. No. 085484  
Place: New Delhi  
Date: 29.05.2015

**FOR & ON BEHALF OF THE BOARD**

(Rohit Gupta)  
**Managing Director  
& CFO**  
(DIN-00045077)

(Ashok Kumar Kathuria)  
**Director**  
(DIN-01010305)

(Akash Gupta)  
**Company Secretary  
& Legal Head**  
(M.No. A23248)

**NOTES TO ACCOUNTS****NOTE - 1****SIGNIFICANT ACCOUNTING POLICIES****a) System of Accounting :**

- i) The books of accounts are maintained on mercantile basis except where otherwise stated.
- ii) The financial statements are prepared under the historical cost convention in accordance with the applicable Accounting Standards issued by The Institute of Chartered Accountants of India and as per the relevant representational requirements of the Companies Act, 2013.
- iii) Accounting policies not specifically referred to are consistent with generally accepted accounting practices, except where otherwise stated.

**b) Revenue Recognition:**

- i) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can reliably be measured.
- ii) Interest income is recognized on time proportion basis.
- iii) Dividend income is recognized when right to receive is established.
- iv) Profit / Loss on sale of investments is accounted on the trade dates.

**c) Valuation of Investment:**

Investments are classified into non current investments and current investments. Non current investments are stated at cost and provision wherever required, made to recognize any decline, other than temporary, in the value of such investments. Current investments are carried at lower of cost and fair value and provision wherever required, made to recognize any decline in carrying value.

**d) Fixed Assets & Intangible Assets:**

Fixed Assets are stated in books at historical cost inclusive of all incidental expenses.

Cost comprises the purchase price and any attributable cost of bringing the assets to working condition for its intended use. Intangible assets are recorded at the consideration paid for acquisition of such assets.

**e) Depreciation & Amortization:**

Depreciation on the fixed assets has been provided to the extent of depreciable amount on SLM basis. Depreciation has been provided based on useful life of the assets as prescribed in the Schedule II of the Companies Act, 2013. Depreciation for assets purchased/sold during the year is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on SLM basis.

**f) Retirement Benefits:**

- i) Leave encasement benefits are charged to Profit & Loss Account in each year on the basis of actual payment made to employee. There are no rules for carried forward leave.
- ii) No provision has been made for the retirement benefits payable to the employees since no employee has yet put in the qualifying period of service & the liability for the same will be provided when it becomes due.

**g) Inventories**

Inventories are valued at cost (using FIFO method) or net realizable value, whichever is lower.

**h) Impairment of Assets:**

The carrying amounts of assets are reviewed at the balance sheet date to determine whether there are any indications of impairment. If the carrying amount of the fixed assets exceeds the recoverable amount at the reporting, the carrying amount is reduced to the recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use, the value in use determined by the present value estimated future cash flows. Here carrying amounts of fixed assets are equal to recoverable amounts.

**i) Earning Per Share**

Earning per share is calculated by dividing the net profit or loss for the period attributable to equity share holders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all diluted potential equity shares.

**j) Provisions, Contingent Liabilities And Contingent Assets**

Provisions are recognised when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for:

- i) Possible obligations which will be confirmed by future events not wholly within the control of the company, or
- ii) Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

**k) Accounting for Taxes on Income**

- i) Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- ii) Deferred Tax is recognized subject to the consideration of prudence on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates.



## **NOTES TO ACCOUNTS**

<b>PARTICULARS</b>	<b>AS AT 31st March 2015</b>	<b>AS AT 31st March 2014</b>
<b>NOTE-2</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED SHARE CAPITAL</b>		
7000000 Equity Shares of Par Value Rs.10/- each (Pr. Yr 7000000 Equity Shares of Par Value Rs.10/- each)	70,000,000	70,000,000
<b>ISSUED SUBSCRIBED AND PAID UP</b>		
46,82,207 Equity Shares of Rs.10/- each fully paid up (Pr. Yr 46,82,207 Equity Shares of Rs.10/- each fully paid up)	46,822,070	46,822,070
	<b>46,822,070</b>	<b>46,822,070</b>
<b>SHARE RECONCILIATION STATEMENT</b>	<b>AS AT 31.03.2015</b>	<b>AS AT 31.03.2014</b>
<b>PARTICULARS</b>	<b>EQUITY</b>	<b>EQUITY</b>
Shares outstanding at the beginning of the year	4,682,207	4,357,207
Shares Issued during the year	-	325,000
Shares bought back during the year	-	-
Shares outstanding at the end of the year	4,682,207	4,682,207

3433363 Equity Shares (Previous year 3433363) are held by CSL Holdings Pvt. Ltd.

### **DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% OF PAID UP EQUITY SHARE CAPITAL**

<b>Shareholder</b>	<b>AS AT 31.03.2015 No.of shares</b>	<b>AS AT 31.03.2014 No.of shares</b>	<b>AS AT 31.03.2015 Percentage</b>	<b>AS AT 31.03.2014 Percentage</b>
CSL Holdings Pvt. Ltd	3,433,363	3,433,363	73.32%	73.32%

### **Year (Aggregate No. of Shares)**

<b>Particulars</b>	<b>2014-15</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>	<b>2010-11</b>
<b>Equity Shares :</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	621,593

**NOTES TO ACCOUNTS**

PARTICULARS	AS AT 31st MARCH 2015	AS AT 31st MARCH 2014
<b>NOTE-3 RESERVE &amp; SURPLUS</b>		
<b>General Reserve</b>		
As per last balance sheet	400,000	400,000
	<b>400,000</b>	<b>400,000</b>
<b>Statutory Reserve U/S 45 IC of Reserve Bank of India Act,1934</b>		
As per last balance sheet	98,326,488	83,921,360
Add : Transferred from Profit & Loss account	15,978,384	14,405,128
	114,304,872	98,326,488
<b>Capital Redemption Reserve</b>		
As per last balance sheet	6,215,930	6,215,930
	<b>6,215,930</b>	<b>6,215,930</b>
<b>Share Premium</b>		
As per last balance sheet	45,500,000	34,125,000
Add : On issue of shares	-	11,375,000
	<b>45,500,000</b>	<b>45,500,000</b>
<b>Profit &amp; Loss account:</b>		
As per last balance sheet	576,159,401	518,538,890
Add : Profit of Current Year	79,891,920	72,025,639
Less : Appropriations		
Adjustment relating to fixed Assets	211,276	
Statutory Reserve U/S 45 IC of Reserve Bank of India Act,1934	15,978,384	14,405,128
	639,861,661	576,159,401
<b>Total</b>	<b>806,282,463</b>	<b>726,601,819</b>
<b>NOTE-4</b>		
<b>LONG TERM BORROWINGS SECURED</b>		
STATE BANK OF INDIA	854,188	1,059,705
(Ag. Hypothecation of Car)		
ICICI BANK LTD.	-	1,139,628
(Ag. Hypothecation of Car)		
Less : Current Maturities of Long Term Debt	226,487	1,348,906
	<b>627,701</b>	<b>850,427</b>
<b>NOTE-5</b>		
<b>SHORT TERM BORROWINGS SECURED</b>		
JM Financial Products Ltd	14,030,042	-
(Ag. Pledge of Securities)		
<b>SHORT TERM BORROWINGS UNSECURED</b>		
Loan from Related Parties	-	34,269,827
Bodies Corporate		
Loan from Bodies Corporate	5,593,642	8,203,917
	<b>19,623,684</b>	<b>42,473,744</b>

**NOTES TO ACCOUNTS**

PARTICULARS		AS AT 31st MARCH 2015		AS AT 31st MARCH 2014
<b>NOTE-6</b>				
<b>OTHER CURRENT LIABILITIES</b>				
Current Maturities of Long Term Debt		226,487		1,348,906
Other Liabilities		11,926,301		10,541,988
		<b>12,152,788</b>		<b>11,890,894</b>
<b>NOTE - 7</b>				
<b>SHORT TERM PROVISIONS</b>				
Provision for Standard Assets		1,825,305		1,531,935
Provision for Income Tax (Net of Advance Tax & TDS)		13,106,870		3,092,560
		<b>14,932,175</b>		<b>4,624,495</b>
<b>NOTE - 9</b>				
<b>NON CURRENT INVESTMENTS</b>				
<b>OTHER INVESTMENTS</b>				
<b>INVESTMENT IN EQUITY SHARES</b>				
	No. of Shares as on 31.03.2015	No. of Shares as on 31.03.2014		
<b>QUOTED</b>				
APL APOLLO TUBES LTD (F. Value Rs 10 each)	0	541,266	-	84,840,334
SAMRAT FORGINGS LTD (F. Value Rs 10 each)	1,107,600	1,107,600	15,373,964	15,373,964
HCL TECHNOLOGIES LTD. (F. Valve Rs. 2 each)(Bonus Shares)	23,750	0	-	-
INFOSYS Ltd. (F. Valve Rs. 5 each)(Bonus Shares)	5,500	0	-	-
TECH MAHINDRA LTD. (F. Valve Rs. 5 each)(Bonus Shares)	8,500	0	-	-
ANG INDUSTRIES LTD (F. Value Rs 10 each)	416,931	444,470	3,017,213	3,170,704
<b>UNQUOTED</b>				
CSL REALTORS PVT. LTD. (F. Valve Rs. 10 each)	0	9,800	-	98,300
DELHI STOCK EXCHANGE LTD. (F. Valve Rs. 10 each)	82,500	0	2,687,025	
<b>INVESTMENT IN LLP</b>				
RELIANCE INDIA REALITY OPPORTUNITIES LLP			2,953,755	3,000,000
<b>INVESTMENT IN BONDS</b>				
<b>QUOTED</b>				
IIFCL TAX FREE BONDS	4,000	4,000	4,016,000	4,016,000
IFCI LTD BONDS	2,250	0	2,300,102	
<b>INVESTMENT IN PROPERTY</b>				
Investment in Property			9,556,686	36,253,142
			<b>39,904,745</b>	<b>146,752,444</b>

## NOTES TO ACCOUNTS

PARTICULARS	AS AT 31st MARCH 2015	AS AT 31st MARCH 2014
Aggregate value of Quoted Investment in equity shares	18,391,177	103,385,002
Aggregate market value of Quoted Investment in equity shares	55,942,908	110,100,911
Aggregate value of Unquoted Investment (Market value of investment in shares of Samrat Forgings Ltd is not ascertainable since it has not been traded during the year)	2,687,025	98,300
Investment in property includes Rs 637,068,6/- (Pr. Year Rs 330,671,42/-) paid to builders for purchase of properties. The full payment has already been made as per the Seller/Buyer agreement executed with the builders but the sale deed is yet to be executed.		

### NOTE-8

#### FIXED ASSETS-TANGIBLE

(Amount in Rs.)

PARTICULARS (ASSETS)	<u>GROSS BLOCK</u>				<u>DEPRECIATION</u>				<u>NET BLOCK</u>	
	BALANCE AS ON 01.04.2014	ADDITION	SALE / TRANSFER	TOTAL AS ON 31.03.2015	AS ON 01.04.2014	DURING THE YEAR	SALE \ ADJUSTMENT	TOTAL AS ON 31.03.2015	AS ON 31.03.2015	AS ON 31.03.2014
Fur. & Fixture	419383	190733	296999	313118	383608	4345	296999	90955	222163	35775
Car	5888048	0	0	5888048	961647	736052	0	1697699	4190349	4926401
Scooter	101751	59900	0	161651	21840	12489	0	34329	127322	79911
Mobile	77270	0	0	77270	17826	47271	0	65097	12173	59444
Office Equipment	302409	0	194568	107841	218267	42885	194568	66584	41257	84142
LCD Television	139500	0	0	139500	40010	83483	0	123493	16007	99490
Airconditioner	187491	0	0	187491	29262	78395	0	107657	79834	158229
Computer	716014	65800	0	781814	547610	126768	0	674378	107436	168404
Photocopy Machine	40740	0	0	40740	11504	27199	0	38703	2037	29236
Invertor	22400	0	0	22400	6527	14753	0	21280	1120	15873
<b>Total Rs.</b>	<b>7895006</b>	<b>316433</b>	<b>491567</b>	<b>7719872</b>	<b>2238101</b>	<b>1173640</b>	<b>491567</b>	<b>2920174</b>	<b>4799698</b>	<b>5656905</b>
Pr.Year	6470580	1475976	51550	7895006	1539284	727197	28380	2238101	5656905	4931296

Note 8.1 - Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in the Schedule-II. Accordingly the unamortised carrying value is being depreciated/amortised over the remaining useful lives. The above depreciation of Rs.11,73,640/- includes Rs 2,11,276/- i.e the written down value (after residual value) of fixed assets whose lives have expired as at 1st April, 2014 and have been adjusted net of tax in the opening balance of profit and loss.

**NOTES TO ACCOUNTS**
**(Amount in Rs.)**

<b>PARTICULARS</b>			<b>AS AT 31st March 2015</b>	<b>AS AT 31st March 2014</b>
<b>NOTE-10</b>				
<b>LONG TERM LOANS &amp; ADVANCES</b>				
Advance for Purchase of Property (Unsecured considered good by the management)			-	95,000,000
			-	<b>95,000,000</b>
<b>NOTE - 11</b>				
<b>CURRENT INVESTMENTS</b>				
<b>Investments in mutual funds</b>	<b>No. of Units as on 31.03.2015</b>	<b>No. of Units as on 31.03.2014</b>		
JM High Liquidity Fund	1180136	0	45,000,000	-
			45,000,000	-
<b>NOTE-12</b>				
<b>INVENTORIES</b>				
Stock in trade (As taken valued & certified by the management)			43,194,627	46,626,822
			<b>43,194,627</b>	<b>46,626,822</b>
<b>NOTE-13</b>				
<b>CASH &amp; BANK BALANCES</b>				
<b>CASH &amp; CASH EQUIVALENTS</b>				
Cash in Hand			61,838	4,781
Balance with Banks			17,306,349	16,425,544
			<b>17,368,187</b>	<b>16,430,325</b>
<b>NOTE-14</b>				
<b>SHORT TERM LOANS &amp; ADVANCES</b>				
Secured Loans			552,122,000	517,774,000
Loans (Unsecured considered good)			18,500,000	-
Loans to Related Parties (Unsecured Considered good)				
Body Corporate			114,500,000	-
Advance for Purchase of Property (Unsecured Considered good by the Management)			45,000,000	-
Staff Advance			28,450	47,450
			<b>730,150,450</b>	<b>517,821,450</b>

**NOTES TO ACCOUNTS**
**(Amount in Rs.)**

<b>PARTICULARS</b>	<b>AS AT 31st MARCH 2015</b>	<b>AS AT 31st MARCH 2014</b>
<b>NOTE-15</b>		
<b><u>OTHER CURRENT ASSETS</u></b>		
Prepaid Expenses	55,900	55,079
Margin With Broker	12,500,000	5,000,000
Advance With Parties	189,457	-
Amount Receivable (on a/c of Sale of Property)	6,650,000	-
Income tax Deposit (Against Appeal)	595,782	-
Income tax refund	85,020	85,020
	<b>20,076,158</b>	<b>5,140,099</b>
<b>NOTE-16</b>		
<b><u>REVENUE FROM OPERATIONS</u></b>		
Sale of Shares	771,491,870	1009195711
Interest	134,917,399	107,008,727
Profit on sale of Investment	1,180,623	1,859,719
Income From Share Trading /Derivative/Mutual Fund/Bonds	23,503,746	11,560,760
	<b>931,093,638</b>	<b>1,129,624,917</b>
<b>NOTE-17</b>		
<b><u>OTHER INCOMES</u></b>		
Profit from LLP	-	630,356
Dividend Income	869,210	19,127,942
Profit on sale of Property	5,750,221	1,635,000
Misc Income	-	66,068
	<b>6,619,431</b>	<b>21,459,366</b>
<b>NOTE-18</b>		
<b><u>CHANGE IN INVENTORIES</u></b>		
Opening Stock	46,626,822	83,126,966
Less: Closing Stock	43,194,627	46,626,822
	<b>3,432,195</b>	<b>36,500,144</b>
<b>NOTE-19</b>		
<b><u>EMPLOYEE BENEFIT EXPENSES</u></b>		
Salary & Bonus	12,380,450	5,205,420
Staff Welfare	174,774	174,988
	<b>12,555,224</b>	<b>5,380,408</b>
<b>NOTE-20</b>		
<b><u>FINANCE COSTS</u></b>		
Bank Charges	730	1,754
Interest on Car Loan	164,530	279,894
Other Interest	11,644,701	10,370,831
	<b>11,809,961</b>	<b>10,652,479</b>

## NOTES TO ACCOUNTS

PARTICULARS	AS AT 31st MARCH 2015	AS AT 31st MARCH 2014
<b><u>NOTE-21</u></b>		
<b>OTHER EXPENSES</b>		
Annual Custody Charges	13,482	13,482
Annual Listing Fees	112,360	44,383
Audit fees	196,630	224,720
Books & Periodicals	3,918	6,093
Business Promotion	511,928	537,134
Courier Charges	36,273	14,304
CSR Expenses	1,500,000	-
Demat Expenses	4,835	10,676
Donation	21,000	-
EDP Expenses	91,435	90,050
Electricity Expenses	311,384	281,325
Festival Expenses	180,142	232,471
Filing Fees	22,360	4,580
Generator Repair & Maintenance	16,000	239,88
Insurance Expenses	56,979	70,936
Legal & Professional Charges	1,316,150	2,131,654
Loss on Sale of Assets	-	10,470
Meeting & Conference Exp.	43,529	13,160
Misc. Expenses	26,919	54,982
Office Expenses	236,363	130,790
Postage, Telegram Expenses	46,141	51,577
Printing & Stationery	149,550	64,673
Prior Period Expenses	952,700	-
Processing Fees	733,331	152,896
Provision for Standard Assets	293,370	158,674
Publishing Expenses	64,254	155,345
Rebate on Interest	-	533,333
Rent	1,218,000	1,218,000
Repair & Maintenance (Others)	194,586	64,504
Security Transaction Tax	1,562,647	682,975
Sitting Fee	-	50,000
Telephone Expenses	171,798	171,743
Travelling & Conveyance	491,980	291,469
Vehicle Running Expenses	276,425	213,468
	<b>10,856,468</b>	<b>7,703,855</b>

**NOTE-22**

## a) A) Contingent Liabilities:

- i) Claims against the company not acknowledged as debts- Nil; Previous Year- Nil
- ii) Guarantees to Banks and Financial institutions against credit facilities extended to third parties- Nil; Previous Year- Nil
- iii) Other money for which the company is contingently liable
  - a) Income Tax liability for Assessment year 2006-07, 2008-09 & 2011-12 is Rs.595,782/-, Rs.4,968,594/- and Rs.1,024,631/- respectively (Previous Year Rs.595,782/- for assessment year 2006-07). The company has deposited Rs.595,782/- and Rs.1,282,942/- for Assessment year 2006-07 and 2011-12 under protest. Rs.595,782/- deposited under protest is being shown as Income Tax deposit against appeal in Note no.15 i.e. Other Current Assets and Rs.1,282,942/- has been deposited after 31<sup>st</sup> March, 2015.
  - b) The company has entered into loan agreement with various parties and in case the management deems fit in its sole discretion, then, depending upon the circumstances of the case, it grants interest rebate to certain party/parties. Liability, if any, on this account is known only on completion of agreement.

## B) Commitments :

- i) Uncalled liability on partly paid up shares- Nil; Previous Year- (Nil)
  - ii) Estimated amount of contracts remaining to be executed on capital accounts- NIL; Previous Year- (Nil)
  - iii) Other Commitments- Nil; Previous Year- Nil
- b) In the opinion of Board of Directors & best of their knowledge & belief the provisions of all known liabilities are adequate.
- c) In the opinion of Board of directors, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
- d) CIF value of Imports- NIL; Previous Year- (Nil)
- e) Earning & Expenditure in Foreign Currency- NIL; Previous Year- (Nil)
- f) The activities of the company do not involve conservation of energy or absorption of technology.



g) Payments to Auditor's includes:

	2014-15	2013-14
Audit Fee :	151,686.00	179,776.00
Tax Audit Fees	44,944.00	44,944.00
Other Certification Fees	28,090.00	Nil
	<u>224,720.00</u>	<u>224,720.00</u>

h) Director's remuneration: 2014-15 90,00,000.00 2013-14 30,00,000.00

- i) Company is dealing in shares. So the closing stock of shares has been shown as Stock-in-Trade but some shares purchased during the year by the company for earning income by way of dividends and for long term purposes being strategic/ large investments are shown under investments and accordingly income from these investments have been shown as short term / long term profit.
- j) Salary Payable to Mr. Rohit Gupta, Managing Director of the company has been increased from Rs.500000/- to Rs.1000000/- per month w.e.f. 1<sup>st</sup> October, 2014. The company has filed necessary papers with Ministry of Corporate Affairs for approval. Approval for the same is yet to be received.
- k) Deferred Tax Liabilities/Assets have been provided in accordance with AS-22. The break up of the deferred tax assets & liabilities are as under :

Nature of Timing Difference	Deferred Tax Assets / (Liabilities) as at 01 <sup>st</sup> April, 2014	Adjustment for the Current Year	Deferred Tax Assets/ (Liabilities) as at 31 <sup>st</sup> March, 2015
Depreciation	(164595)	111611	(52984)
Business Loss	Nil	Nil	Nil
Total	(164595)	111611	(52984)

- l) AS per Accounting Standard (AS-20) on Earning per share (EPS) issued by the ICAI, the particulars of EPS for the equity shareholders are as below:

S. No.	Particulars	Current year 2015	Previous Year 2014
1	Net Profit (loss) as per P/L A/c	79891920	72025639
2	Average No. of equity shares used as denominator for calculating EPS (Basic)	4682207	4655124
3	EPS (Basic) (Rs.)	17.06	15.47
4	Average No. of equity shares used as denominator for calculating EPS (Diluted)	4682207	4655124
5	EPS (Diluted) (Rs.)	17.06	15.47
6	Face value of each equity share (Rs.)	10	10

m) Related Party Disclosure:

As per Accounting Standard-18 issued by the Institute of Chartered Accountants of India, the Company's related parties and transactions are disclosed below:

(A) Name of related parties and description of relationship:

(1) Holding Company:

a) CSL Holdings Pvt. Ltd

(2) Other related parties where the Directors / Relatives have significant influence

a) CSL Capital Pvt. Ltd.

(3) Key Management Personal:

a) Mr. Rohit Gupta

b) Mr. Akash Gupta, Company Secretary & Legal Head

(4) Relatives of Key Management Personnel.

a) Mrs. Ridhima Gupta

B) Transaction during the year and balances outstanding at the year end in respect of transactions entered into during the year with the related parties.

Nature of transactions	Refer to (A) (1)	Refer to (A)(2)	Refer to (A) (3) (a)	Refer to (A) (3) (b)	Refer to (A) (4)
Unsecured Loan Taken	Nil (Nil)	27810056 (82900000)			
Unsecured Loan Given		238400000 (68600000)			
Sale of Shares		Nil (Nil)	228000 (Nil)		199500 (Nil)
Purchase of Shares			90878 (Nil)		79500 (Nil)
Allotment of Shares	Nil (14625000)				
Rent			600000 (600000)		600000 (600000)
Director's Remuneration			9000000 (3000000)		
Salary Paid				920000 (650000)	
Interest Received		10743704 (Nil)	9128 (Nil)		8000 (Nil)
Interest Paid	Nil (Nil)	1668346 (1409249)			
Balances as on 31 <sup>st</sup> March, 2015	Nil	114500000 Dr. (34269827 Cr.)			

( ) Indicates figures of Previous year.

- n) As per information available with the company, no amount is due to any Undertaking/ Enterprise covered under the Micro, Small and Medium Enterprise Development Act, 2006.
- o) Since the Company is dealing in one segment, No separate Segment reporting is given.
- p) Information regarding Purchase and Sale of Stock in trade during the year.

Particulars	Purchase	Sale
Shares	775473296	771491869

- q) The figures of the previous years have been regrouped and rearranged wherever it is considered necessary.

**FOR & ON BEHALF OF THE BOARD**

As per our report of even date attached

For **R.MAHAJAN & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
FRN 011348N

**(Ratnesh Mahajan)**  
Partner  
(M.No. 085484)

(Rohit Gupta)  
**Managing Director  
& CFO**  
(DIN-00045077)

(Ashok Kumar Kathuria)  
**Director**  
(DIN-01010305)

Place : Delhi  
Date : 29.05.2015

(Akash Gupta)  
**Company Secretary  
& Legal Head**  
(M.NO. A23248)

**Notes to Accounts**
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

(Amount in Rs.)

PARTICULARS		AS ON 31ST MARCH, 2015		AS ON 31ST MARCH, 2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit / (Loss) before Tax & Extraordinary items	122,623,560		99,878,403	
Adjustment for :				
Depreciation	962,364		727,197	
Provision for Standard Assets	293,370		158,674	
Provision for Standard Asset	—		10,470	
Interest Income	(1,404,550)		(143,84)	
Interest Paid	11,809,231		106,507,25	
Profit / Loss on sale of investment	(6,930,844)		(3,494,719)	
Operating Profit before Working Capital changes	127,353,131		107,916,365	
Adjustment for Current Assets & Loans & Advances				
1) Trade Receivables	—		958,992	
2) Loans & Advances	(117,329,000)		(63,464,544)	
3) Stock In Hand	3,432,195		36,500,144	
4) Other Current Assets	(14,936,060)		(3,178,119)	
Current Liabilities	261,894		4,995,985	
Cash generated from operations	(1,217,840)		83,728,823	
Direct Taxes Paid	32,828,941		25,232,139	
		(34,046,781)		584,966,84
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of investments	(45,000,000)		—	
Sale of investments	113,778,543		39,095,590	
Sales of Fixed Assets	—		12,700	
Interest Income	1,404,550		14,384	
Purchase of Fixed Assets	(316,433)		(1,475,976)	
		69,866,660		37,646,698
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Short Term Borrowings	(228,500,60)		(79,502,082)	
Long Term Borrowings	(222,726)		(289,201)	
Interest Paid	(118,092,31)		(10,650,725)	
Issue of equity shares	—		2,400,000	
		(34,882,017)		(88,042,007)
Net Decrease in cash & cash equivalents		937,862		8,101,375
Cash & cash equivalents at the beginning of period				
Cash In Hand	4,781		22,271	
Balance with Bank	16,425,544	16,430,325	8,306,679	8,328,950
Cash & cash equivalents at the end of period				
Cash In Hand	61,838			4,781
Balance with Bank	17,306,349	17,368,187	16,425,544	16,430,325
Net (Outflow)/Inflow of Cash		937,862		8,101,375

**FOR & ON BEHALF OF THE BOARD**

As per our report of even date attached

**For R. MAHAJAN & ASSOCIATES**

CHARTERED ACCOUNTANTS

**FRN 011348N**

(Ratnesh Mahajan)  
Partner

M.No.085484

Place : New Delhi

Date : 29.05.2015

(Rohit Gupta)

**Managing Director & CFO**

(DIN- 00045077)

(Ashok Kumar Kathuria)

**Director**

(DIN-01010305)

(Akash Gupta)

**Company Secretary & Legal Head**

(M.No. A23248)

(As required in terms of paragraph 13 of Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

Particulars			
Liabilities side			
1	Loan and advances availed by the Non - Banking Financial Company inclusive of interest accrued thereon but not paid:	Amount outstanding	Amount overdue
		Nil	Nil
	(a) Debentures : Secured	Nil	Nil
	: Unsecured	Nil	Nil
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	Nil	Nil
	(c) Terms Loans	8.54	Nil
	(d) Inter-corporate loans and borrowing	196.24	Nil
	(e) Commercial Paper	Nil	Nil
	(f) Others	Nil	Nil
	* Please see Note 1 below		

<b>Assets side</b>			
		<b>Amount outstanding</b>	
<b>2</b>	<b>Break-up of Loans and advances including bills receivables [other than those including in (4) below] :</b>		
	(a) Secured	5521.22	
	(b) Unsecured	1780.00	
<b>3</b>	<b>Break up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>		
	(i) Lease assets including lease rentals under sundry debtors :	Nil	
	(a) Financial lease		
	(b) Operating lease		
	(ii) Stock on hire including hire charges under sundry debtors	Nil	
	(a) Assets on hire		
	(b) Repossessed Asserts		
	(iii) Others loans counting towards AFC activities	Nil	
	(a) Loans where assets have been repossessed		
	(b) Loans other than (a) above		

<b>4 Break-up of investments:</b>		
<u>Current Investments:</u>		
1. Quoted:		
(i) Shares : (a) Equity	431.95	
(b) Preference	Nil	
(ii) Debentures and Bonds	Nil	
(iii) Units of mutual funds	Nil	
(iv) Government Securities	Nil	
(v) Others (please specify)	Nil	
2. Unquoted:		
(i) Shares : (a) Equity	Nil	
(b) Preference	Nil	
(ii) Debentures and Bonds	Nil	
(iii) Units of mutual funds	450	
(iv) Government Securities	Nil	
(v) Others ( Building)	Nil	
Long Term Investments:		
1. Quoted:		
(i) Shares : (a) Equity	183.91	
(b) Preference	Nil	
(ii) Debentures and Bonds	Nil	
(iii) Units of Mutual Funds	Nil	
(iv) Government Securities	Nil	
(v) Others -warrants	Nil	
2. Unquoted:		
(i) Shares : (a) Equity	26.87	
(b) Preference	Nil	
(ii) Debentures and Bonds	Nil	
(iii) Units of mutual funds	Nil	
(iv) Government Securities	Nil	
(v) Others		
Tax free Bonds	63.16	
LLP	29.54	
Property	95.57	

5 Borrower group-wise classification of assets financed as in (2) and (3) above:

Please see note 2 below

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	1142.14	1142.14
2. Other than related parties	5507.42	633.41	6140.83
<b>Total</b>	<b>5507.42</b>	<b>1775.55</b>	<b>7282.97</b>

6 Investor Group-wise classification of all Investments (current and long term) in shares and securities (both quoted and unquoted):

Please see note 3 below

Category	Market Value/ Break up or Fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	Nil	Nil
(b) Companies in the Same Group	Nil	Nil
(c) Other Related Parties	Nil	Nil
2. Other than Related Parties	1630.46	1092.73
<b>Total</b>	<b>1630.46</b>	<b>1092.73</b>

\* Market rate is not available hence cost has been taken.

\*\* As per Accounting Standard of ICAI (Please see Note 3 )

**(7) Other Information**

	Particulars	Amount
(i)	Gross Non-Performing Assets	Nil
	(a) Related Parties	
	(b) Other than Related Parties	
(ii)	Net Non-Performing Assets	Nil
	(a) Related Parties	
	(b) Other than Related Parties	
(iii)	Assets acquired in satisfaction of debt	Nil



## Notes:

1. As defined in paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
2. Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007
3. All Accounting Standards and guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets required in satisfaction of debt.  
However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

**As per our report of even date attached**

**For and on behalf of the Board of Directors**

**For R. Mahajan & Associates**

**Chartered Accountants**

**FRN 011348N**

Ratnesh Mahajan

**Partner**

M.No. 085484

Place: New Delhi

Date: 29.05.2015

Rohit Gupta  
**Managing Director  
& CFO**  
(DIN-00045077)

Ashok K. Kathuria  
**Director**  
(DIN-01010305)

Akash Gupta  
**Company Secretary & Legal Head**  
(M. No. A23248)



CIN: L74899DL1992PLC051462; Regd. Off.: 8/19, 3rd Floor, W.E.A., Pusa Lane, Karol Bagh, New Delhi-110005; Tel. No.: 011-23253488  
Phone: 011 42503441-44; Website: www.consec.in; Email Id: investor@consec.in

### ATTENDANCE SLIP

Folio No. /DP ID Client ID No. :	Name of Proxy:
Name & address of First named Member :	
Name of Joint Member(s), if any :	Members are requested to provide their Email ID:

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I hereby authorise Consolidated Securities Ltd. to send me all notices, Annual Report and other communications at the aforesaid email id.

I/we hereby record my/our presence at the 23rd Annual General Meeting of the Company being held at Hotel Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi-110005 on Wednesday, the 30th of September, 2015 at 11.00 a.m.

\_\_\_\_\_  
**Signature of First Holder/Proxy**

\_\_\_\_\_  
**Signature of 1st Joint Holder**

\_\_\_\_\_  
**Signature of 2nd Joint Holder**

Note: 1. Please sign this attendance slip and hand it over at the Attendance Verification Counter at the meeting venue.

### ELECTRONIC VOTING PARTICULARS

EVSN	User ID	Password

For voting through electronic means please read the e-voting instructions.

Electronic Voting shall commence from 10 a.m. on 24.09.2015 and continue upto 6 p.m. on 26.09.2015.

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CIN: L74899DL1992PLC051462  
Registered Office: 8/19, 3rd Floor, W.E.A., Pusa Lane, Karol Bagh, New Delhi-110005  
Phone: 011 42503441-44; Website: www.consec.in; Email Id: investor@consec.in

**FORM NO.MGT-11**
**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of  
the Companies (Management and Administration) Rules, 2014)

CIN	L74899DL1992PLC051462
Name of the Company	CONSOLIDATED SECURITIES LIMITED
Registered Office	8/19, 3rd Floor, W.E.A., Pusa Lane, Karol Bagh, New Delhi-110005 Tel: 011-42503441-44; Fax: 011-42503444 Email id: investor@consec.in; Website: www.consec.in
Name of the member(s)	
Registered Address	
E-Mail ID	
DP ID and Client ID/Folio No.	

I/We, being the member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint:

1)	Name			
	Address			
	E-Mail ID		Signature	

or failing him;

2)	Name			
	Address			
	E-Mail ID		Signature	

or failing him;

3)	Name			
	Address			
	E-Mail ID		Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23<sup>rd</sup> Annual General Meeting of the Company, to be held on **30<sup>th</sup> September, 2015** at **11.00 A.M.** at Swati Deluxe Banquet Hall, 17A/32, Gurudwara Road, W.E.A., Karol Bagh, New Delhi-110005 and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>Ordinary Business</b>	
1	To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015 and the Profit & Loss Account for the year ended on that date, together with the Reports of the Board of Directors and Auditors thereon.
2	To appoint a Director in place of Mr. Ashok Kumar Kathuria (DIN: 01010305), who retires by rotation and being eligible, offers himself for re-appointment.
3	To appoint M/s. R. Mahajan & Associates, Chartered Accountants (Firm Registration No. 011348N) as Statutory Auditors of the Company.
<b>Special Business</b>	
4	To regularise Ms. Anjna (DIN: 07143461) who was appointed as an Additional Director on 30.03.2015 by the Board.
5	Appointment of Ms. Anjna (DIN: 07143461) as an Independent Director of the Company.
6	Change of name of the Company to CSL Finance Limited.
7	Revision in terms of remuneration of Mr. Rohit Gupta, Managing Director of the Company.
8	Appointment of Mr. Anirudha Kumar (DIN: 00084495) as an Independent Director of the Company.
9	Appointment of Mr. Kapil Aggarwal (DIN: 00032225) as an Independent Director of the Company.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of Member \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix  
Revenue  
Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a member of the Company.

**The procedure and instructions for e-voting are as follows:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the COMPANY NAME – “**CONSOLIDATED SECURITIES LIMITED**” from the drop down menu and click on “SUBMIT”.
- (iv) Now, enter your User ID.
- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat account shareholders as well as physical shareholders) as given overleaf in the box.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Bank Details	Enter the Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for **Consolidated Securities Limited** to vote.
- (xi) On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**General Instructions:**

- (A) The e-voting period commences on 24th September, 2015 (10:00 a.m.) and ends on 26th September, 2015 (6:00 p.m.). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (relevant date) of 28th August, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (B) In case you have any queries or issues regarding e-voting, you may refer the frequently asked questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (C) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (relevant date) of 28th August, 2015.
- (D) M/s. Vinay Kumar & Associates, Chartered Accountants (Firm Registration No.-018486N), have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (E) The results shall be declared on or after the AGM of the Company. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.consec.in](http://www.consec.in) and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Bombay Stock Exchange Limited.

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**CONSOLIDATED SECURITIES LIMITED**

8/19, 3rd Floor, W.E.A., Pusa Lane,

Karol Bagh, New Delhi - 110 005

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CIN : L74899DL1992PLC051462