

2012-13

Annual Report



Euro Finmart Limited



www.eurofin.in

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Alok Kumar Agarwal	Director
Mr. Rajbir Singh Makhni	Director
Mr. Sunil Kumar Gupta	Director
Mr. Yash Jeet Basrar	Director

BOARD LEVEL COMMITTEES

I AUDIT COMMITTEE

Mr. Sunil Kumar Gupta	Chairman
Mr. Alok Kumar Agarwal	Member
Mr. Rajbir Singh Makhni	Member

II SHARE TRANSFER & SHAREHOLDERS' /INVESTORS' GREIVANCE COMMITTEE

Mr. Yash Jeet Basrar	Chairman
Mr. Rajbir Singh Makhni	Member
Mr. Sunil Kumar Gupta	Member

III REMUNERATION COMMITTEE

Mr. Sunil Kumar Gupta	Chairman
Mr. Alok Kumar Agarwal	Member
Mr. Rajbir Singh Makhni	Member

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Preeti Puri

BANKERS

HDFC Bank
Vijaya Bank
AXIS Bank Limited

REGISTERED AND CORPORATE OFFICE

205-208, Anarkali Complex, Jhandewalan Extension,
New Delhi-110 055
Tel: 91-11-41540028, Fax: 91-11-41540028
Website: www.eurofin.in
Investor Helpdesk: investor@eurofin.in

STATUTORY AUDITORS

M/s Krishan K. Gupta & Company
Chartered Accountants
1/3-10196, Devi Mandir Lane,
Jhandewalan, New Delhi 110 055

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 24th ANNUAL GENERAL MEETING OF THE MEMBERS OF EURO FINMART LIMITED WILL BE HELD ON MONDAY THE 30TH DAY OF SEPTEMBER, 2013 AT 10:30 A.M. AT 3E/9, 1ST FLOOR, JHANDEWALAN EXTENSION, NEW DELHI-110 055, TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Statement of Profit & Loss for the year ended on that date and the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajbir Singh Makhni who retires by rotation, and being eligible offers himself for re-appointment.
3. To appoint M/s. Krishan K. Gupta & Co., Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company on such remuneration as the Board may decide.

SPECIAL BUSINESS

Item No. 4

To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Alok Kumar Agarwal who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 10th December, 2012 to hold office upto the upcoming Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom notice under Section 257 of the Act, has been received by the Company from a member signifying his intention to propose, Mr. Alok Kumar Agarwal as candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

BY ORDER OF THE BOARD OF DIRECTORS
For EURO FINMART LIMITED

DATED: 9th August, 2013
PLACE: New Delhi

-Sd/-
PREETI PURI
COMPANY SECRETARY

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Company/Registrar and Share Transfer Agent, M/s. Alankit Assignments Limited. These changes will be automatically reflected in the company records which help the company to provide efficient and better services to the members.
3. All documents referred to in the notice are open for inspection at the Registered Office of the Company between working hours on all working days up to the date of Annual General Meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed on 23rd September, 2013 to 30th September, 2013 (both days inclusive) for the purpose of Annual General Meeting.
5. Members/proxies should bring their copy of the Annual Report for reference at the meeting along with the attendance slip duly filled in for attending the meeting.
6. Members are informed that in case of joint holders attending the meeting, only such joint holder who is first in the order of names will be entitled to vote.
7. The communication address of our Registrar and Share Transfer Agent (RTA) is Alankit Assignments Limited having its Corporate Office at “Alankit House”, 2E/21, Jhandewalan Extension, New Delhi-110055.
8. The Annual Report of the Company circulated to the Members of the Company, will be made available on the Company's website at www.eurofin.in
9. The Company has implemented the “Green Initiative” as per circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs (MCA) to enable electronic delivery of notices/documents and Annual Reports to the Shareholders. Henceforth, the email addresses indicated in your respective Depository Participant (DP) accounts which will be periodically downloaded from NSDL/CDSL will be deemed to be your registered email address for serving notices/documents including those covered under Section 219 of the Companies Act, 1956. The Notice of AGM and the copies of audited financial statements, director's report, auditor's report, etc. will also be displayed on the website www.eurofin.in of the Company and the other requirements of the aforesaid MCA circular will be duly complied with. Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar & Share Transfer Agent of the Company at the address mentioned in note no. 7 above.
10. Explanatory Statement pursuant to the provisions of Section 173(2) of the Companies Act, 1956 is annexed hereto and forms part of this Notice.

EXPLANATORY STATEMENT**Persuant to section 173(2) of the Companies Act, 1956****Item No. 4**

The Board of Directors of the Company has appointed Mr. Alok Kumar Agarwal as an Additional Director of the Company w.e.f. 10th December, 2012. As per the Provisions of Section 260 of the Companies Act, 1956, Mr. Alok Kumar Agarwal shall hold the office only up to the date of the forthcoming Annual General Meeting of the Company. The Company has received notice under Section 257 of the Companies Act, 1956 from a member of the Company along with the requisite amount, proposing the appointment of Mr. Alok Kumar Agarwal as a Director of the Company, liable to retire by rotation. None of the Directors of the Company, except Mr. Alok Kumar Agarwal, are interested in the above resolution.

Your Directors recommend the Ordinary Resolution for the approval of the members

BY ORDER OF THE BOARD OF DIRECTORS
For **EURO FINMART LIMITED**

-Sd/-

PREETI PURI
COMPANY SECRETARY

DATED: 9th August, 2013

PLACE: New Delhi

DIRECTORS' REPORT

To
The Members,
Euro Finmart Limited

Your Directors have pleasure in placing before you the 24th Annual Report of the Company together with the Audited Accounts for the year ended on 31st March, 2013.

FINANCIAL HIGHLIGHTS

The Financial results of the Company for the year under review along with figures for the previous year are as follows:

PARTICULARS	For the year ended 31st March, 2013 (₹)	For the year ended 31st March, 2012 (₹)
Total Revenue / Income	122,245,648	125,579,000
Total Expenditure	131,114,967	120,655,573
Profit / (Loss) before Taxation	(8,869,320)	4,923,426
Provision for Taxation	--	(853,282)
Deferred Tax	12,018,939	--
Profit after Taxation	3,149,620	4,070,144

REVIEW OF OPERATIONS & FUTURE PROSPECTS

During the year under review, there was a decrease in total revenue and Profit after Tax as compared from previous year due to adverse market conditions. The Company is regularly making efforts for getting work relating to e-Governance business.

The Company has been accredited as Smart Card Service provider under Rashtriya Swasthaya Bima Yojna (RSBY) by Quality Council of India. The Company has been empanelled as Enrolment Agency under RSBY and currently doing the enrolments in the Bundi, Sikar & Jhunjunu district of Rajasthan.

The Company is also empanelled as Enrolment Agency for enrolment of residents of India by UIDAI and currently doing enrolments in the State of Maharashtra on behalf of Oriental Bank of Commerce.

The Company has applied for renewal of empanelment as enrollment agency to UIDAI. The Company is planning to take part in the tenders and projects related to e- Governance and providing services related to smart card.

MERGER

The Company has applied for In-principal approval under clause 24(f) of listing agreement from Bombay Stock Exchange (BSE) for merger with Alankit Assignments Limited.

OPEN OFFER

Promoter Group had sold its stake of 76,550 equity shares representing 1.58% of the total paid up capital of the Company and transferred the management and control pursuant to share purchase agreement dated 27th August 2012 to Mr. Alok Kumar Agarwal.

Thereafter, Mr. Alok Kumar Agarwal, had made an open offer to the shareholders of the Company to acquire 12,60,500 equity shares constituting 26% of the total paid-up capital of the Company and consequently acquired 704 equity shares representing 0.014% of the total paid-up capital of the Company in compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Pursuant to post open offer report issued by Merchant Banker dated 4th December, 2012, Mr. Alok Kumar Agarwal will act as a new promoter of the Company.

DIVIDEND

In view to augment the resources of the Company so as to achieve better operating results, your directors do not recommend any dividend.

DIRECTORS

Mr. Rajbir Singh Makhni, Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Mr. Alok Kumar Agarwal was appointed as Additional Director w.e.f 10th December, 2012. He vacates his office at the ensuing Annual General Meeting and has filed requisite consent to act as a Director of the Company. Notice has been received from a member of the Company under Section 257 of the Companies Act, 1956 for his appointment as a Director of the Company.

CHANGE IN REGISTERED OFFICE

The Registered Office of your Company had been shifted from 291, Anarkali Complex, Jhandewalan Extension, New Delhi 110055 to 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi 110055 w.e.f. 9th August, 2013 as per the requisite resolution passed by the Board of Directors.

PUBLIC DEPOSIT

During the year, your Company has not accepted any Deposit under Section 58A and Section 58AA of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975.

PARTICULARS OF EMPLOYEES

None of the employees of the company were in receipt of remuneration exceeding the limit as prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 during the year.

BOARD COMMITTEES

The Company has re-constituted two Committees viz. Audit Committee and Remuneration Committee during the year under review.

FOREIGN EXCHANGE EARNINGS & OUTGO

During the year, the Company has not earned and spent anything in Foreign Exchange.

RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

Since the Company is not involved in manufacturing activity, hence the research & development and technology absorption is not applicable.

CONSERVATION OF ENERGY

The Company is engaged in providing financial and e-governance services and such operations do not account for substantial energy consumption. However, the company is taking all possible measures to conserve the energy.

LISTING WITH STOCK EXCHANGES

Equity Shares of the Company are listed on Bombay Stock Exchange Limited (BSE). The Company has paid Annual Listing Fees for the Financial Year 2012-2013 to BSE & DSE and also paid Annual Listing Fees for the current Financial Year 2013-14 to BSE. Since trading activities do not take place on DSE, your Company took initiative to get it delisted from DSE to facilitate the administrative convenience. DSE delisted the Company w.e.f. 8th April, 2013. The Company has made tripartite agreement with Central Depository Services (India) Limited (CDSL) & Registrar & Share Transfer Agent (RTA) dated 31st July 2012 for holding and transfer of securities in demat form of CDSL. The Company has also paid Annual Custody Fee to National Securities Depository Limited (NSDL) and CDSL for the Financial Year 2013-14.

CORPORATE SOCIAL RESPONSIBILITY

During the year, your Company continued the affirmative action and Corporate Social Responsibility in various fields.

CODE OF CONDUCT

The Company continues to place emphasis on inclusive growth and has adopted a voluntary code of conduct for affirmative action.

EVALUATION OF PERFORMANCE OF BOARD OF DIRECTORS

The Directors of your Company are in a fiduciary position, empowered to oversee the management functions with a view to ensure its effectiveness and enhancement of shareholders' value.

The Board provides and critically evaluates strategic direction, management policies and their effectiveness on your Company. Their objective is also to ensure that the long-term interests of the shareholders are being served.

Independent Directors are appointed not merely to fulfill the statutory requirements but for their diverse skills and experience as well as the external objectivity that each of them bring to effectively perform their role to provide strategic direction and guidance and provide constructive support to management by asking the right questions and generating quality debates and discussions on major decisions. The Board of Directors is at the core of your company's corporate governance practice and oversees how the management serves and protects the long term interests of the stakeholders. Your Directors believe that an active, well informed and independent Board is necessary to ensure highest standards of corporate governance.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under the provisions of Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- I) in the preparation of the annual accounts for the year ended March 31, 2013, the applicable accounting standards read with requirements set out under Schedule VI of the Companies Act, 1956, have been followed and there are no material departures from the same;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the profit of the Company for the year ended on that date;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) the Directors have prepared the Annual Accounts of the Company on a 'going concern' basis.

AUDITORS

During the year under review, M/s Krishan K. Gupta & Co., Chartered Accountants, Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment.

TRANSFER TO RESERVES IN TERMS OF SECTION 217 (1)(B) OF THE COMPANIES ACT, 1956

Your Company had not transferred any amount to reserves.

DISCLOSURE UNDER SECTION 217(1)(D) OF THE COMPANIES ACT, 1956

There have been no material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the Company and date of this report.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is included in a separate section forming part of the Annual Report.

ACKNOWLEDGEMENT

Yours Directors place on record their appreciation and thanks for the support extended by SEBI, BSE, NSDL, CDSL, UIDAI, other Govt. Departments, Bankers and employees of the Company at all level.

BY ORDER OF THE BOARD OF DIRECTORS
For **EURO FINMART LIMITED**

-Sd/-
ALOK KUMAR AGARWAL
DIRECTOR

-Sd/-
SUNIL KUMAR GUPTA
DIRECTOR

DATE: 9th August, 2013
PLACE: New Delhi

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

AN OVERVIEW

The Company is in the business of selling or buying or subscribing to or dealing in shares and commodities trading business and its related correspondence activities. The Company has been empanelled as Enrolment Agency under UIDAI for enrolment of residents of India. The Company is also taking part in tenders relating to other e-Governance business.

INDUSTRIAL OVERVIEW

The financial services marketplace is more demanding and less forgiving than ever before. Customers are savvier, oversight is tighter and competition is intensifying.

Accenture works with many financial services clients worldwide, helping them use our services to transform and optimize their capital markets businesses.

Our **capital markets industry group** helps clients to

- Simplify and differentiate their operating models
- Increase competitiveness
- Implement innovative trading, asset management and wealth management systems and solutions

OUTLOOK

Your Company's activities are guided by the principles of adequate safety, security and prudence and the Company would put all its efforts to achieve good results within this ambit. The Company regularly focuses on increasing productivity, cut expenses and profitable lines of business. The Company has to use its resources optimally and work persistently.

Euro Finmart is making efforts to grow and expand its operations by undertaking new projects as well as to overcome all its weaknesses and threats.

SWOT ANALYSIS

STRENGTHS

- Dedicated Staff at all level.
- Empanelled as Enrolment Agency of UIDAI.

WEAKNESSES

- Fluctuating Market Conditions.
- Continuous depressed scenario in capital market.
- Overall weak scenario at micro & macro level.

OPPORTUNITIES

- Growing Financial Services.
- Upswing in various e-Governance Projects.

THREATS

- High rate of interest as compared to the other prominent economies in the world.
- Market Slowdown.

RISK MANAGEMENT

We are having three key elements for risk management, these are:

- **Risk Identification**

It includes identify and categorize risks that could affect the project and steps includes

documentation of risks. The outcome of risk identification is a list of risks.

- **Risk Mitigation**

It covers efforts taken to reduce either the probability or consequences of a threat. It is also called Risk reduction.

- **Risk Monitoring and Control**

It is the process for tracking identified risks, monitoring residual risks, identifying new risks, executing risk response plans, and evaluating their effectiveness.

INTERNAL CONTROL SYSTEM

The Company has developed a system which helps the Company to achieve its objectives efficiently and effectively. Our Internal control systems are adequate and provide reasonable assurance against misuse or loss of company's assets and provide optimum utilization of available resources of the Company.

HUMAN RESOURCES

The Company believes that in Service Sector the employees are the backbone of the Company. The Company is providing an equal opportunity to all the employees to utilize their full potential and grow with the organization. Over the years we have developed strong Human Resource practices aimed at ensuring that our employees are provided with an enabling environment for growth and higher levels of contribution.

CAUTIONARY STATEMENT

Statements in Management Discussion and Analysis are reporting the company's objectives, projections, estimates and expectation may be 'forward looking' within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied.

CORPORATE GOVERNANCE REPORT

A detailed report on Corporate Governance for the Financial Year 2012-13 is given below:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability. Euro Finmart Limited believes in maintaining high standards of Corporate Governance as a part of its legacy and constitution. Further the Company is also based on the philosophy of fairness, transparency, accountability and dissemination of information which are the basics of Corporate Governance.

The Company is trying to uphold and nurture these core values of Corporate Governance in all respects of its operations. We have undertaken several initiatives towards maintaining the highest standards of Governance.

BOARD OF DIRECTORS

The Board of Directors of the Company have well-qualified professionals. All directors are suitably qualified, well-experienced and very competent.

Composition of Board of Directors

The Company's Board comprises of 4 (Four) Directors, out of these 3 (Three) are Independent. The Company has also reconstituted two committees namely Audit Committee and Remuneration Committee. All the Committees comprise majority of Independent Directors.

Appointment & Tenure

The Directors of the Company are appointed by the members at the General Meetings. Directors liable to retire by rotation step down at the Annual General Meeting each year and, if eligible, offer themselves for re-election, in accordance with the Article of Association of the Company.

Board Meetings, Attendance and Directorships of Directors

During the financial year under review, the Board of Directors met 11 (Eleven) times on 30.05.2012, 16.07.2012, 10.08.2012, 01.09.2012, 11.10.2012, 08.11.2012, 10.12.2012, 01.01.2013, 16.01.2013, 23.01.2013 and 04.03.2013 and the attendance of each of the Director in the Board Meetings is as follows:

S. No.	Name of Directors	Category	No. of Board Meetings attended	No. of Directorship in other Companies
1.	Alok Kumar Agarwal	Non-Independent, Non- Executive	4*	12
2.	Rajbir Singh Makhni	Independent, Non-Executive	11	7
3.	Sunil Kumar Gupta	Independent, Non-Executive	11	6
4.	Yash Jeet Basrar	Independent, Non-Executive	11	5

* Mr. Alok Kumar Agarwal was appointed as Director w.e.f. 10th December, 2012.

Brief Profile of Mr. Rajbir Singh Makhni who is re-appointed at Annual General Meeting:

Mr. Rajbir Singh Makhni aged about 55 years, having rich experience in the field of consultancy and liasoning matters with the Corporates. He is the Director of the Company since 2008. He is having 22 years of rich experience in Stock & Commodity broking services.

Board Support

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board for consideration. The Company Secretary is also responsible for the preparation of the agenda and convening of

the Board Meetings. The Company Secretary attends all the meeting of the Board and its Committees, advises/assures the Board on Compliance and Governance principles and ensures appropriate recording of minutes of the meeting.

COMMITTEES OF THE BOARD

Your Company has three Committees:

1. Audit Committee
2. Remuneration Committee
3. Share Transfer & Shareholder's/Investor's Grievance Committee

1. Audit Committee:

Audit Committee of the Board is constituted to provide the assistance in financial and other allied matters to the Board of Directors of the Company. The Committee consists of three members:

Name	Category
Mr. Sunil Kumar Gupta	Chairman
Mr. Alok Kumar Agarwal	Member
Mr. Rajbir Singh Makhni	Member

Objective of Audit Committee

The Objective of the Audit Committee is to oversight the financial reporting process and to ensure that the financial statement of the Company is correct, sufficient and credible. The roles and powers of the Audit Committee is prescribed in Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchanges. The terms of reference of the Audit Committee are broadly as follows:

- Oversight of Company's financial reporting process and disclosure of its financial information.
- Review with the management, quarterly and annual financial statements.
- Review of related party transactions.
- Review with the management, statutory and internal auditors, adequacy of internal control systems.
- Reviewing the Company's financial and risk management policies
- Recommend to the Board the appointment, re-appointment and removal of the statutory auditors and fixation of their remuneration.
- Discussion with Statutory Auditors about the nature and scope of audit as well as post audit discussion to ascertain any area of concern and internal control weaknesses observed by the Statutory Auditors.
- Discussion of Internal Audit Reports with Internal Auditors and significant findings and follow up thereon and in particular internal control weaknesses.
- Reviewing with the management, external and internal auditors, adequacy of internal control system.

Meetings of the Audit Committee:

The Audit Committee met 5 times during the year on 30.05.2012, 10.08.2012, 08.11.2011, 16.01.2013 and 01.03.2013. The gap between two meetings was not more than 4 months. The attendance record of the members is as follows:

S. No.	Name	Category	No. of Meetings Held	No. of Meeting Attended
1.	Sunil Kumar Gupta	Chairman	5	5
2.	Alok Kumar Agarwal	Member	5	2*
3.	Rajbir Singh Makhni	Member	5	5

* As Mr. Alok Kr. Agarwal was appointed as Member of the Committee w.e.f. 10th December, 2012.

2. Remuneration Committee:

The Remuneration Committee consists of following:

Name	Category
Mr. Rajbir Singh Makhni	Chairman
Mr. Alok Kumar Agarwal	Member
Mr. Sunil Kumar Gupta	Member

As on date there are no directors who are drawing remuneration from the Company. No meeting of Remuneration Committee was held during the financial year 2012-13.

Remuneration Policy

The remuneration policy is directed towards rewarding performance based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

3. Share Transfer & Shareholders' /Investors' Grievance Committee:

The Committee was constituted to ensure the transfer of shares within the stipulated time period and to redress shareholders' complaints such as transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc. The Share Transfer & Shareholders' /Investors' Grievance Committee consists of the following:

Name	Category
Mr. Yash Jeet Basrar	Chairman
Mr. Sunil Kumar Gupta	Member
Mr. Rajbir Singh Makhni	Member

Details of investor complaints received and redressed during the year 2012-13 are as follows:

Opening Balance	Received during the Year	Resolved during the year	Closing Balance
NIL			

Meetings of the Share Transfer and Shareholders' /Investors' Grievance Committee:

The Committee met 6 times during the year under review on 16.04.2012, 16.07.2012, 22.10.2012, 30.11.2012, 10.01.2013 and 15.02.2013. The attendance record of the members is as follows:

S. No.	Name	Category	No. of Meetings Held	No. of Meeting Attended
1.	Yash Jeet Basrar	Chairman	6	6
2.	Rajbir Singh Makhni	Member	6	6
3.	Sunil Kumar Gupta	Member	6	6

GENERAL BODY MEETINGS

Details of last three Annual General Meetings of the Company are as follows :

Description of Meetings	Date	Venue of AGM	Time	No. Of Special Resolution Passed
23rd AGM	30.09.2012	3E/9, 1st Floor, Jhandewalan Extension New Delhi - 110055	11.00 AM	0
22nd AGM	29.09.2011	Haryana Maitri Bhavan, H-4 & 5, Guru Harikishan Marg, Opp. Keshav mahavidyalaya, Pitampura New Delhi - 110034	11.00 AM	1
21st AGM	25.06.2010	291, Anarkali Complex, Jhandewalan Extension New Delhi - 110055	10.00 AM	0

No Special Resolution was passed in the last year through Postal Ballot.

DISCLOSURE

1. Related Parties & Transactions with them as required under Accounting Standard (AS-18) are furnished as Note No 20 and attached to & forming part of Balance Sheet & Statement of Profit & Loss for the financial year ended on 31st March, 2013.
2. Neither has any non compliance with any of the legal provisions of the Companies Act, 1956 been made by the Company nor any penalty imposed by the stock exchanges or SEBI or any other statutory authority on any matter related to the capital markets during the last 3 years.
3. There is no pecuniary relationship or transaction with Independent/Non executive Director.
4. None of transactions with any of related parties were in conflict with the interest of the Company.
5. The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure 1 D to the Clause 49 of the Listing Agreements entered into with the Stock Exchanges:
 - (a) The Company has set up a Remuneration Committee, details of which have been given earlier in this report.
 - (b) The Company has adopted a Whistle Blower Policy and has established the necessary mechanism for employees to report concerns about unethical behavior.
 - (c) The Statutory Financial Statements of the Company are unqualified.

INTERNAL CONTROLS AND RISK MANagements

The Company has systems for corporate risk assessment and mitigation. Business risk assessment procedures have been set in place for self-assessment of business risks, operating controls and compliance with Corporate Policies. There is an ongoing process to track the evolution of the risks and delivery of mitigating action plans. The procedures adopted provide the Management an assurance on the internal processes and systems.

MEANS OF COMMUNICATION

Effective communication of information is an essential component of corporate governance. It is the process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes managements-shareholders relations. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual report, media releases, Company's website and subject specific communications.

The quarterly, half yearly and annual results of the Company's performance are published in newspapers. These results are also made available on the website of the Company, viz. www.eurofin.in.

CODE OF CONDUCT

Code of conduct for the Directors and senior management was adopted by the Board. This code has been laid down with a view to promote good corporate governance and is applicable to all the Directors and Senior Management of the Company. This code of conduct is also available on the website of the Company, viz., www.eurofin.in.

CEO/CFO CERTIFICATION

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Directors has signed a Certificate accepting responsibility for the financial statement and confirming the effectiveness of the internal control system, which is given separately herewith.

COMPLIANCES UNDER LISTING AGREEMENT

The Company is regularly complying with the provisions of the Listing Agreement. Informations, certificates and returns as required under Listing Agreement are sent to the stock exchanges within the prescribed time.

INFORMATION ON DEVIATION FROM ACCOUNTING STANDARDS, IF ANY

There has been no deviation from the Accounting Standards in preparation of annual accounts for the financial year 2012-13.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Auditors' Certificate on compliance of Clause 49 (VII) of the Listing Agreement relating to Corporate Governance is published as an Annexure to the Directors' Report.

GENERAL SHAREHOLDERS INFORMATION

i.	Annual General Meeting Day Date, Time & Venue	Monday, 30th September, 2013 at 10.30 AM 3E/9, 1st floor, Jhandewalan Extn. New Delhi - 110055
ii.	Financial Year	2012-13
iii.	Date of Book Closure	23rd September, 2013 to 30th September, 2013
iv.	Dividend Payment	No Dividend was declared or paid during the financial year 2012-13
v.	Listing on Stock Exchange	The Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai - 400 001
vi.	Scrip Code Scrip ID ISIN	531082 EUROFIN INE914E01024

SHARE TRANSFER SYSTEM

The Board of Directors have delegated the power of approving the transfer, transmission of shares and other matters like consolidation of share certificates, issue of duplicate share certificates, dematerialization / rematerialisation of shares, to registrar & share transfer agents of the Company. All the matters are approved by RTA regularly.

Presently, the share transfer instruments which are received in physical form are being processed by R&T Agent, Alankit Assignments Limited and the share certificates are dispatched within a period of 30 days from the date of receipt thereof, subject to documents being complete and valid in all respects. The request for dematerialization of shares are also processed by R&T Agent within stipulated period of 21 days and uploaded with the concerned depositories.

The Company obtains half-yearly certificate of compliance related to the share transfer formalities from Company Secretary in practice as required under clause 47(c) of the Listing Agreement with Stock Exchanges and files a copy of certificate with Stock Exchanges on or before due date.

SHAREHOLDING PATTERN

As on 31st March, 2013, the Authorized Share Capital of the Company is Rs. 50,000,000/- (Rupees Five Crores only) divided into 5,000,000 (Fifty Lacs) Equity Shares of Rs.10/- each. The shareholding pattern of the Company as on 31st March, 2013 is as follows:

Category	No. of Shares Held	Percentage of Shareholding
A. Promoters Holding Indian		
1. Individual	81,027	1.67
2. Body Corporate	78,810	1.63
Sub-Total	159,837	3.30
B. Non-Promoter's Holding		
3. Bank, Financial Institution, Insurance Companies (Central / State Govt. Institutions/ Non-Govt. Institutions)	1,450	0.03
4. Non Institutional Investors		
a. Bodies Corporate	322,247	6.65
b. Individuals	4,344,321	89.61
c. NRIs	19,050	0.39
d. OCBs	1,000	0.02
Sub-Total	4,688,068	96.70
Grand Total	4,847,905	100.00

DISTRIBUTION OF EQUITY SHARES

Total Number of Equity Shares - 48,47,905
 Paid up value per share - Rs. 10/- each

DISTRIBUTION OF SHAREHOLDINGS

Share of Nominal Value of ₹	Shareholders Numbers	Amount		
		%	₹	%
1 to 100	938	73.74	40,327	0.83
101 to 500	205	16.12	50,095	1.03
501 to 1000	26	2.04	20,009	0.41
1001 to 5000	24	1.89	45,778	0.94
5001 to 10000	20	1.57	135,790	2.80
10001 to 20000	4	0.31	58,917	1.22
20001 to 30000	9	0.71	213,170	4.40
30001 to 40000	9	0.71	313,889	6.48
40001 to 50001	9	0.71	414,130	8.54
50001 to 100000	19	1.49	1,352,580	27.90
100001 to 500000	9	0.71	2,203,220	45.45
500001 to Above	-	-	-	-
TOTAL	1272	100.00	4,847,905	100.00

Market Price Data - BSE (Figures in Rs.)

Month	Open	High	Low	Close	Total Turnover
April	13.99	13.99	13.99	13.99	1,399
July	14.68	21.65	14.68	21.65	16,169
August	22.70	33.25	22.70	33.25	27,515
September	34.90	48.90	34.90	48.90	33,240
October	51.30	91.80	51.30	91.80	105,851
November	96.35	119.05	83.90	88.00	6,253,969
December	92.40	101.75	83.45	99.90	10,886,814
January	101.95	115.00	95.00	99.70	38,697,717
February	101.45	104.95	87.20	95.50	10,609,665
March	90.75	101.50	69.40	85.10	97,326,143

DEMATERIALIZATION OF SHARES

The Shareholders of the Company have the option to dematerialize their shares. Company has an agreement with NSDL & CDSL for Dematerialization of Shares. Status of Issued Share Capital as on 31.03.2013 is as follows:

Total Issued Capital	No. of Shares	% of Total Capital
Demat Form	47,44,293	97.86
Physical Form	1,03,612	2.14
Total	48,47,905	100.00

REGISTERED OFFICE:

205-208, Anarkali Complex,
Jhandewalan Extension,
New Delhi-110055

REGISTRAR AND SHARE TRANSFER AGENT:

Alankit Assignments Limited

"Alankit House" 2E/21,
Jhandewalan Extension,
New Delhi-110055
Ph No. 011-42541234
Fax: 011-42541967

INVESTOR CORRESPONDENCE MAY BE ADDRESSED TO:

Ms. Preeti Puri

Compliance Officer and Company Secretary,
Euro Finmart Limited
205-208, Anarkali Complex,
Jhandewalan Extension,
New Delhi-110055
Ph No. 011-41540028
Fax: 011-41540028
Website: www.eurofin.in

CERTIFICATION PURSUANT TO CLAUSE 49 (V) OF THE LISTING AGREEMENT

I, Sunil Kumar Gupta, Director of the Company, certify to the Board that:

- a) I have reviewed the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement for the financial year ended on 31st March, 2013 and that to the best of my knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. 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.
- b) There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or volatile of the company's code of conduct.
- c) Further, I accept the responsibility to establish and maintain the internal controls for financial reporting and accordingly, 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, wherever applicable:
 - i. deficiencies in the design or operation of the internal controls, if any, of which I am aware and the steps have been taken or propose to be taken to rectify these deficiencies.
 - ii. significant changes in the internal control over the financial reporting during the period;
 - iii. significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements;
 - iv. instances of significant fraud of which I became aware and involvement therein, if any, of the management or an employee having a significance in the Company's internal control system.

BY ORDER OF THE BOARD OF DIRECTORS
For **EURO FINMART LIMITED**

DATED: 30th May, 2013
PLACE: New Delhi

-Sd/
SUNIL KUMAR GUPTA
DIRECTOR

DECLARATION PURSUANT TO CLAUSE 49 I (D) (ii) OF THE LISTING AGREEMENT

In accordance with Clause 49 I (D) (ii) of the Listing Agreement with the Stock Exchanges, I hereby confirm that the Board Members and Senior Management of the Company have affirmed their compliance with the Code of Conduct as applicable to them for the financial year ended March 31, 2013.

BY ORDER OF THE BOARD OF DIRECTORS
For **EURO FINMART LIMITED**

DATED: 30th May, 2013
PLACE: New Delhi

-Sd/
SUNIL KUMAR GUPTA
DIRECTOR

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members
Euro Finmart Limited

We have examined the compliance of conditions of Corporate Governance by Euro Finmart Limited ("The Company") for the year ended on 31st March 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

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

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

For **KRISHAN K. GUPTA & CO.**
CHARTERED ACCOUNTANTS

Sd/-
(K. K GUPTA)
Prop. (M. No. 8311)
FRN-000009N

DATED: 30th May, 2013
PLACE: New Delhi

AUDITORS' CERTIFICATE ON CASH FLOW STATEMENT

We have verified the attached Cash Flow Statement of **EURO FINMART LIMITED, NEW DELHI** derived from the audited financial statements and the books of accounts maintained by the company for the year ended March 31, 2013 and March 31, 2012 and found the same to be in accordance therewith and also with the requirements of Clause 32 of Listing Agreement with Stock Exchange.

For **KRISHAN K. GUPTA & CO.**
CHARTERED ACCOUNTANTS

Sd/-
(K. K GUPTA)
Prop. (M. No. 8311)
FRN-000009N

DATED: 30th May, 2013
PLACE: New Delhi

INDEPENDENT AUDITOR'S REPORT

To
The Members of
EURO FINMART LIMITED

Report on Financial Statements

We have audited the accompanying financial statements of **EURO FINMART LIMITED**, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief

were necessary for the purpose of our audit;

- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For KRISHANK K. GUPTA & CO.

Chartered Accountants

FRN. 000009N

-Sd/-

K.K. GUPTA

Proprietor

Membership No. 8311

DATED: 30TH MAY, 2013

PLACE : NEW DELHI

**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of
EURO FINMART LIMITED on the accounts of the company for the year ended 31st March, 2013.**

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, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanations given to us, the company has disposed off all the assets held by the company however, it does not affect the going concern assumption.
2. In respect of inventories:
(a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the Books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses 3(b), 3(c) and 3(d) of the order are not applicable to the Company.
(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods.
5. Based on the audit procedures applied by us and according to the information and explanations provided by the management, the company has not entered into any transactions that need to be entered in register in pursuance of Section 301 of the Act and as such clause 5(b) of the Order is not applicable to the company.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act 1956 for any of the services rendered by company.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March,

2013 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated losses but has incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
 11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
 12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
 14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. The company is maintaining separate records of the transactions and contracts and making timely entries therein. The shares and other investments are held by the company in its own name.
 15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
 16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
 17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
 18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
 19. The Company has no outstanding debentures during the period under audit.
 20. The Company has not raised any money by public issue during the year.
 21. Based on the audit procedures performed and 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, nor have we been informed of such case by the management.

For KRISHAN K. GUPTA & CO.

Chartered Accountants

FRN. 000009N

-Sd/-

K.K. GUPTA

Proprietor

Membership No. 8311

DATED: 30TH MAY, 2013

PLACE : NEW DELHI

BALANCE SHEET AS AT 31st March, 2013

PARTICULARS	Note No.	As at 31-03-2013 (₹)	As at 31-03-2012 (₹)
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	2	48,479,050	48,479,050
Reserves and surplus	3	18,239,125	13,271,519
Current Liabilities			
Other current liabilities	4	22,472	20,022,472
Short-term provisions	5	--	853,282
TOTAL		66,740,647	82,626,323
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	6	--	5,350,100
Deferred tax Assets(net)		12,018,939	--
Current Assets			
Current Investments	7	6,562,500	2,800,000
Inventories	8	21,674,446	33,449,561
Trade receivables	9	6,593,507	30,817,498
Cash and cash equivalents	10	8,319,747	5,546,981
Short-term loans and advances	11	9,308,288	2,116,991
Other current assets	12	2,263,220	2,545,193
TOTAL		66,740,647	82,626,323
Significant Accounting Policies and Notes to Accounts	1-22		

In terms of our report attached

For Krishan K. Gupta & Co.

Chartered Accountants

FRN No. 000009N

-Sd/-

K. K. Gupta

Proprietor

M. No. 8311

-Sd/-

Alok Kumar Agarwal

Director

-Sd/-

Sunil Kumar Gupta

Director

-Sd/-

Preeti Puri

Company Secretary

DATED: 30TH MAY, 2013**PLACE : NEW DELHI**

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

PARTICULARS	Note No.	For the year ended 31st March, 2013 (₹)	For the year ended 31st March, 2012 (₹)
Revenue from operations			
Sales		118,623,851	116,912,698
Other Income	13	3,621,796	8,666,302
Total Revenue		122,245,648	125,579,000
Expenses			
Purchases		111,139,708	134,982,636
Changes in Inventories	14	11,775,115	(22,628,085)
Employee benefits expenses	15	346,857	1,835,595
Finance costs	16	84,161	7,482
Other expenses	17	7,769,127	6,457,945
Total Expenses		131,114,967	120,655,573
Profit before tax		(8,869,320)	4,923,426
Tax expenses			
Current tax		--	853,282
Deferred tax		12,018,939	--
Profit after Tax		3,149,620	4,070,144
Appropriations			
Income Tax Adjustments earlier years		1,817,986	--
Profit / (Loss) for the Year		4,967,606	4,070,144
Earning per equity share	19		
(a) Basic		1.02	1.50
(b) Diluted		1.02	1.50
Significant Accounting Policies and Notes to Accounts	1-22		

In terms of our report attached

For Krishan K. Gupta & Co.

Chartered Accountants

FRN No. 000009N

-Sd/-

K. K. Gupta

Proprietor

M. No. 8311

-Sd/-

Alok Kumar Agarwal

Director

-Sd/-

Sunil Kumar Gupta

Director

-Sd/-

Preeti Puri

Company Secretary

DATED: 30TH MAY, 2013**PLACE : NEW DELHI**

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st March, 2013

PARTICULARS	For the year ended 31st March, 2013 (₹)	For the year ended 31st March, 2012 (₹)
A. Cash Flow from Operation Activities		
Net Profit before Tax	(8,869,320)	4,923,428
Add : Adjustments for		
Fixed Assets Written off	--	31,510
Preliminary Expenditure written off	281,973	375,964
Total	(8,587,347)	5,330,902
Less : Interest Received	163,449	33,320
Gain on sale of Agriculture Land	649,900	15,219
Gain on sale of Unquoted Investments	2,475,000	--
Dividend Income	22,978	430,213
Operating Profit before Working Capital changes	(11,898,674)	4,852,150
Adjustments for change in Working Capital		
Decrease/ (Increase) in Trade & Other Receivables	30,625,795	(20,202,197)
Increase/ (Decrease) in Trade & Other Payables	(20,000,000)	19,053,253
Cash generated from operations	(1,272,879)	3,703,206
Direct Taxes (Paid)	(853,282)	(687,504)
Net Cash from Operating Activities	(2,126,161)	3,015,702
B. Cash Flow from Investing Activities		
Dividend Income	22,978	430,213
Sale of Fixed Assets	6,000,000	--
Interest Received	163,449	33,320
Purchases of Unquoted Investments	(5,062,500)	--
Sale of Unquoted Investments	3,775,000	847,476
Net Cash from Investing Activities	4,898,927	1,311,009
C. Cash Flow from Financing Activities		
Proceeds /(repayment) against Working Capital Borrowings	--	--
Proceeds from Unsecured Loans	--	--
Interest Paid	--	--
Net Cash from Financing activities	--	--
Net increase / (decrease) in cash or cash equivalents	2,772,766	4,326,711
Cash or cash equivalents (Opening balance)	5,546,981	1,220,270
Cash or cash equivalents (Closing balance)	8,319,747	5,546,981

Note : Figures in bracket represents cash outflow.

For Krishan K. Gupta & Co.

Chartered Accountants

FRN No. 000009N

-Sd/-

K. K. Gupta

Proprietor

M. No. 8311

-Sd/-

Alok Kumar Agarwal

Director

-Sd/-

Sunil Kumar Gupta

Director

-Sd/-

Preeti Puri

Company Secretary

DATED: 30TH MAY, 2013**PLACE : NEW DELHI**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 1 : **SIGNIFICANT ACCOUNTING POLICIES**

a. METHOD OF ACCOUNTING

The accounts of the company are prepared under the historical cost convention using the accrual method of accounting unless otherwise stated hereafter. Accounting policies not specifically referred to are consistent with generally accepted accounting principles.

b. FIXED ASSETS

Fixed assets are stated at cost of acquisition, inclusive of inward freight, duties & taxes and incidental expenses related to acquisition.

c. DEPRECIATION

Depreciation is calculated on fixed assets on written down value method in accordance with schedule XIV of Companies Act, 1956 as amended.

d. EMPLOYEES

Company's contribution to defined contribution schemes is charged to the profit & loss account on accrual basis.

e. TAXATION

Provision for Income Tax is based on assessable profits of the company as determined under the Income Tax Act, 1961.

f. DEFERRED TAXATION

Deferred taxation is provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure which are expected with reasonable probability to crystalize in foreseeable future.

Deferred tax benefits are recognized in the financial statements only to the extent of any deferred tax liability or when such benefits are reasonably expected to be realizable in the near future.

g. INCOME FROM SERVICE CHARGES

Revenue is recognised as and when insurance policy is issued by the Insurance Companies in favour of the policyholders.

h. INCOME FROM INVESTMENTS / DEPOSITS

Income from investments is credited to revenue in the year in which it accrues. Income is stated in full with the tax thereon being accounted for under tax payments.

i. EARNING PER SHARE

Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders by the average number of equity shares outstanding during the year.

j. CONTINGENT LIABILITIES

Unprovided contingent liabilities are disclosed in the accounts by way of notes giving nature and quantum of such liabilities.

k. OTHERS

Other accounting policies are consistent with the normally accepted accounting practices.

Note No. 2 : Share Capital

Particulars	As at 31 st March, 2013 (₹)	As at 31 st March, 2012 (₹)
2.1 Authorised		
5,000,000 (Previous year 5,000,000) equity share of Rs. 10/- each	50,000,000	50,000,000
	50,000,000	50,000,000
2.2 Issued, subscribed and paid up		
Equity Share of Rs.10/- each fully paid up		
4,847,905 Equity shares (Previous year 4,847,905 Equity Shares) of Rs.10 /- each	48,479,050	48,479,050
	48,479,050	48,479,050

2.3 The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- each. Holder of equity shares is entitled to one vote per share.

2.4 Reconciliation of share capital outstanding as at the beginning and of the year

Particulars	As at 31 st March, 2013		As at 31 st March, 2012	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Equity shares of Rs. 10 each fully paid up				
Balance as at the beginning of the year	4,847,905	48,479,050	969,581	9,695,810
Add: Shares issued during the year	-	-	3,878,324	38,783,240
Balance as at the end of the year	4,847,905	48,479,050	4,847,905	48,479,050

2.5 There are no rights, preferences and restrictions attached to any share.

2.6 Detail of shareholders holding more than 5% shares as at year end

Name of Shareholder	As at 31 st March, 2013		As at 31 st March, 2012	
	% of holdings	No. of Shares held	% of holdings	No. of Shares held
Equity shares of Rs. 10/- each fully paid up				
(i) Anubhi R Kulkarni	--	--	7.71	373,830
(ii) Garima Agarwal	6.54	316,855	6.55	317,755
(iii) Shaaswat Leasing & Finance Pvt. Ltd.	-	-	7.71	373,830
(iv) Vikas Polymers Pvt. Ltd.	-	-	9.64	467,285
(v) Vinod Gupta	7.13	345,790	7.13	345,790
(vi) Vineeta Gupta	-	-	7.13	345,790
(vii) Vaibhav Garg	9.64	467,285	9.64	467,285
(viii) Ashok Khandelwal	6.94	336,445	6.94	336,445
(ix) Rekha Khandelwal	-	-	6.94	336,445

2.7 There is no share reserved for issue under options and contracts/ commitments for the sale of shares/disinvestment.

2.8 Disclosure pursuant to note 6(A) (i) of Part I of Schedule VI to the Companies Act, 1956.

Particulars	Year (aggregate no. of shares)				
	2012-13	2011-12	2010-11	2009-10	2008-09
Equity shares of Rs. 10/- each fully paid up					
Fully paid up by way of bonus shares	-	3,878,324	-	-	--

Note No. 3 :Reserves and Surplus

Particulars	As at 31 st March 2013 (₹)	As at 31 st March 2012 (₹)
Securities premium		
Opening balance	3,368,805	42,152,045
Less : Utilised for issue of Bonus Shares	–	38,783,240
Closing balance	3,368,805	3,368,805
Profit and Loss Account		
Opening Balance	9,852,055	5,781,910
Add : Net Profit/ (Loss) for the year	4,967,606	4,070,144
Closing Balance	14,819,660	9,852,055
General Reserve		
Opening Balance	50,660	50,660
Add : Addition during the Year	--	--
Closing Balance	50,660	50,660
Grand Total	18,239,125	13,271,519

Note No. 4 : Other Current Liabilities

Particulars	As at 31 st March, 2013 (₹)	As at 31 st March, 2012 (₹)
Other Payable		
Advance Credit	--	20,000,000
Expenses payable	22,472	22,472
Total	22,472	20,022,472

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as on 31st March, 2013

Note No. 5 : Short Term Provision

Particulars	As at 31 st March 2013 (₹)	As at 31 st March 2012 (₹)
Provision for Income Tax	--	853,282
Total	--	853,282

Note No. 6 : Fixed Assets

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2012 (₹)	Addition during the year (₹)	Sale during the year (₹)	Total as at 31.03.2013 (₹)	Upto 31.03.2012 (₹)	For the year (₹)	Adjustment for the year (₹)	Upto 31.03.2013 (₹)	As at 31.03.2013 (₹)	As at 31.03.2012 (₹)
Tangible Assets										
Agriculture Land	5,350,100	-	5,350,100	-	-	-	-	-	-	5,350,100
Total	5,350,100	-	5,350,100	-	-	-	-	-	-	5,350,100
Previous Year	-	-	-	-	-	-	-	-	-	-

Note No. 7 : Current Investments

Particulars	As at 31 st March, 2013			As at 31 st March, 2012		
	No. of Shares / Units	Face Value Per Share / Unit	Closing value of Investments	No. of Shares / Units	Face Value Per Share / Unit	Closing value of Investments
Non Quoted Non Trade						
AKG Consultants Private Limited	6,750	10	5,062,500	–	–	–
Genins India TPA Limited	–	–	–	90,000	10	900,000
Pratishtha Images Private Limited	–	–	–	400,000	10	400,000
Vikas Promoters Private Limited	30,000	10	1,500,000	30,000	10	1,500,000
Total			6,562,500			2,800,000

Note No. 8 : Inventories

Particulars	As at 31 st March, 2013 (₹)	As at 31 st March, 2012 (₹)
Stock-in-Trade	21,674,446	33,449,561
Total	21,674,446	33,449,561

Note No. 9 : Trade Receivables

Particulars	As at 31 st March, 2013 (₹)	As at 31 st March, 2012 (₹)
9.1 Trade Receivables outstanding for a period less than six months		
Unsecured, considered good	6,593,507	30,817,498
9.2 Trade receivables outstanding for a period exceeding six months		
Unsecured, Considered good	--	--
Total	6,593,507	30,817,498

*Balances of Trade Receivables are subject to confirmation and reconciliation, differences if any, shall be accounted for on such reconciliation.

* Trade Receivables are expected to realise at least the amount at which they are stated, if realized in the ordinary course of business.

Note No. 10 : Cash & Cash Equivalents

Particulars	As at 31 st March 2013 (₹)	As at 31 st March 2012 (₹)
Balances with banks		
- in current accounts	858,082	148,101
- in fixed accounts*	4,060,865	209,930
Cash in hand	3,400,800	5,188,950
Total	8,319,747	5,546,981

*Deposit Accounts with more than twelve month maturity

4,060,865

209,930

Note No. 11 : Short Term Loan & Advances

Particulars	As at 31 st March 2013 (₹)	As at 31 st March 2012 (₹)
11.1 Loan & Advances to Related Parties		
Unsecured, considered good	--	--
11.2 Loan & Advances to Others (specify nature)		
Unsecured, considered good		
Service tax credit receivable	118,382	34,464
TDS	15,270	902,803
Others	9,109,572	--
Income tax refund due	65,064	1,179,724
Total	9,308,288	2,116,991

Note No. 12 : Other Current Assets

Particulars	As at 31 st March 2013 (₹)	As at 31 st March 2012 (₹)
Unsecured, considered good		
Unamortised portion of Project Promotion Expenses	586,654	670,462
Less : Written off (10%)	62,856	83,808
	523,798	586,654
Preliminary Expenses	34,621	51,932
Less : Written off (20%)	12,964	17,311
	21,637	34,621
Share issue Expenses	1,923,918	2,198,763
Less : Written off (10%)	206,133	274,845
	1,717,785	1,923,918
Total	2,263,220	2,545,193

Note No. 13 : Other Income

Particulars	As at 31 st March 2013 (₹)	As at 31 st March 2012 (₹)
Interest Income		
On fixed deposits	93,883	9,930
On Income Tax Refund	116,549	23,390
Other Interest Income	69,566	--
Technical Services	--	8,160,000
Misc. Income	193,920	27,550
Gain on sale of Agriculture Land	649,900	--
Gain on sale of Quoted Investments	--	15,219
Gain on sale of Unquoted Investments	2,475,000	--
Dividend Income	22,978	430,213
Total	3,621,796	8,666,302

Note No. 14 : Changes in Stock-in-Trade

Particulars	As at 31 st March 2013 (₹)	As at 31 st March 2012 (₹)
Stock-in-Trade at the beginning of the year	33,449,561	10,821,476
Stock-in-Trade at the end of the year	21,674,446	33,449,561
Net (Increase) / Decrease	11,775,115	(22,628,085)

Note No. 15 : Employee Benefits Expense

Particulars	As at 31 st March 2013 (₹)	As at 31 st March 2012 (₹)
Salary	316,707	1,680,000
Staff Welfare Expenses	30,150	155,595
Total	346,857	1,835,595

Note No. 16 : Finance Cost

Particulars	As at 31 st March 2013 (₹)	As at 31 st March 2012 (₹)
Interest Expense		
On borrowings from Bank & Others	--	--
Bank Charges	84,161	7,482
Total	84,161	7,482

Note No. 17 : Other Expenses

Particulars	As at 31 st March 2013 (₹)	As at 31 st March 2012 (₹)
Advertisement	98,752	20,369
Telephone Expenses	8,795	3,608
Software Charges	--	5,600
Postage & Telegram	13,000	29,472
Fees and subscriptions	203,499	246,600
Professional Charges	549,928	326,500
Printing and Stationary	39,723	63,752
Demat Charges	6,231	5,164
Technical Services	--	3,600,000
General Charges	29,769	80,519
Auditor's Remuneration		
Audit Fees	15,000	15,000
Tax Audit Fees	5,000	5,000
Sundry Balances Written Off	--	151,511
Share/Commodity Trading	6,517,457	1,528,887
Preliminary Expenses written off	281,973	375,964
Total	7,769,127	6,457,945

Note No. 18 : Contingent Liability

Bank guarantees issued in favour of Oriental Bank of Commerce (for UID Project) Rs. 3,775,200/- & in favour of UIDAI Rs. 200,000/- (Previous Year nil)

Note No. 19 : Earning Per Share

The earning per share has been calculated as specified in Accounting Standard 20 on "Earning Per Share" issued by ICAI and related disclosures are as below :

Particulars	For the year ended 31 st March, 2013 (₹)	For the year ended 31 st March, 2012 (₹)
Net profit after tax as per profit and loss A/c	4,967,606	4,070,144
Weighted average number of equity shares used as denominator for calculating EPS	4,847,905	4,847,905
Basic and diluted earning per share	1.02	1.50
Face Value per equity share	10	10

Note No. 20 : Related Party Disclosure

Key Management Personnel	
Director	Alok Kumar Agarwal (Appointed w.e.f. 10-12-2012)
Director	Yash Jeet Basrar
Director	Sunil Kumar Gupta
Director	Ashvarya Kumar Maheshwari (Resigned w.e.f. 10-12-2012)
Director	Rajbir Singh Makhni

a) Related party relationship is as identified by the company and relied upon by the auditor

b) There is no related party transaction during the year.

Note No. 21 :

Figures for previous year have been regrouped / rearranged wherever considered necessary.

Note No. 22 :

Paise have been rounded off to the nearest rupee.

For Krishan K. Gupta & Co.

Chartered Accountants

FRN No. 000009N

-Sd/-

K. K. Gupta

Proprietor

M. No. 8311

-Sd/-

Alok Kumar Agarwal

Director

-Sd/-

Sunil Kumar Gupta

Director

-Sd/-

Preeti Puri

Company Secretary

DATED: 30TH MAY, 2013

PLACE : NEW DELHI

EURO FINMART LIMITED

Regd. Office : 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi - 110055

ATTENDANCE SLIP

24TH ANNUAL GENERAL MEETING

To be handed over at the entrance of the meeting venue.

Name of the attending member (in block letters) Mr./Mrs./Miss _____

Name of the proxy (in block letters to be filled in by Proxy attending instead of the member)

No. of shares held : _____

Ledger Folio No. : _____

DP Id No.* : _____

Client Id.* : _____

I hereby record my presence at the **TWENTY FOURTH ANNUAL GENERAL MEETING** on Monday the 30th day of September 2013, at 3E/9, 1st Floor, Jhandewalan Extension, New Delhi-110055.

Member's Signature

Proxy's Signature

Note: 1. Shareholders / proxies are requested to bring the attendance slip with them.

2. Additional/Duplicates attendance slips will not be issued the meeting hall.

*Applicable for investors holding share in electronics form.

EURO FINMART LIMITED

Regd. Office : 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi - 110055

PROXY FORM

I/We _____ of _____

_____ being Member(s) of **Euro Finmart Limited**, hereby appoint Mr./Ms _____ of

_____ or failing him/her Mr./Ms. _____ of _____ as my / our Proxy

to attend and vote for me / us on my / our behalf at the **TWENTY FOURTH ANNUAL GENERAL MEETING** of the Company, to be held on Monday the 30th day of September 2013, at 3E/9, 1st Floor, Jhandewalan Extension, New Delhi - 110 055 and at any adjournment thereof.

No. of Shares held : _____

DP ID * : _____

Ledger Folio no. : _____

Client ID * : _____

Signature : _____

Dated : _____

NOTE: The proxy, to be effective, should be deposited at the company's registered office not later than 48 hours before the commencement of aforesaid meeting. proxy need not be a member of the company.

* Applicable for investors holding shares in electronic form.



Registered Office :

**205-208, Anarkali Complex,
Jhandewalan Extension
New Delhi - 110055**

Phone : +91-11-4154 0028

Website : www.eurofin.in