

**BALANCE SHEET AS AT 31ST MARCH, 2012**

PARTICULARS	Note No.	As at 31.03.2012 AMOUNT (₹)		As at 31.03.2011 AMOUNT (₹)
<b>I. EQUITY AND LIABILITIES</b>				
<b>1. Shareholders' Funds</b>				
a. Share Capital	B-1	2,58,00,000.00		2,58,00,000.00
b. Reserves and Surplus	B-2	<u>2,42,96,780.00</u>	5,00,96,780.00	<u>2,20,39,599.00</u> 4,78,39,599.00
<b>2. Non-Current Liabilities</b>				
a. Long-term Borrowings		0.00		0.00
b. Deferred Tax Liabilities (Net)		0.00		0.00
c. Long-term Provisions		0.00		0.00
d. Other Long Term Liabilities		0.00	0.00	0.00
<b>3. Current Liabilities</b>				
a. Short-term Borrowings		0.00		0.00
b. Trade Payables		0.00		0.00
c. Other Current Liabilities	B-3	12,10,56,577.00		11,57,80,891.00
d. Short-term Provisions	B-4	<u>2,27,582.00</u>	<u>12,12,84,159.00</u>	<u>2,26,361.00</u> 11,60,07,252.00
<b>Total</b>			<u>17,13,80,939.00</u>	<u>16,38,46,851.00</u>
<b>II. ASSETS</b>				
<b>1. Non-Current Assets</b>				
a. Fixed Assets	B-5			
(i) Tangible Assets		4,96,987.00		8,07,639.00
(ii) Intangible Assets		4,62,179.00		7,44,336.00
b. Non-Current Investments	B-6	15,60,251.00		251.00
c. Deferred Tax Assets (Net)	B-7	18,50,390.00		4,32,332.00
d. Long-term Loans and Advances	B-8	3,28,59,355.00		3,02,76,085.00
e. Other Non-Current Assets		<u>0.00</u>	<u>3,72,29,162.00</u>	<u>0.00</u> 3,22,60,643.00
<b>2. Current Assets</b>				
a. Inventories		0.00		0.00
b. Trade Receivables	B-9	3,08,42,585.00		38,67,392.00
c. Cash and Cash Equivalents	B-10	9,82,07,484.00		12,26,66,176.00
d. Short-term Loans and Advances	B-11	31,35,911.00		35,15,183.00
e. Other Current Assets	B-12	<u>19,65,797.00</u>	<u>13,41,51,777.00</u>	<u>15,37,457.00</u> 13,15,86,208.00
<b>Total</b>			<u>17,13,80,939.00</u>	<u>16,38,46,851.00</u>
Significant Accounting Policies	A			

The accompanying Notes form an integral part of the Balance Sheet and Profit & Loss Statement.

As per our audit report of even date attached

**For Versha & Associates**

Chartered Accountants

(Versha Verma)  
Proprietor  
M.No.077818  
Registration No.008552C  
Place : Kanpur  
Date : 28.08.2012

For and on behalf of the Board

MADAN LAL JAIN (Chairman)

B K NADHANI

M P GUPTA

ATUL KUMAR AGARWAL

ALOK TULSYAN (CEO)

NARENDRA KAPOOR

N P CHAUDHRY

} DIRECTORS

**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

<b>PARTICULARS</b>	<b>Note No.</b>	<b>Year Ended 31.03.2012 AMOUNT (₹)</b>	<b>Year Ended 31.03.2011 AMOUNT (₹)</b>
I. Revenue from Operations	B-13	26,20,556.00	35,52,503.00
II. Other Income	B-14	31,83,599.00	21,72,603.00
III. Total Revenue (I +II)		<u>58,04,155.00</u>	<u>57,25,106.00</u>
IV. Expenses:			
a. Employee Benefits Expense	B-15	55,13,057.00	43,72,679.00
b. Depreciation and Amortization Expense	B-16	6,08,559.00	7,24,777.00
c. Other Expenses	B-17	25,65,126.00	28,88,244.00
Total Expenses		<u>86,86,742.00</u>	<u>79,85,700.00</u>
V. Profit Before Exceptional and Extraordinary Items and Tax (III - IV)		<u>(28,82,587.00)</u>	<u>(22,60,594.00)</u>
VI. Exceptional Items		-	-
VII. Profit Before Extraordinary Items and Tax (V - VI)		<u>(28,82,587.00)</u>	<u>(22,60,594.00)</u>
VIII. Extraordinary Items		37,20,000.00	28,11,001.00
IX. Profit Before Tax (VII - VIII)		<u>8,37,413.00</u>	<u>5,50,407.00</u>
X. Tax Expense:			
1. Current Tax		80,885.00	5,315.00
2. Deferred Tax		(14,18,058.00)	(5,58,794.00)
3. Provision for Tax Earlier Year		(82,595.00)	40,134.00
XI. Profit / (Loss) for the Period From Continuing Operations (IX - X)		<u>22,57,181.00</u>	<u>10,63,752.00</u>
XII. Earnings per Equity Share of ₹ 10/- each			
Basic & Diluted	B-18	0.87	0.41
Significant Accounting Policies	A		

The accompanying Notes form an integral part of the Balance Sheet and Profit & Loss Statement.

As per our audit report of even date attached

**For Versha & Associates**  
Chartered Accountants

(Versha Verma)  
Proprietor  
M.No.077818  
Registration No.008552C  
Place : Kanpur  
Date : 28.08.2012

**For and on behalf of the Board**

MADAN LAL JAIN (Chairman)    ALOK TULSYAN (CEO)  
B K NADHANI    NARENDRA KAPOOR  
M P GUPTA    N P CHAUDHRY  
ATUL KUMAR AGARWAL

## NOTE A

**SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2012****a) Fundamental Accounting Assumption:**

- i) The Company follows accounting assumption of a going concern.
- ii) The company is a wholly owned subsidiary of U.P. Stock Exchange Limited and is functioning as a member of BSE Limited (BSE) in Capital Market Segment and National Stock Exchange of India Limited (NSE) in Capital Market and Futures & Options Segments. The company does not do any proprietary trading. Only the trading members of U.P. Stock Exchange Limited who are registered as Sub-brokers with the company are allowed to do business through the company. Although the purchases and sales are made in the name of the company, only brokerage income is reflected in the financial results, to reflect the actual state of affairs.

**b) Method of Accounting:**

The Financial Statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles in India and comply in all material aspects with the applicable Accounting Standards notified under section 211 (3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956 as adopted consistently by the Company.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles followed by the Company.

**c) Fixed Assets:**

Fixed Assets are valued at historical cost less accumulated depreciation. All costs relating to acquisition and installation of fixed assets are capitalized and included in the cost of respective fixed assets. Software purchased during the year has been capitalized.

**d) Depreciation:**

Depreciation on all fixed assets is provided on written down value method as per the rates prescribed under Schedule XIV of the Companies Act, 1956.

**e) Revenue Recognition:**

- i) Income from brokerage is recognized as income on the settlement date of transaction.
- ii) Other income i.e. interest income is recognized on accrual basis.

**f) Employees Benefits:**

AS-15 regarding "Employees Benefits" has been followed by the Company and is accounted as under :-

- i) The Company's Contribution towards Provident Fund is transferred to the recognized fund of the Holding Company i.e. U. P. Stock Exchange Association Limited Employees Provident Fund Trust.
- ii) Provision for un-availed leaves is made at the end of the year on accrual basis as valued by the Management.
- iii) The Employees of the Company have been covered under the Group Gratuity Scheme Plan of Life Insurance Corporation of India (LIC) taken by the holding company U.P. Stock Exchange Limited. Amount paid as company's share to holding company (U.P. Stock Exchange Limited) is accounted in accordance with the requirement of AS-15 "Employees Benefits".

**g) Investments:**

Non current investments (long term) are stated at cost. Provision for diminution in the value of long term investments (unquoted) is made only if such decline in the opinion of the Management is other than the temporary. Short Term investments are carried at lower of cost or market value.

**h) Accounting for Taxes on Income:**

- (i) Provision for Income Tax is made on the basis of the taxable income for the current year and in accordance with the provisions of the Income Tax Act, 1961.
- (ii) Deferred income tax is recognized, on timing differences, being the differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws, enacted or substantively enacted as of the Balance Sheet date.

**i) Impairment of Assets:**

The Management assesses using external and internal sources, whether there is any indication that an asset may be impaired. Impairment of an asset occurs where the carrying value exceeds the present value of cash flow expected to arise from the continuing use of the asset and its eventual disposal. The provision for impairment loss is made when recoverable amount of the asset is lower than the carrying amount.

**j) Provisions and Contingent Liabilities and Contingent Assets:**

Provisions in respect of present obligations arising out of past events are made in the accounts when reliable estimate can be made of the amount of obligations and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but if material, are disclosed in the notes to accounts. Contingent assets are not recognized or disclosed in the financial statements.

**k) Trade Receivables & Payables:**

Amounts receivable from and payable to Sub-brokers, Clients, BSE and NSE for broking transactions are recognized on completed settlement basis and disclosed as Trade Receivables and Trade Payables.

**l) Earnings Per Share:**

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

**For Versha & Associates**

Chartered Accountants

**(Versha Verma)**

Proprietor

M.No.077818

Registration No.008552C

Place : Kanpur

Date : 28.08.2012

For and on behalf of the Board

MADAN LAL JAIN (Chairman)

B K NADHANI

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NARENDRA KAPOOR

N P CHAUDHRY

} DIRECTORS

**UPSE Securities Limited**

**Twelfth Annual Report**

**NOTE B-1**

**SHARE CAPITAL**

**AUTHORISED :**

50,00,000 Equity Shares of ₹ 10/- Each  
(50,00,000 Equity Shares of ₹ 10/- Each)

	AS AT	AS AT
	31.03.2012	31.03.2011
	AMOUNT (₹)	AMOUNT (₹)

	<u>5,00,00,000.00</u>	<u>5,00,00,000.00</u>
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**ISSUED, SUBSCRIBED & PAID UP :**

25,80,000 Equity Shares of ₹10/- Each Fully Paid up  
(25,80,000 Equity Shares of ₹ 10/- Each Fully Paid up)

	<u>2,58,00,000.00</u>	<u>2,58,00,000.00</u>
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**TOTAL**

	<u>2,58,00,000.00</u>	<u>2,58,00,000.00</u>
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**Reconciliation of Number of Shares**

Particulars	As at 31.03.2012		As at 31.03.2011	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Equity Shares				
Opening Balance	25,80,000	2,58,00,000.00	25,80,000	2,58,00,000.00
Changes During the Year	----	----	----	----
Closing Balance	<u>25,80,000</u>	<u>2,58,00,000.00</u>	<u>25,80,000</u>	<u>2,58,00,000.00</u>

**Terms/ Rights attached to Equity Shares**

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, The distribution will be in proportion to the number of equity shares held by the shareholders.

**Shares held by Holding Companies**

Particulars	As at 31.03.2012		As at 31.03.2011	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
<b>Equity Shares</b>				
<b>Name of Share Holders</b>				
U.P. Stock Exchange Limited	25,79,930	99.99	25,79,930	99.99
Nominees of U. P. Stock Exchange Limited	70	0.01	70	0.01
Total	<u>25,80,000</u>	<u>100</u>	<u>25,80,000</u>	<u>100</u>

**Shares held by Shareholders Holding more than 5% Shares**

Particulars	As at 31.03.2012		As at 31.03.2011	
	No. of Shares Held	% of Shares	No. of Shares Held	% of Shares
<b>Equity Shares</b>				
<b>Name of Share Holders</b>				
U.P. Stock Exchange Limited	25,79,930	99.99	25,79,930	99.99
Nominees of U. P. Stock Exchange Limited	70	0.01	70	0.01
Total	<u>25,80,000</u>	<u>100</u>	<u>25,80,000</u>	<u>100</u>

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	AS AT 31.03.2012 AMOUNT ( ₹ )	AS AT 31.03.2011 AMOUNT ( ₹ )
<b>NOTE B-2</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>Securities Premium Reserve</b>		
Opening Balance	1,55,12,600.00	1,55,12,600.00
Addition During the Year	-	-
Closing Balance	<u>1,55,12,600.00</u>	<u>1,55,12,600.00</u>
<b>Corpus Received From Sub - brokers for Participation In Trading Platform</b>		
Opening Balance	4,08,000.00	4,08,000.00
Addition During the Year	-	-
Closing Balance	<u>4,08,000.00</u>	<u>4,08,000.00</u>
<b>Profit &amp; Loss A/C</b>		
As per last Balance Sheet	61,18,999.00	50,55,247.00
Add / (Less): Net Profit / (Loss) after Tax Transferred from Statement of Profit & Loss	<u>22,57,181.00</u>	<u>10,63,752.00</u>
	<b>83,76,180.00</b>	<b>61,18,999.00</b>
<b>TOTAL</b>	<b><u>2,42,96,780.00</u></b>	<b><u>2,20,39,599.00</u></b>
<b>NOTE B-3</b>		
<b>OTHER CURRENT LIABILITIES</b>		
<b>Trade Payables</b>		
Due to Micro and Small Enterprises	----	----
Other	4,82,92,845.00	3,80,28,917.00
<b>Other Payables</b>		
<b>Advance / Margin received from Sub-brokers &amp; Clients</b>		
Advance Margin for BSE	4,57,60,000.00	4,50,45,000.00
Advance Margin for NSE- CM	1,16,00,000.00	1,99,00,000.00
Advance Margin for NSE - F&O	<u>1,01,10,000.00</u>	<u>64,30,000.00</u>
	<b>6,74,70,000.00</b>	<b>7,13,75,000.00</b>
Margin received from Sub-brokers & Clients F&O Segment	1,18,46,408.00	77,78,221.00
Less :- Margin Control - F&O Segment	(1,18,46,408.00)	---- (77,78,221.00)
Securities received from Sub-brokers	4,81,210.00	----
Less:- Securities Pledged with NSE	(4,81,210.00)	----
Securities received from Sub-brokers	1,74,15,823.00	2,28,29,490.00
Less:-Securities Pledged with BSE	(1,74,15,823.00)	---- (2,28,29,490.00)
Securities received from Sub-brokers & Clients	1,72,86,528.00	1,85,78,981.00
Less:- Securities Deposited with IL&FS for F&O Segment	<u>(1,72,86,528.00)</u>	<u>---- (1,85,78,981.00)</u>
Other Liabilities	<b>52,93,732.00</b>	<b>63,76,974.00</b>
<b>TOTAL</b>	<b><u>12,10,56,577.00</u></b>	<b><u>11,57,80,891.00</u></b>

Securities received from Sub-brokers in demat form of ₹ 174.16 lakhs ( ₹ 228.29 Lakhs) have been pledged /deposited with BSE, ₹ 4.81 lakhs ( Nil ) with NSE and ₹ 172.87 Lakhs ( ₹ 185.79 Lakhs ) pledged /deposited with IL&FS towards Additional Capital / Margin valued at the year end. For disclosure purposes these are shown under the head Other Current Liabilities.

Securities of ₹ 69.02 lakhs ( ₹ 75.75 lakhs) for BSE and ₹ 43.65 lakhs ( Nil ) for NSE valued at the year end received in advance from clients towards pay-in of settlement No. 1 & 2 ( BSE ) & 61 & 62 ( NSE ) of 2012-13 were lying in the CM Pool Accounts of the Company, pending settlement as per norms.

AS AT AS AT  
31.03.2012 31.03.2011  
AMOUNT (₹) AMOUNT (₹)

**NOTE B-4  
SHORT TERM PROVISIONS**

Provision for Leave Encashment	1,46,697.00	2,21,046.00
<b>Other</b>		
Provision for Tax	<u>80,885.00</u>	<u>5,315.00</u>
<b>TOTAL</b>	<u>2,27,582.00</u>	<u>2,26,361.00</u>

**NOTE B-5  
FIXED ASSETS**

S. No.	Particulars	Rate of Depreciation	Gross Block (At Cost)				Depreciation				Net Block	
			As At 01.04.2011	Additions During the Year	Sales/Adjustment during The year	Total As At 31.03.2012	Upto 31.03.2011	For the Year	Adjustment	Total Upto 31.03.2012	AS AT 31.03.2012	AS AT 31.03.2011
			₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>Tangible Assets</b>												
1	Furniture & Fixture	18.10%	2,700.00	-	-	2,700.00	2,241.00	83.00	-	2,324.00	376.00	459.00
2	Office Equipment	13.91%	52,500.00	-	-	52,500.00	5,342.00	6,560.00	-	11,902.00	40,598.00	47,158.00
3	Computer Hardware	40%	49,77,966.00	-	-	49,77,966.00	42,17,944.00	3,04,009.00	-	45,21,953.00	4,56,013.00	7,60,022.00
	<b>Total A</b>		<b>50,33,166.00</b>	<b>-</b>	<b>-</b>	<b>50,33,166.00</b>	<b>42,25,527.00</b>	<b>3,10,652.00</b>	<b>-</b>	<b>45,36,179.00</b>	<b>4,96,987.00</b>	<b>8,07,639.00</b>
<b>Intangible Assets</b>												
1	Computer Software	40%	19,00,290.00	15,750.00	-	19,16,040.00	11,55,954.00	2,97,907.00	-	14,53,861.00	4,62,179.00	7,44,336.00
	<b>Total B</b>		<b>19,00,290.00</b>	<b>15,750.00</b>	<b>-</b>	<b>19,16,040.00</b>	<b>11,55,954.00</b>	<b>2,97,907.00</b>	<b>-</b>	<b>14,53,861.00</b>	<b>4,62,179.00</b>	<b>7,44,336.00</b>
	<b>TOTAL (A+B)</b>		<b>69,33,456.00</b>	<b>15,750.00</b>	<b>-</b>	<b>69,49,206.00</b>	<b>53,81,481.00</b>	<b>6,08,559.00</b>	<b>-</b>	<b>59,90,040.00</b>	<b>9,59,166.00</b>	<b>15,51,975.00</b>
	Previous Year Figure		53,30,206.00	16,03,250.00	-	69,33,456.00	46,56,704.00	7,24,777.00	-	53,81,481.00	15,51,975.00	67,35,012.00

**Note B-6  
NON- CURRENT INVESTMENTS**

Non Trade Investments ( Valued at Cost )  
Investment in Equity Shares ( Unquoted )

BSE Ltd.		
84,200 ( 1,02,800 ) Equity Shares of Re.1/- each Fully Paid up	1.00	1.00
CSE Ltd.		
250 ( 250 ) Equity Shares of Re.1/- each Fully paid up	250.00	250.00
Investment in Bonds ( Unquoted )		
National Highway Authority of India		
156 Bonds of Rs.10,000/- each	15,60,000.00	-
<b>TOTAL</b>	<u>15,60,251.00</u>	<u>251.00</u>

Aggregate book value of Unquoted Investment is ₹ 15,60,251.00. Long term Investments are stated at cost. Provisions for diminution in the value of long term investments (unquoted) is made only if such decline in the opinion of the arrangements is other than the temporary.

**UPSE Securities Limited**

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	AS AT 31.03.2012 AMOUNT ( ₹ )	AS AT 31.03.2011 AMOUNT ( ₹ )
<b>Note B-7</b>		
<b>DEFERRED TAX ASSETS</b>		
As per last Balance Sheet	4,32,332.00	6,98,530.00
Add : For Current Year	<u>14,18,058.00</u>	-
	<u>18,50,390.00</u>	<u>6,98,530.00</u>
Less : Deferred Tax Liabilities	-	2,66,198.00
Depreciation	-	-
TOTAL	<u>18,50,390.00</u>	<u>4,32,332.00</u>

In accordance with the Accounting Standard (AS)22 issued by the Institute of Chartered Accountants of India, deferred tax provision has been made in books of account as detailed below :

**Deferred Tax represents the following**

S.No.	Particulars	Assets		Liabilities	
		2011-12		2010-11	
( i )	Timing difference on Depreciation	-	1,61,881.00	-	2,66,198.00
( ii )	Timing difference on Losses	<u>20,12,271.00</u>	-	<u>6,98,530.00</u>	-
	Total	<u>20,12,271.00</u>	<u>1,61,881.00</u>	<u>6,98,530.00</u>	<u>2,66,198.00</u>
	<b>Deferred tax ( Net)</b>	<u>18,50,390.00</u>		<u>4,32,332.00</u>	

**Note B-8**

**LONG - TERM LOANS & ADVANCES**

Security Deposits ( Unsecured , Considered Good )

Deposit with BSE	2,76,085.00	2,76,085.00
Deposit with NSE	2,71,00,000.00	2,71,00,000.00
Deposit with Clearing Member ( IL& FS Securities Limited for NSE F&O Segment )	53,50,000.00	29,00,000.00
<b>Other Loans &amp; Advances</b>		
Staff Loan	<u>1,33,270.00</u>	-
TOTAL	<u>3,28,59,355.00</u>	<u>3,02,76,085.00</u>

**Note B-9**

**TRADE RECEIVABLES**

Debts Outstanding for a Period Exceeding Six Months

Other Debts ( Unsecured, Considered Good )	<u>3,08,42,585.00</u>	<u>38,67,392.00</u>
TOTAL	<u>3,08,42,585.00</u>	<u>38,67,392.00</u>



	AS AT 31.03.2012	AS AT 31.03.2011
	AMOUNT ( ₹ )	AMOUNT ( ₹ )

## Note B-10

**CASH AND CASH EQUIVALENTS****A. Cash & Bank Balances:**

A.1 Cash in Hand	-	-
A.2 Balances with Banks		
AXIS Bank Limited	-	25,587.00
HDFC Bank Limited	1,97,92,342.00	2,79,43,331.00
ICICI Bank Limited	12,716.00	12,291.00
Standard Chartered Bank	-	50,259.00
YES Bank Limited	1,27,426.00	8,19,616.00
	<u>1,99,32,484.00</u>	<u>2,88,51,084.00</u>

**B. Deposits ( FDRs ) with Banks**

Axis Bank Limited	-	3,40,092.00
HDFC Bank Limited	1,85,00,000.00	1,25,00,000.00
ICICI Bank Limited	1,00,00,000.00	1,10,00,000.00
Oriental Bank of Commerce	39,00,000.00	-
Punjab National Bank	2,08,75,000.00	2,08,75,000.00
Standard Chartered Bank	-	1,50,00,000.00
State Bank of India	50,00,000.00	50,00,000.00
YES Bank Limited	2,00,00,000.00	2,91,00,000.00
	<u>7,82,75,000.00</u>	<u>9,38,15,092.00</u>
<b>TOTAL</b>	<u><b>9,82,07,484.00</b></u>	<u><b>12,26,66,176.00</b></u>

FDRs for ₹ 782.75 Lakhs ( ₹ 938.15 Lakhs ) include FDRs amounting to ₹ 392.75 Lakhs ( ₹ 568.75 Lakhs ) pledged with BSE, amounting to ₹ 140.00 Lakhs ( ₹ 140.00 Lakhs ) pledged with NSE for obtaining trading limits and amounting to ₹ 125.00 lakhs ( ₹ 155.00 Lakhs ) pledged with IL&FS Securities & Services Ltd. (ISSL), for obtaining trading limits & clearing facility for transactions in F&O Segment.

Fixed Deposits with Banks include deposits of ₹ 782.75 lakhs (Previous Year ₹ 938.15) with maturity of more than 12 months.

## Note B-11

**SHORT - TERM LOANS & ADVANCES ( Unsecured, Considered Good )**

Loans and Advances to Staff	39,292.00	44,965.00
<b>Other Loans &amp; Advances</b>		
Income Tax Refundable	22,45,158.00	33,84,915.00
Tax Deducted at Source F.Y. 2011-12	7,66,397.00	----
Prepaid Expenses	78,242.00	78,288.00
Balances with Statutory Authorities	6,822.00	7,015.00
<b>TOTAL</b>	<u><b>31,35,911.00</b></u>	<u><b>35,15,183.00</b></u>

## Note B-12

**OTHER CURRENT ASSETS**

Interest Accrued but not due	16,78,279.00	12,17,756.00
Other Assets	2,87,518.00	3,19,701.00
<b>TOTAL</b>	<u><b>19,65,797.00</b></u>	<u><b>15,37,457.00</b></u>

	Current Year AMOUNT ( ₹ )	Previous Year AMOUNT ( ₹ )
<b>NOTE B-13</b>		
<b>REVENUE FROM OPERATIONS</b>		
Income from Brokerage	1,85,44,956.00	2,87,81,293.00
Less :- Brokerage paid to Sub - brokers	<u>1,59,24,400.00</u>	<u>2,52,28,790.00</u>
	<b>26,20,556.00</b>	<b>35,52,503.00</b>
<b>TOTAL</b>	<b><u>26,20,556.00</u></b>	<b><u>35,52,503.00</u></b>
<b>NOTE B-14</b>		
<b>OTHER INCOME</b>		
Interest Received on Bank Deposits	77,15,835.00	53,56,703.00
Tax Deducted at Source ₹ 7,66,397.08 ( ₹ 5,70,632.69)		
Less :- Interest Paid to Sub- brokers	<u>53,25,341.00</u>	<u>40,02,735.00</u>
	<b>23,90,494.00</b>	<b>13,53,968.00</b>
Dividend Received from BSE & CSE	<b>4,12,950.00</b>	<b>5,21,750.00</b>
Miscellaneous Income	<b>3,80,155.00</b>	<b>2,96,885.00</b>
<b>TOTAL</b>	<b><u>31,83,599.00</u></b>	<b><u>21,72,603.00</u></b>
<b>NOTE B-15</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
Salaries	<b>28,92,760.00</b>	24,30,855.00
Employer's Contribution to P.F.	<b>3,94,154.00</b>	3,52,168.00
Dearness Allowance	<b>13,41,400.00</b>	9,10,828.00
House Rent Allowance	<b>3,74,420.00</b>	2,72,779.00
Home Town Allowance	<b>22,142.00</b>	8,419.00
Conveyance Allowance	<b>2,18,570.00</b>	1,87,425.00
City Compensatory Allowance	<b>14,260.00</b>	12,599.00
Medical Expenses	<b>1,57,866.00</b>	1,28,242.00
Staff Welfare Expenses	<b>97,485.00</b>	69,364.00
<b>TOTAL</b>	<b><u>55,13,057.00</u></b>	<b><u>43,72,679.00</u></b>

Provision for un-availed leaves is made at the end of the year on accrual basis as valued by the Management.

The Employees of the Company have been covered under the Group Gratuity Scheme Plan of Life Insurance Corporation of India (LIC) taken by the holding Company U. P. Stock Exchange Limited. The company has paid a total sum of ₹ 1,62,766.27 ( ₹ 1,17,354.79 ) to the Exchange for the gratuity for the year 2011-12 .

**UPSE Securities Limited**

**Twelfth Annual Report**

**Current Year**      **Previous Year**  
**AMOUNT ( ₹ )**      **AMOUNT ( ₹ )**

**NOTE B-16**

**DEPRECIATION AND AMORTIZATION EXPENSE**

Depreciation on Tangible Assets	<b>3,10,652.00</b>	3,74,343.00
Depreciation on Intangible Assets	<b>2,97,907.00</b>	3,50,434.00
<b>TOTAL</b>	<b><u>6,08,559.00</u></b>	<b><u>7,24,777.00</u></b>

**Note B-17**

**OTHER EXPENSES**

**AUDITORS REMUNERATION A/C**

- Audit Fees	30,000.00		
- Tax Audit Fees	5,000.00		
- Other Services & Certification	<u>5,000.00</u>	<b>40,000.00</b>	45,000.00
Internal , System and ITORS Audits Fees		<b>52,500.00</b>	27,500.00
Annual Subscription BSE		<b>7,000.00</b>	7,000.00
Annual Subscription NSE		<b>1,00,000.00</b>	1,00,000.00
Board & Committees Meetings Sitting Fees		<b>62,000.00</b>	1,59,000.00
Computer Expenses		<b>2,84,042.00</b>	2,70,203.00
Depository Charges		<b>2,68,283.00</b>	4,10,787.00
Deposit Custody Charges		<b>6,161.00</b>	5,534.00
Electric ,Generator and Office Maintenance		<b>3,14,902.00</b>	1,60,008.00
Filing Fees		<b>4,000.00</b>	4,820.00
Insurance Premium		<b>3,988.00</b>	11,226.00
Miscellaneous Expenses		<b>1,78,321.00</b>	2,89,971.00
NSE Operations Expenses		<b>33,915.00</b>	1,12,117.00
Postage & Telegram		<b>8,570.00</b>	13,141.00
Printing & Stationery		<b>2,99,018.00</b>	3,31,739.00
Professional Charges		<b>1,06,700.00</b>	1,27,950.00
Rent		<b>5,35,080.00</b>	4,96,690.00
Telephone & Internet Expenses		<b>2,40,231.00</b>	2,65,530.00
Travelling & Conveyance		<b>20,415.00</b>	50,028.00
<b>TOTAL</b>		<b><u>25,65,126.00</u></b>	<b><u>28,88,244.00</u></b>

**Note B-18**

**Earnings Per Equity Share**

**Sl. No. Particulars**

( i )	Net Profit after tax available for Equity Shareholders	<b>22,57,181.00</b>	10,63,752.00
( ii )	Weighted average of number of Equity Shares	<b>25,80,000</b>	25,80,000
( iii )	Earnings Per Equity Share of Rs.10/- each ( Basic and Diluted )	<b>0.87</b>	0.41

Current Year AMOUNT ( ₹ )	Previous Year AMOUNT ( ₹ )
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**Note B-19****Related Parties Disclosures****( I ) Entities Under Common Control :**

S.No.	Name ( Relationship )	Nature of Transaction	Current Year AMOUNT ( ₹ )	Previous Year AMOUNT ( ₹ )
( i )	U.P. Stock Exchange Limited	Payment of rent and reimbursements	10,23,031.00	8,21,935.00

**II) Key Management Personnel :**

S.No.	Name ( Designation )	Nature of Transaction	Current Year AMOUNT ( ₹ )	Previous Year AMOUNT ( ₹ )
(i)	Shri Alok Tulsyan (Chief Executive Officer)	Remuneration	5,36,305.00	4,26,990.00
(ii)	Shri Atul Kumar Agarwal (Whole Time Director)	Remuneration	4,71,474.00	3,32,888.00

**Note B-20****Contingent Liabilities**

- (i) Estimated amounts of contracts remaining to be executed on Capital account and not provided for Rs. Nil ( Nil ).  
(ii) Claims against the company not acknowledged as debt Nil ( Nil ).

**Note B-21**

In the opinion of the Board of Directors, the current assets , loans and advances are stated at values which on realization are at least equal to the amount at which these are stated ,in the ordinary course of business.

Figures of previous year have been regrouped or rearranged wherever considered necessary.

Figures mentioned in brackets ( ) are related to previous year .

**For Versha & Associates**

Chartered Accountants

**(Versha Verma)**

Proprietor

M.No.077818

Registration No.008552C

Place : Kanpur

Date : 28.08.2012

For and on behalf of the Board

MADAN LAL JAIN (Chairman)

B K NADHANI

M P GUPTA

ATUL KUMAR AGARWAL

ALOK TULSYAN (CEO)

NARENDRA KAPOOR

N P CHAUDHRY

} DIRECTORS