

**26<sup>th</sup>**  
**ANNUAL REPORT**  
**2012 - 2013**



**VIJAY GROWTH FINANCIAL SERVICES LIMITED**

**BOARD OF DIRECTORS:**

Mr. D S SANDEEP	:	Promoter and Non-Executive Director
Mr. SANTOSH KUMAR SAHU	:	Whole-Time Director
Mr. S H V RATNAM	:	Independent Director
Mr. A VENKATARAMANA	:	Independent Director
Mr. VATTEM V SASTRY	:	Chief Financial Officer

**AUDIT COMMITTEE:**

Mr. A VENKATARAMANA	:	Chairman
Mr. S H V RATNAM	:	Member
Mr. SANTOSH KUMAR SAHU	:	Member

**INVESTOR GRIEVANCE COMMITTEE:**

Mr. SANTOSH KUMAR SAHU	:	Chairman
Mr. A VENKATARAMANA	:	Member
Mr. S H V RATNAM	:	Member

**REGISTERED OFFICE:**

502, Maheswari Chambers,  
Somajiguda, Hyderabad-500082, AP

**AUDITORS:**

P S Nagaraju & Co.,  
Chartered Accountants,  
Plot No: 15, Sai Prabha, Arunodaya Colony,  
Near Karnataka Bank (Madhapur Branch), Silicon  
Valley, Madhapur, Hyderabad-500081

**BANKERS:**

UCO Bank

**LISTED AT:**

BSE Limited  
Ahmedabad Stock Exchange Limited  
Madras Stock Exchange Limited  
Calcutta Stock Exchange Limited

**REGISTRARS & SHARE TRANSFER AGENT :**

Venture Capital and Corporate Investments Pvt Ltd  
12-10-167, Bharat Nagar,  
Hyderabad- 500018.  
Phones: 040-23818475 / 476  
Fax: 040-23868024  
Email: info@vccilindia.com  
Website: www.vccilindia.com



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## **NOTICE**

Notice is hereby given that the **26<sup>th</sup> Annual General Meeting** of the Members of '**Vijay Growth Financial Services Limited**' will be held on Monday, the 30<sup>th</sup> day of September, 2013 at 4.30 P.M at the Registered Office of the Company situated at 502, Maheswari Chambers, Somajiguda Main Road, Hyderabad – 500082, AP to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2013 and Profit & Loss Account for the financial year ended on that date together with the report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. S H V Ratnam, who retires by rotation and being eligible, offers himself for appointment.
3. To appoint Statutory Auditors and fix their remuneration.

**For and on behalf of the Board**

Hyderabad  
August 14, 2013

**Sd/-**  
**Santosh Kumar Sahu**  
Whole-time Director

### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received at the company's registered office not less than 48 hours before the meeting.
2. The Register of Members and the Share Transfer Books will remain closed from Saturday, 21<sup>st</sup> September 2013 to Monday, 30<sup>th</sup> September 2013 (both days inclusive).
3. Members are requested to quote their Folio No. in their correspondence to avoid delay in communication.
4. Members / Proxies are requested to bring their copies of Annual Report and the attendance slip duly filed in for attending the meeting. Copies of the Annual Reports will not be provided at the Meeting.
5. The Company has designated an exclusive e-mail ID called [info@vgfsl.com](mailto:info@vgfsl.com) for Redressal of shareholders' complaints/grievances.



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## **ANNEXURE TO THE NOTICE**

(In Pursuance of Clause 49 (IV) (G) (i) of the Listing Agreement)

### **Details of Directors seeking re-appointment at the forthcoming AGM:**

<b>Particulars</b>	<b>Mr. S H V Ratnam</b>
Date of Birth	November 07, 1980
Date of Appointment	November 29, 2003
Expertise in specific functional areas	9 years of experience in the areas of Information Technology, Enterprise Resource Planning, Accounting and Capital Markets.
Qualifications	BCA, M.Sc.(IS)
No. of Shares held as on March 31, 2013	NIL
Directorships held in other companies (excluding private limited and foreign companies)	NIL
Positions held in mandatory committees in other companies	NIL



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## **DIRECTORS' REPORT**

To  
The Members,

Your Directors have the pleasure of presenting this 26<sup>th</sup> Annual Report along with the Audited Financial Statements and the Auditor's Report thereon for the Financial Year ended 31<sup>st</sup> March, 2013.

### **FINANCIAL PERFORMANCE:**

During the year under review, your Company has recorded a gross total income of Rs.8,59,000/- from commercial operations and recorded a net loss of Rs.12,030/-.

### **DIVIDEND:**

Your Directors do not recommend any dividend for the financial year due to accumulated losses.

### **DIRECTORS:**

During the year Mr. S H V Ratnam, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends for his reappointment.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

In pursuance of Section 217(2AA) of the Companies Amendment Act, 2000 your directors confirm

- (i) That the directors in the preparation of the annual accounts the applicable accounting standards have been followed along with proper explanations relating to material departures.
- (ii) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year.
- (iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) That the directors had prepared the annual accounts on the going concern basis.

### **FIXED DEPOSITS:**

During the Financial year, company has not accepted any deposits falling with the preview of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

### **AUDITORS:**

M/s. P.S. Nagaraju & Co., Chartered Accountants, Hyderabad the Statutory Auditors of the Company who retires at the conclusion of the ensuing Annual General Meeting and being eligible, expressed their willingness for re-appointment. The board recommends their re-appointment.

As required under the provisions of Section 224 of the Companies Act, 1956, the Company has obtained written confirmation from the auditors proposed to be re-appointed to the effect that their re-appointment, if made, at the ensuing Annual general meeting will be within the limits specified in section 224(1B) of the Companies Act, 1956.

### **PARTICULARS OF EMPLOYEES:**

No employee was in receipt of remuneration exceeding the limits as specified under the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.



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**CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO:**

We firmly believe that technology is the genesis of innovative business practices, which in turn enable the organization to carry out business effectively and efficiently. We intend to make investments in innovative techniques for this regard.

Information as per The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to the disclosure of particulars regarding Conservation of Energy, Research and Development, Technology Absorption are not applicable to the Company.

**Energy:** The business in which the Company is operating does not require large quantities of energy. However, wherever possible energy saving efforts are made.

**Foreign Exchange Earning & Outgo:**

Foreign Exchange Earning : Nil  
Foreign Exchange Outgo : Nil

**AUDITOR'S REPORT:**

The observations of the Auditors in their Report, read with notes annexed to the accounts, are self explanatory.

**CORPORATE GOVERNANCE:**

A report on Corporate Governance, in accordance with Clause 49 of the Listing Agreement with the Stock Exchanges is set out separately for the information of the shareholders.

Your Company has complied with Corporate Governance requirement as per clause 49 of the Listing Agreement with the Stock Exchanges. Auditors Certificate on Corporate Governance forms part of Corporate Governance Report.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

Management Discussion and Analysis is set out separately for the information of the shareholders.

**ACKNOWLEDGEMENTS:**

Your Directors take this opportunity to record their appreciation for the continuous support and co-operation extended by the customers and bankers. The Directors also acknowledge the confidence reposed by the investors and shareholders in the Company.

**For and on behalf of the Board**

Hyderabad  
August 14, 2013

**Sd/-  
Santosh Kumar Sahu  
Chairman.**



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## **MANAGEMENT DISCUSSION AND ANALYSIS**

(Forming part of Directors' Report)

### **Economy Overview**

The FY 2012-13 was, on the whole, a mixed year for the Indian economy. All the statistics and other key indicators of economic health, point to this dual truth – that the Indian economy in the short term to medium term is suffering from adverse conditions, while on the other hand, its economic fundamentals continues to remain robust and unaffected. This paradox is due to a confluence of different factors acting together. While the domestic market on whole remains healthy and demand remains firm, there are increasing supply side constraints that distort the normal functioning of the economy. Policy paralysis by the Central Government, uncomfortably high inflation, worries about the burgeoning current account deficit etc, have created significant headwinds for the economy reducing economic growth in the last year to a mere 5%. There are however, more recently, signs that a recovery may be in the offing. Inflation has eased to 6% (March 2013), very close to the RBI's tolerance threshold. This allows scope for more monetary easing. There are also signs that the Central Government has belatedly recognized the need to restart the growth engines. It may not then be unrealistic to expect some new piecemeal reform process to begin soon. In many quarters there is even a nascent consensus that the growth deceleration may have bottomed out and a deeper recovery process will begin soon.

### **Industry overview**

The equity markets performed comparably better this year than the broader economy. The huge pools of liquidity generated abroad by Quantitative Easing (QE) and the lack of attractive investment options in those countries, has meant that India become the unintended beneficiary of these developments. FII's inflows have surged to a record high of ` 1.4 Lakh Crores in this year and there are no indications of a waning appetite among foreign investors for Indian equities. As this class of Investors continue to outweigh domestic Investors, their continuous demand has led to increased valuations, propelling markets to hit all time highs. Meanwhile, to further strengthen the markets, the Central Government continues to implement measures to attract more domestic investors to the capital markets, in particular the Rajiv Gandhi Equity Saving Scheme (RGESS) which is expected to be a game changer for the Industry.

### **Segment Wise Analysis of the Industry:**

**Financial services:** The financial system of a country is of immense importance as it portrays the stability as well as sustainability of the country. The volume and growth of the capital in the country depends greatly upon the efficiency and intensity of the operations and activities in its financial markets. Demand for financial services in India is taking off rapidly. International financial institutions are playing an increasing role in the expansion of India's large corporations. A vast SME market remains largely untapped.

### **Opportunities:**

The Indian financial sector is in for an overhaul. Financial sector reforms have long been regarded as an integral part of the overall policy reforms in India. India has recognized that these reforms are imperative for increasing the efficiency of resource mobilization and allocation in the real economy and for the overall macroeconomic stability.

The reforms have been driven by a thrust towards liberalization and several initiatives such as liberalization in the interest rate and reserve requirements have been taken on this front. At the same time, the government has emphasized on stronger regulation aimed at strengthening prudential norms, transparency and supervision to mitigate the prospects of systemic risks.

Today the Indian financial structure is inherently strong, functionally diverse, efficient and globally competitive. During the last fifteen years, the Indian financial system has been incrementally deregulated and exposed to international financial markets along with the introduction of new instruments and products.



**Outlook:**

The forecast for the coming year is one of an improving economic climate. The global economy has shown meaningful improvement in the last year, with the US economy gaining significant traction in the last many months and the Euro Zone financial crisis showing signs of stabilizing. The economic woes of the last year might finally compel the central government to implement measures aimed to boost growth in the coming months. The recent reforms with regard to FDI in retail and airline sector seem to point the way in this regard. Similarly, circumstances also seem to have prompted the Central Government to get its fiscal house in order and manage the current account deficit better. With regard to inflation, the RBI has already declared that if inflation falls below 5%, i.e below its tolerance threshold, then it may be comfortable with more monetary easing.

**Challenges, Risks and Concerns:**

Indian financial services sector is going great. The sector was one of the foremost contributors to help the country to overcome the global economic recession. But the question arises whether the financial services sector is just a sector of financial activities or has helped the country to achieve inclusive growth.

Another big challenge to the financial services sector is to provide fool-proof service to its customers. A huge challenge for financial institutions today is functioning and retaining their efficiency in such uncertain times. Business models are undergoing a structural change to accommodate the changing regulations and foster growth. There needs to be a well-defined framework which will withstand disruptions and lead the financial markets towards growth and progression.

**Human Resources Development and Industrial Relations:**

Vijay Growth Financial Services Ltd firmly believes that the Human intellectuals are more critical than physical and financial assets as they are the ones who manage and sustain the growth of physical and financial assets of the company. The Company is well on its way in establishing an integrated system of workforce, which endeavors to develop the capability of its employees that clearly aligns with the business objectives and performance.

Further, we also encourage individual and team awards to sustain and institutionalize the various workforce practices. This helped in giving lots of encouragement to the workforce who have been striving hard to achieve various goals.

**Cautionary Statement:**

Statement in this Management Discussion and Analysis describing the Company's objective, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Certain observations made on the industry and other players also reflect on opinion by the management and the management accepts no liability on such opinions. Actual results might differ materially from those either expressed or implied.



## **REPORT ON CORPORATE GOVERNANCE**

(Forming part of Directors' Report)

The Company committed to adopt good corporate governance practices and to ensure compliance with all relevant laws and regulations. The Company conducts its activities in a manner that is fair and transparent.

### **I. BOARD OF DIRECTORS:**

#### **Composition of Board:**

As on March 31, 2013 Board consists of 4 Members of whom 2 are Independent Directors.

The Board meets the stipulated requirement of at least one-half of the Board comprising of Independent Directors.

### **II. BOARD MEETINGS:**

The Board of Directors met 4 times during the year on 15-05-2012, 14-08-2012, 14-11-2012, and 14-02-2013. The Company has held at least one Board meeting in every three months. The maximum gap between any two meetings was less than four months, as stipulated under Clause 49.

The details of directors' attendance at Board Meetings, AGM and details of other directorships, committee chairmanships/memberships held by the Directors during the year are as follows:

Name of the Director	Category	No. of meetings held during the Tenure	No. of meetings Attended	Whether Attended Last AGM	No. of other directors hips *
D S Sandeep	Non Executive Promoter Director	4	1	NO	NIL
Santosh Kumar Sahu	Whole Time Director	4	4	YES	01
S H V Ratnam	Independent Director	4	4	YES	NIL
A Venkata Ramana	Independent Director	4	4	YES	03

\* excluding private, foreign and companies registered under Section 25 of the Companies Act, 1956.

### **III. CODE OF CONDUCT:**

The Board has adopted Code of Conduct for all its Directors and members of Senior Management. The same has been displayed on the Company's website.

All the Directors and members of Senior Management have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2013.

The declaration by Managing Director regarding adherence to the provisions of the said Code forms part of this Corporate Governance Report.

### **IV. AUDIT COMMITTEE:**

#### **Brief description of terms of reference**

The terms of reference as per Clause 49 of the Listing Agreement are as follows:

- a. To review the results announcement and the report and accounts at the end of a quarter, half year and the full year before submission to the board, focusing particularly on:
  - (i) any changes in accounting policies and practices.
  - (ii) Compliance with accepted accounting standards.
  - (iii) Major Judgmental Decisions; etc.



- b. To consider appointment of Statutory Auditors, internal auditors and to fix their remuneration and any matter of resignation and dismissal.
- c. To discuss with the statutory Auditor before the audit commences the nature and scope of the Audit.
- d. To review the effectiveness of the system of internal financial control and discuss the same periodically with the statutory auditors.
- e. To discuss problems and reservations arising from the statutory audit, and any matters the statutory auditor may wish to discuss.
- f. To consider other topics as may be delegated by the board from time to time.

**Composition**

The Committee comprises two Non Executive Independent Directors under the Chairmanship of Mr. A Venkata Ramana an Independent Director:

Name of Member	Category	Designation	No. of Meetings Attended
Mr. A Venkata Ramana	Independent	Chairman	4
Mr. S H V Ratnam	Independent	Member	4
Mr. Santosh Kumar Sahu	WTD	Member	4

**Meetings during the financial year**

During the Financial year, the Audit Committee met 4 times on 15-05-2012, 14-08-2012, 14-11-2012, and 14-02-2013

**V. REMUNERATION COMMITTEE:**

**Terms of Reference:**

The terms of reference as per Clause 49 of the Listing Agreement are as follows  
Determine and review the remuneration, performance, and related bonus of Directors.

**Composition**

Remuneration Committee of the Company consists of following directors, which are as follows:

Name of the member	Category	Designation
Mr. A Venkata Ramana	Independent	Chairman
Mr. S H V Ratnam	Independent	Member
Mr. Santosh Kumar Sahu	WTD	Member

**Remuneration paid to directors during the financial year**

No Remuneration paid to Directors during the financial year. Further, none of the non-executive Directors holds any shares in the company.

**VI. INVESTORS GRIEVANCE COMMITTEE:**

**Brief description of terms of reference:**

To look into various affairs relating to the shareholders with regard to redressal of complaints in relation to transfer of shares, non-receipt of share certificates, balance sheets, dividends etc.,



### Composition

The said Committee comprises of the following members:

Name of the member	Category	Designation
Mr. Santosh Kumar Sahu	WTD	Chairman
Mr. S H V Ratnam	Independent	Member
Mr. A Venkata Ramana	Independent	Member

### Name and designation of Compliance officer:

Name : Mr. Santosh Kumar Sahu  
Designation : Whole Time Director

No. of shareholders complaints received during the financial year : 1  
No. of complaints solved to the satisfaction of the share holders : 1  
No. of pending Complaints : Nil

### VII. GENERAL BODY MEETINGS:

#### Location and time where the last three AGMs held:

Year	Date	Location	Time
2011-12	29.09.2012	6-3-650, 502, Maheswari Chambers, Somajiguda Main Road, Hyderabad – 500 082	10.30 A.M
2010-11	30.09.2011	6-3-650, 502, Maheswari Chambers, Somajiguda Main Road, Hyderabad – 500 082	10.30 A.M
2009-10	30.09.2010	Skill Skylight Apts, Behind Sridhar Function Hall, Anand Nagar, Khairatabad, Hyderabad – 500 004	10.30 A.M

- No Special Resolutions were passed in the previous three Annual General Meetings.
- No Ballots papers were used for voting at above meetings.
- No Special Resolutions passed last year through postal ballot (under Section 192A).
- No special resolution is proposed to be passed through postal ballot at the ensuing AGM.

### VIII. DISCLOSURES:

Materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of company at large. – **NIL** -

Details on non-compliance by the company, penalties and strictures imposed on the company by stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years. - **NIL** - . Further, the Company has not complied with the provisions of the listing agreement for last 6 years entered with the regional stock exchanges.

### IX. GENERAL SHAREHOLDER INFORMATION:

#### AGM

The 26<sup>th</sup> Annual General Meeting will be held on Monday, 30<sup>th</sup> September, 2013 at 4.30 PM at the Registered Office of the Company situated at 502, Maheswari Chambers, Somajiguda Main Road, Hyderabad – 500 082, AP.

#### FINANCIAL YEAR AND FINANCIAL CALENDAR FOR 2013-2014

The Company follows April to March as its Financial Year. The results of every quarter beginning from April are declared within the time specified as per the provisions of Listing Agreement.

**Means of Communication:**

The un-audited quarterly results and audited results for the year are generally published in one English newspaper (Financial Express) and at least one vernacular newspaper (Andhra Prabha) shortly after its submission to the Stock Exchanges.

**Book Closure:**

Saturday, 21<sup>st</sup> September, 2013 to Monday, 30<sup>th</sup> September, 2013 (both days inclusive).

**Listing:**

The shares of the Company are listed at BSE Limited, Ahmadabad Stock Exchange Limited, Calcutta Stock Exchange Limited and Madras Stock Exchange and the Listing Fees is due for payment from FY 2004 – 2005 to all stock exchanges **except to BSE Limited**.

**Market Price Data:**

The suspension of Trading in equity shares of the Company has been revoked with effect from June 12, 2012 by the BSE Limited. Hence the available Market prices are as follows:

Month	High	Low	No. Of shares traded
Jun 12	27.5	13.46	2336
Jul 12	12.79	7.96	1377
Aug12	7.81	5.3	28253
Sep12	5.2	3.84	20165
Oct12	3.8	2.75	12345
Nov12	2.79	1.69	54449
Dec 12	2.23	1.74	38985
Jan 13	2.32	1.77	45181
Feb 13	2.18	1.84	28624
Mar 13	2.38	1.55	3061

**Stock Code:** BSE: 511539 ; ASE: 65299 ; CSE: 32151

**Registrar and Transfer Agents:**

Venture Capital and Corporate Investments Pvt Ltd

12-10-167, Bharat Nagar, Hyderabad- 500018

Phones: 040-23818475 / 476 ; Fax: 040-23868024

Email: info@vccilindia.com ; Website: www.vccilindia.com

**Share Transfer System:**

The Company is taking care to ensure that the Share Transfer work gets completed within the stipulated time of one month. The Board of Directors have delegated the power of approving transfer of Shares severally to Managing Director and one Director. The Board has also constituted a Share Transfer Committee which has been assigned the task of approving splitting of Shares, Issue of duplicate Share Certificates, consolidation of Share Certificates, change of status of a shareholder and other allied matters.



**Shareholding Pattern as on 31<sup>st</sup> March, 2013:**

Category	No. of Shares held	Percentage
Promoters	6,13,300	12.27
Mutual Funds & UTI	0	0.00
Banks, Financial Institutions, Insurance Companies, & FII	2,50,000	5.00
Private Corporate Bodies	1,03,444	2.07
Indian Public	39,09,094	78.18
NRIs / OCBs	30,900	0.61
Foreign Nationals	0	0.00
Any other (clearing members)	93,262	1.87
<b>Total</b>	<b>50,00,000</b>	<b>100.00</b>

**Distribution of Shareholding as on 31<sup>st</sup> March, 2013:**

Nominal Value	No. of Shareholders	% of Shareholders	Amount in Rs.	Amount in %
(1)	(2)	(3)	(4)	(5)
Up to 5000	5,493	81.08	1,22,43,330	24.48
5001 10000	750	11.07	60,39,950	12.08
10001 20000	304	4.48	45,90,800	9.18
20001 30000	79	1.16	20,24,060	4.04
30001 40000	33	0.48	11,65,200	2.23
40001 50000	28	0.41	12,82,100	2.56
50001 100000	55	0.81	41,23,300	8.24
100001 and above	32	0.47	1,85,31,260	37.06
<b>Total</b>	<b>6774</b>	<b>100.00</b>	<b>5,00,00,000</b>	<b>100.00</b>

**Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity:**

The Company has not issued any GDRs / ADRs / Warrants / any convertible instruments.

**Dematerialization of Equity Shares:**

The Company's shares are available for dematerialization on both the Depositories viz., National Securities Depository Limited (NSDL) and Central Securities Depository Limited (CDSL). 21,37,880 equity shares are in Dematerialized form as on March 31, 2013 which represents 42.75% of the total equity share capital.

**ISIN for equity shares:**

INE533B01010

**Address for Investors Correspondence:**

Shareholders may address their communications/suggestions/grievances/queries pertaining to share transfer requests and other related matters to the Company's Registrar and Share Transfer Agents and/or to the Company at the following address:

**RTA:**

Venture Capital and Corporate Investments Pvt Ltd  
12-10-167, Bharat Nagar,  
Hyderabad- 500018.  
Phones: 040-23818475 / 476  
Fax: 040-23868024  
Email: info@vccilindia.com  
Website: www.vccilindia.com

**Company:**

502, Maheswari Chambers,  
Somajiguda, Hyderabad-500082, AP  
Tel/Fax: 040-23320728  
Email: info@vgfsl.com  
Website: www.vgfsl.com

**CEO/CFO Certification:**

As required by the clause 49 (V) of the Listing Agreement, the certificate from CEO/CFO was placed before the Board of Directors at their meeting held on 14-08-2013.

**Compliance Certificate of the Auditors:**

The Statutory Auditor has certified that the company has complied with the conditions of the Corporate Governance as stipulated in clause 49 of the listing agreement and the same forms part of the Annual Report. The Certificate from the statutory auditor will be sent to the stock exchange along with the Annual Report of the Company.

**DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT:**

As provided under Clause 49 of the Listing Agreement, all board members and senior management personnel have affirmed the compliance with the Company's Code of Conduct for the year ended 31<sup>st</sup> March, 2013.

Hyderabad  
August 14, 2013

**Sd/-**  
**Santosh Kumar Sahu**  
Whole-Time Director



**CERTIFICATE BY CEO / CFO:**

We have reviewed the financial statements, read with the cash flow statement of Vijay Growth Financial Services Ltd for the year ended March 31, 2013 and that to the best of our knowledge and belief, we state that:

- a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading.  
(ii) These statements present true and fair view of the company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- b) These are, to the best of our knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or in violation of the company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluating the effectiveness of internal control systems of the company and have disclosed to the auditors and audit committee deficiencies in the design or operation of internal control, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the auditors and audit committee:
  - (i) Significant changes in accounting policies made during the year and that the same haven disclosed suitably in the notes to the financial statements; and
  - (ii) There are no instances of fraud involving the management or an employee.

Hyderabad,  
August 14, 2013

**Sd/-  
Santosh Kumar Sahu**  
Whole-Time Director

**Sd/-  
Vattem V Sastry**  
Chief Financial Officer

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE:**

To

The Members of Vijay Growth Financial Services Ltd

We have examined the compliance of conditions of corporate governance by Vijay Growth Financial Services Ltd for the year ended on 31<sup>st</sup> March 2013 as stipulated in clause 49 of the listing agreement of the said company with concerned Stock Exchange.

The compliance of conditions of corporate governance is the responsibility of the management, our examination has been limited a review of the procedures and implementation thereof adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor expression of opinion on the financial statements of the company

In our opinion and best of our information and according to the explanation given to us and the representations made the Directors and Management, we certify that the company has complied with the conditions of corporate governance as stipulated in the aforesaid 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 **P S NAGARAJU & CO.**,  
Chartered Accountants  
(Firm's Registration No: 011447S)

**Sd/-  
CA P.S.NAGARAJU**  
Partner  
(Membership No: 210268)  
Hyderabad

Hyderabad  
August 14, 2013





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## **INDEPENDENT AUDITOR'S REPORT**

To,  
The Members of Vijay Growth Financial Services Limited,

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

1. We have audited the accompanying financial statements of **M/s Vijay Growth Financial Services Limited** ("the Company") which comprise the Balance sheet as at March 31, 2013, and the Statement of Profit and Loss account and the Cash Flow Statement for the year ended as on that date, and the summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the Financial Statements:**

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

### **Auditor's responsibility:**

3. 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.
4. 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion:**

6. 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 Profit and Loss Account, of the loss for the year ended on that date; and
  - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on other Legal and Regulatory Requirements:**

7. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order'), issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 ('the Act'), since in our opinion and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.



8. As required by section 227(3) of the Act, we report that:
- 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;
  - 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
  - The Balance Sheet & Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - In our opinion, the Balance Sheet & Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - 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.
  - Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **P S NAGARAJU & CO.**,  
Chartered Accountants  
(Firm's Registration No: 011447S)

Hyderabad  
May 30, 2013

**Sd/-**  
**CA P.S.NAGARAJU**  
Partner  
(Membership No: 210268)



## **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

**Referred to in paragraph 3 of the Auditor's Report of even date to the members of Vijay Growth Financial Services Limited on the Financial Statements as of and for the year ended March 31, 2013. We report that :**

- I. According to the explanation given by the management, Company is not having any fixed assets; hence this clause is not applicable to the company.
- II. The Company is dealing with financial services; accordingly, it does not hold any physical inventories. Thus, paragraph 4(ii) of the Order is not applicable.
- III. The Company has neither granted nor taken any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Act. Therefore, the provisions of Clause 4(iii)[(b), (c) and (d)(f) and (g)] of the said order are not applicable to the company.
- IV. In our opinion, and according to the information and explanation given to us, there is an adequate control system commensurate with the size of the company and the nature of its business with regards to purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.
- V. (a) According to the information and explanation given to us, there have been no contracts or arrangements that need to be entered in the register maintained under Section 301 of the act.  
(b) In our opinion, and according to the information and explanations given to us, there are no transactions made in pursuance of such contracts or arrangement exceeding the value of Rupees Five Lakhs in respect of any party during the year.
- VI. The company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- VII. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- VIII. 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 Act for any of the services provided by the company.
- IX. (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income-tax, Sales-tax, wealth tax, service tax, custom duty, and other material statutory dues, as applicable, with the appropriate authorities. There are no undisputed amounts payable in respect of such applicable statutory dues as at March 31, 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 and the records of the company examined by us, there are no dues of income-tax, sales-tax, wealth tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute.
- X. The Company has accumulated losses as at the end of the financial year is more than fifty percent of its Net worth. It has incurred cash losses in the financial year ended on that date.



- XI. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- XII. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
- XIII. As the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company, the provisions of Clause 4(xii) of the Companies (Auditor's Report) Order 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.
- XIV. In our opinion, the Company has maintained proper records of transactions and contracts, In respect of trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investment have been held by the Company in its own name.
- XV. In our opinion, and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- XVI. The Company has not raise any term loans. Accordingly, the provisions of Clause 4(xvi) of the Order are not applicable to the Company.
- XVII. According to the cash flow statement and other records examined by us and the information and explanation given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short term basis have been used for long-term investment.
- XVIII. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- XIX. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- XX. The Company has not raised any money by public issues during the year. The Management has disclosed the end use of monies during the year, out of public issue raise in the earlier year.
- XXI. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For **P S NAGARAJU & CO.**,  
Chartered Accountants  
(Firm Registration No: 011447S)

Hyderabad,  
May 30, 2013

**Sd/-**  
**CA P S Nagaraju**  
Partner  
(Membership No: 210268)



## BALANCE SHEET AS AT MARCH 31, 2013

(Amount in Rs.)

S.No.	Particulars	Note No	As at March 31, 2013	As at March 31, 2012
I.	<b>EQUITY AND LIABILITIES</b>			
1)	<b>Shareholder's funds:</b>			
(a)	Share Capital	1	50,000,000	50,000,000
(b)	Reserves and surplus	2	(46,529,658)	(46,517,628)
2)	Share application money pending for allotment		-	-
3)	<b>Non- current liabilities</b>		-	-
4)	<b>Current liabilities</b>			
(a)	Trade payables	3	63,915	114,415
(b)	Other current liabilities	4	56,180	28,090
	<b>Total</b>		<b>3,590,437</b>	<b>3,624,877</b>
II	<b>ASSETS</b>			
1)	<b>Non- current assets</b>			
(a)	Fixed assets		-	-
(b)	Non - current investments		-	-
(c)	Deferred tax asset (Net)		-	-
(d)	Long-term loans and advances		-	-
(e)	Other non-current assets		-	-
2)	<b>Current assets:</b>			
(a)	Trade receivables	5	2,580,305	2,941,929
(b)	Cash and cash equivalents	6	469,857	345,550
(c)	Short-term loans and advances	7	540,275	337,398
	<b>Total</b>		<b>3,590,437</b>	<b>3,624,877</b>
	Significant accounting policies	11		
	Notes to accounts	1 to 10		

As per our attached report of even date

**For P S Nagaraju & Co.**  
Chartered Accountants

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

**Sd/-**  
**CA. P S NAGARAJU**  
Partner  
Membership No: 210268  
Firm Regn.No.011447S  
Hyderabad  
May 30, 2013

**Sd/-**  
**Santosh Kumar Sahu**  
Whole-Time Director

**Sd/-**  
**A Venkata Ramana**  
Director

**Sd/-**  
**Vattem V Sastry**  
Chief Financial Officer



## PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

(Amount in Rs.)

S.No.	Particulars	Note No.	For the Year Ended March 31, 2013	For the Year Ended March 31, 2012
I.	Revenue from Operations	8	859,000	997,000
II.	Other Income		-	-
III.	<b>Total revenue (I+II)</b>		<b>859,000</b>	<b>997,000</b>
IV.	<b>Expenses:</b>			
	(a) Employees benefits expense	9	293,000	157,000
	(b) Finance cost		-	-
	(c) Depreciation and amortisation expense		-	-
	(d) Other expenses	10	578,030	604,090
V.	<b>Total expenses</b>		<b>871,030</b>	<b>761,090</b>
VI.	Profit/(Loss) before exceptional and extraordinary items and tax (III-V)		(12,030)	235,910
VII.	Exceptional items		-	801,000
VIII.	Profit/(Loss) before extraordinary items and tax (VI-VII)		(12,030)	(565,090)
IX.	Extraordinary items		-	-
X.	Profit/(Loss) before tax (VIII-IX)		(12,030)	(565,090)
XI.	<b>Tax expense:</b>			
	(a) Current tax expense for current year		-	-
	(b) Deferred tax		-	-
XII.	Profit/(Loss) for the year		<b>(12,030)</b>	<b>(565,090)</b>
XIII.	<b>Earning per Equity Share:</b>			
	Face value per Share		10	10
	No.of Shares		5,000,000	5,000,000
	Basic EPS		(0.00)	(0.11)
	Diluted EPS		(0.00)	(0.11)

As per our attached report of even date

**For P S Nagaraju & Co.**  
Chartered Accountants

**Sd/-**  
**CA. P S NAGARAJU**  
Partner  
Membership No: 210268  
Firm Regn.No.011447S  
Hyderabad  
May 30, 2013

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

**Sd/-**  
**Santosh Kumar Sahu**  
Whole-Time Director

**Sd/-**  
**A Venkata Ramana**  
Director

**Sd/-**  
**Vattem V Sastry**  
Chief Financial Officer



## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

(Pursuant to Clause 32 of listing Agreement as amended)

(Amount in Rs.)

Particulars		Year ended March 31,2013	Year ended March 31,2012
<b>A</b>	<b>Cash Flow From Operating Activities</b>		
	Cash Receipts from customers	361,624	155,737
	Cash Receipts from Operations for the Year	859,000	
	<b>Cash Paid for:</b>		
	Amount paid to clients	50,500	1,290,625
	General Operating & administration expenses	549,940	576,000
	Wages expenses	293,000	157,000
	Interest	-	-
	Income taxes	-	-
	<b>Net Cash Flow from Operating Activities (A)</b>	<b>327184</b>	<b>(1,867,888)</b>
<b>B</b>	<b>Cash Flow From Investing Activities</b>		
	Cash receipts from:		
	Sale of property & equipments	-	-
	Collection of principles on loans	-	-
	Sale of investment securities	-	2,000,000
	Cash paid for:		
	Purchase of property & equipments	-	-
	Making loans to other parties	202,877	-
	Purchase of investment securities	-	-
	<b>Net cash used in Investing Activities (B)</b>	<b>(202,877)</b>	<b>2,000,000</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>		
	Cash receipts from:		
	Issuance of share capital	-	-
	Borrowings	-	-
	Cash paid for:		
	Rapayment of loans	-	-
	Dividend Paid	-	-
	<b>Net cash used in Financiag Activities ©</b>	<b>-</b>	<b>-</b>
	<b>Net increase / decrease in Cash and Cash equivalents (A+B+C)</b>	<b>124,307</b>	<b>132,112</b>
	Opening Balance of Cash and Cash Equivalents	345,550	213,438
	<b>Closing Balance of Cash and Cash Equivalents</b>	<b>469,857</b>	<b>345,550</b>

In terms of our report attached.

**For P S Nagaraju & Co.**  
Chartered Accountants

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

**Sd/-**  
**CA. P S NAGARAJU**  
Partner  
Membership No: 210268  
Firm Regn.No.011447S  
Hyderabad  
May 30, 2013

**Sd/-**  
**Santosh Kumar Sahu**  
Whole-Time Director

**Sd/-**  
**A Venkata Ramana**  
Director

**Sd/-**  
**Vattem V Sastry**  
Chief Financial Officer



## Notes to the financial statements for the year ended March 31, 2013

(Amount in Rs.)

### 1. Share Capital:

Particulars	As at March 31, 2013	As at March 31, 2012
<b>Authorised share capital</b>		
50,00,000 (Previous year: 50,00,000) Equity shares of Rs. 10/- each.	50,000,000	50,000,000
	50,000,000	50,000,000
<b>Issued, subscribed and fully paid up capital:</b>		
50,00,000 (Previous year: 50,00,000) equity shares of Rs. 10/- each .	50,000,000	50,000,000
<b>Total</b>	<b>50,000,000</b>	<b>50,000,000</b>

### 1.1 Reconciliation of number of shares

Particulars	As at March 31, 2013	As at March 31, 2012
<b>Equity shares</b>		
Balance at the beginning of the year	5,000,000	5,000,000
<b>Add:</b> Additions to share capital on account of fresh issue or bonus issue etc.,	-	-
<b>Ded:</b> Deductions from share capital on account of shares bought back, redemption etc.,	-	-
<b>Balance at the end of the year</b>	<b>5,000,000</b>	<b>5,000,000</b>

### 1.2 Rights attached to Equity Shareholders :-

The company has only one class of Equity Shares having a par value of Rs.10/- each. Each holder of Equity Share is entitled to one vote per share on poll and has one vote on show of hands. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the company in proportion to their share holding after distribution of payments to preferential creditors.

### 1.3 Details of share held by shareholders holding more than 5% of the aggregate shares in the company

Name of the shareholders	As at March 31, 2013		As at March 31, 2012	
	Number of shares	Percentage of share holding	Number of shares	Percentage of share holding
D. Veda Reddy	559,500	11.19	559,500	11.19
APIDC Ltd	250,000	5.00	250,000	5.00
<b>Total</b>	<b>809,500</b>	<b>16.19</b>	<b>809,500</b>	<b>16.19</b>





**2. Reserves and Surplus** (Amount in Rs.)

Particulars	As at March 31, 2012	Additions	Deletions	As at March 31, 2013
Reserves	178,500	-	-	178,500
Profit and Loss Account	(46,696,128)	(12,030)	-	(46,708,158)
<b>Total</b>	<b>(46,517,628)</b>	<b>(12,030)</b>	<b>-</b>	<b>(46,529,658)</b>

**3. Trade payables** (Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
Amount Payable to Clients	63,915	114,415
<b>Total</b>	<b>63,915</b>	<b>114,415</b>

**4. Other Current Liabilities** (Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
Provision for Audit fee	56,180	28,090
<b>Total</b>	<b>56,180</b>	<b>28,090</b>

**5. Trade Receivables** (Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
(Unsecured and considered goods unless stated otherwise)		
Outstanding for a period exceeding six months from the due date.	2,377,429	2,941,929
Outstanding for a period less than six months from the due date.	202,876	-
<b>Total</b>	<b>2,580,305</b>	<b>2,941,929</b>

**6. Cash and Cash Equivalents** (Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
Cash in hand	337,610	215,796
<b>Balances in Current accounts with scheduled Banks:</b>		
Bank Current A/c	129,142	129,142
UCO Bank A/c.	3,105	612
<b>Total</b>	<b>469,857</b>	<b>345,550</b>

**7. Short term loans and advances** (Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
Loans and advances	540,275	337,398
<b>Total</b>	<b>540,275</b>	<b>337,398</b>



## Notes to the Statement of Profit and Loss for the year ended March 31, 2013

### 8. Revenue from Operations (Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
Financial Services	859,000	997,000
<b>Total</b>	<b>859,000</b>	<b>997,000</b>

### 9. Employee Benefit expenses (Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
Staff salaries	293,000	157,000
<b>Total</b>	<b>293,000</b>	<b>157,000</b>

### 10. Other Expenses (Amount in Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
Audit Fee	28,090	28,090
Bank Charges	1,800	3,625
Interest charges	6	-
Ledger folio charges	50	-
Office Rent	179,675	179,675
Office Maintainance	64,000	68,000
Postage & Communication Charges	87,250	88,500
Printing & stationery	120,000	101,000
RTA charges	267	-
Commission Charges	1,413	-
Service Tax charges	152	-
Travelling expenses	95,327	135,200
<b>Total</b>	<b>578,030</b>	<b>604,090</b>



## 11. Significant Accounting Policies:

- a) **Basis of Accounting:**  
The financial statements have been prepared on an accrual basis of accounting and in accordance with the generally accepted accounting principles in India, provisions of the Companies Act, 1956 (the Act) and comply in material aspects with the accounting standards notified under Section 211 (3C) of the Act, read with the Companies (Accounting Standards) Rules, 2009.
- b) **Use of Estimates:**  
The preparation and presentation of financial statements requires estimates and assumptions and/or revised estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known/materialized.
- c) **Cash Flow Statement:**  
Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted with Cash and cash equivalents (with an original maturity of three months or less) held for the purpose of meeting short-term cash commitments.
- d) **Revenue Recognition:**  
Company generally follows the mercantile system of accounting and recognizes income and expenses on accrual basis, including provisions or adjustments for committed obligations and amounts deemed as payable or receivable during the year.
- e) **Fixed Assets:**  
Fixed Assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price, including duties and other non-refundable taxes or levies any directly attributable cost of bringing the asset to its working condition and indirect costs specifically attributable to a fixed asset.  
Assets retired from active use are carried at lower of book value and estimated net realizable value.
- f) **Method of Depreciation:**  
As per the accounting standard – 6, Depreciation on Fixed Assets, is provided on the “Written down Value Method” (W.D.V) at the rates specified in the Schedule XIV to the companies Act, 1956 from time to time.
- g) **Investments:**  
Investments are classified into Current and Long-term Investments. Current Investments are stated at lower of cost and fair value. Long-term Investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of Long-term Investments. However, fixed income long term securities are stated at cost, less amortization of premium/ discount and provision for diminution to recognize a decline, other than temporary.
- h) **Foreign Currency transactions:**  
As per the Accounting standard – 11, there are no foreign currency transactions undertaken by the Company during the year under review.
- i) **Employee Benefits:**  
There is no employee in the company, particulars of whom are required to be furnished under section 217(2A), of the Companies Act, 1956.



**j) Earnings per share:**

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings 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 dilutive potential equity shares.

**k) Related Party Transactions:**

During the Financial Year 2012-2013, there is no transaction made with related party, therefore the Accounting standard-18 "Related Party disclosure" is not required.

**l) Taxes on Income:**

Income-tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year.

Minimum Alternative Tax credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal tax during the specified period.

In terms of our report attached.

**For P S Nagaraju & Co.**  
Chartered Accountants

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

**Sd/-**  
**CA P S NAGARAJU**  
Partner  
Membership No: 210268  
Firm Regn.No.011447S

**Sd/-**  
**Santosh Kumar Sahu**  
Whole-Time Director

**Sd/-**  
**A Venkata Ramana**  
Director

Hyderabad  
May 30, 2013

**Sd/-**  
**Vattem V Sastry**  
Chief Financial Officer



**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE  
PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956 (AS AMENDED)**

**REGISTRATION DETAILS**

Registration Number	007120
State code	01
Balance Sheet Date	31-03-2013

**CAPITAL RAISED DURING THE YEAR**

	(Rs. in Thousands)
Public Issue	Nil
Right Issue	Nil
Bonus Issue	Nil
Preferential Issue	Nil

**POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS**

	(Rs. in Thousands)
Total Liabilities	3590
Total Assets	3590

**SOURCE OF FUNDS**

Paid up Capital	50000
Reserves & Surplus	-46530
Secured Loans	Nil
Unsecured Loans	Nil

**APPLICATION OF FUNDS**

Net fixed Assets	Nil
Investment	Nil
Net current Assets	3470
Miscellaneous Expenditure	Nil
Accumulated Loss	46530

**PERFORMANCE OF COMPANY**

	(Rs. in Thousands)
Turnover includes other Income	859
Total Expenditure	871
Profit Before Tax	-12
Profit after Tax	-12
Earning Per Share	0.00
Dividend Rate (%)	Nil

In terms of our report attached.

**For P S Nagaraju & Co.**

Chartered Accountants

Sd/-

**CA P S NAGARAJU**

Partner

Membership No: 210268

Firm Regn.No.011447S

Hyderabad

May 30, 2013

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

Sd/-

**Santosh Kumar Sahu**

Whole-Time Director

Sd/-

**A Venkata Ramana**

Director

Sd/-

**Vattem V Sastry**

Chief Financial Officer

# VIJAY GROWTH FINANCIAL SERVICES LTD

Regd. Office: 502, Maheswari Chambers, Somajiguda, Hyderabad-500082, AP, Tel: 040-23320728, E-mail: info@vgfsl.com

## ATTENDANCE SLIP

Name of the Shareholder/Proxy Present: \_\_\_\_\_

DP Id No. : \_\_\_\_\_ Regd. Folio No. : \_\_\_\_\_

Client Id No. : \_\_\_\_\_ No. of Shares held : \_\_\_\_\_

I hereby record my presence at the 26<sup>th</sup> Annual General Meeting of the Members to be held on Monday, the 30<sup>th</sup> day of September 2013 at 4.30 PM at the Registered Office of the Company situated at 502, Maheswari Chambers, Somajiguda Main Road, Hyderabad - 500082, AP.

**Shareholders/Proxy's Signature** \_\_\_\_\_

**Note** : Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

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# VIJAY GROWTH FINANCIAL SERVICES LTD

Regd. Office: 502, Maheswari Chambers, Somajiguda, Hyderabad-500082, AP, Tel: 040-23320728, E-mail: info@vgfsl.com

## PROXY FORM

DP Id No. : \_\_\_\_\_ Regd. Folio No. : \_\_\_\_\_

Client Id No. : \_\_\_\_\_ No. of Shares held : \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_ being  
a Member(s) of above named company, hereby appoint \_\_\_\_\_ of  
\_\_\_\_\_ or failing him/her \_\_\_\_\_ of

\_\_\_\_\_ as my/our proxy to attend and vote for me/us, on my/our behalf at the  
26<sup>th</sup> Annual General Meeting of the Members to be held on Monday, the 30<sup>th</sup> day of September 2013 AT 4.30  
PM at the Registered Office of the Company situated at 502, Maheswari Chambers, Somajiguda Main Road,  
Hyderabad – 500082, AP and at any adjourned meeting thereof.

Signed \_\_\_\_\_ this September of 2013.

Signature of the Shareholder \_\_\_\_\_

Affix Re.1/ Revenue Stamp.
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**Note** : The proxy in order to be effective should be duly stamped, completed, signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

If Undelivered Please Return to:



**VIJAY GROWTH FINANCIAL SERVICES LIMITED**

**Registered Office:**

502, Maheswari Chambers, Somajiguda, Hyderabad-500082, AP

Tel/Fax: 040-23320728, Email: [info@vgfsl.com](mailto:info@vgfsl.com)

Website: [www.vgfsl.com](http://www.vgfsl.com)