



MODEX INTERNATIONAL SECURITIES LIMITED

REGD. OFFICE: 507 PADMA TOWER – II, 22 RAJENDRA PLACE, NEW DELHI – 110008

18TH ANNUAL REPORT – 2011-12

BOARD OF DIRECTORS

- **MR. DHARMENDRA KUMAR ARORA**
- **MR. MAHESH GOPAL GOEL**
- **MR. PAVAN SACHDEVA**
- **MR. GAURAV CHHABRA**
- **MR. VIKRAM DUGGAL**
- **MR. SANJAY MOHAN UNIYAL**

- WHOLE TIME DIRECTOR (CHAIRMAN)**
- WHOLE TIME DIRECTOR**
- WHOLE TIME DIRECTOR**
- DIRECTOR**
- DIRECTOR**
- DIRECTOR**

AUDITORS

- M/S S. CHAND MITTAL & CO.
CHARTERED ACCOUNTANT
810,GD-ITL NORTHEX TOWERS,
A-09, NETAJI SUBHASH PLACE
PITAMPURA, NEW DELHI-110034

BANKERS

- ICICI BANK LTD.
- HDFC BANK LTD.
- AXIS BANK LTD.
- PNB LTD.
- DENA BANK

REGISTERED & SHARE TRANSFER AGENTS

- M/S MAS SERVICES LTD.
T-34, IIND FLOOR,
OKHLA INDUSTRIES AREA, PHASE II,
NEW DELHI – 110020

REGD. OFFICE

- 507, PADMA TOWER – II
22, RAJENDRA PLACE
NEW DELHI – 110008
Contact at: 011-47217000
Fax No.: 011-47217066

CORPORATE OFFICE

- 1003-1004, 10TH FLOOR,
SURYA KIRAN BUILDING,
KASTURBA GANDHI MARG,
NEW DELHI – 110001
Contact at: 011-47451800
Fax No.: 011-47451866

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NOTICE

Notice is hereby given that 18th Annual General Meeting of the members of **MODEX INTERNATIONAL SECURITIES LIMITED** (the Company) will be held on Saturday, 29th September, 2012 at 10.00 A.M. at Bhati Farms, Village Bhati, Mehrauli, Delhi-110030 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account of the Company for the financial year ended March 31, 2012 and Balance Sheet as at that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vikram Duggal, who retires from office by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Gaurav Chhabra, who retires from office by rotation, and being eligible, offers himself for re-appointment.
4. To re-appoint M/s S. Chand Mittal & Co, Chartered Accountants, as the Auditors of company, to hold office from the conclusion of ensuing Annual General Meeting until the conclusion of next Annual General Meeting on a remuneration to be decided by the Board of Directors.

**By Order of the Board
For Modex International Securities Limited**

**Place : NEW DELHI
Date : 16-08-2012**

**Dharmendra Kumar Arora
(Chairman)**

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 INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the special business to be transacted at the Extra-Ordinary General Meeting is annexed hereto and forms part of the notice.
3. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 24th September, 2012 to Saturday, 29th September, 2012 (both days inclusive).
5. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
6. Members holding shares in physical form are requested to intimate change in their address, if any, immediately to the Company's Registrar and Share Transfer Agents, M/s Mass Services Limited, T - 34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020. Members holding shares in electronic mode must intimate the change in their address if any to their respective Depository Participant only and not to the Company or the Company's Registrar and Share Transfer Agents.
7. Members who are holding shares in more than one Folio are requested to intimate the Secretarial Department the details of all their folio numbers for consolidation into a single folio.
8. Members desirous of having any information regarding Accounts are requested to address their queries to the Company at the Registered Office of the Company at least seven days before the date of the meeting, so that the requisite information is made available at the meeting.
9. Corporate members are requested to send a duly certified copy of the Board Resolution authorising their representative to attend and vote at the Annual General Meeting.
10. As an austerity measure, copies of the Annual Report of the Company will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.

**By Order of the Board
For Modex International Securities Limited**

**Place: NEW DELHI
Date: 16-08-2012**

**Dharmendra Kumar Arora
(Chairman)**

DIRECTORS' REPORT

To the members of Modex International Securities Limited,

Your Directors have pleasure in presenting this 18th Annual Report of the Company together with Audited Accounts for the year ended on 31st March, 2012.

FINANCIAL RESULTS

The highlights of financial results of the Company for the financial years 2010-11 and 2011-12 are as under:-

PARTICULARS	AMOUNT (Rs.)	
	2011-12	2010-2011
Total Income	83,905,385	114,686,603
Less : Total Expenditure	80,420,618	87,886,262
Profit / (Loss)	3,484,767	26,800,341
Less: Depreciation	2,754,619	27,03,155
Less : Provision for Taxation	471,254	196,400
Less : Income Tax Adjust (Last year)	127,383	2,352
Less : Deferred Tax Liability/(Assets)	(76,152)	(103,436)
Profit / (Loss) after Taxation	207,663	24,001,870
Add: Balance Brought Forward from last year	67,657,982	43,656,112
Profit/(Loss) carried to Balance Sheet	67,865,645	67,657,982

PERFORMANCE

Owing to the recession in the global economy, Indian economy particularly the capital market got hurt. As your company's main stream of business is linked with Capital Market, therefore the total Income of the company has been reduced. During the year under review the total Income of your Company was Rs. 839.05 Lacs as compared to Rs. 1,146.87 Lacs during the previous year, thereby showing a decrease by 26.84 %. As a result the Company has earned a Profit (after tax) of Rs. 2.08 Lacs as against a Profit (after tax) of Rs. 240.01 Lacs in previous year.

DIVIDEND

Keeping in view further expansion plans in broking space, your directors do not recommend any dividend for the year ended on 31st March, 2012.

FIXED DEPOSIT

Your Company has neither invited nor accepted any deposits from public within the meaning of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975 during the year under review.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Gaurav Chhabra and Mr. Vikram Duggal, are liable to retire by rotation as Directors at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The Company being in the financial sector, the particulars as prescribed under section 217(1)(e), of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 regarding Conservation of Energy and Technology Absorption are not applicable to the Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange earnings and outgo were nil during the current year.

PARTICULARS OF EMPLOYEES

There are no employees who are in receipt of remuneration in excess of the rates/amounts specified under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- (i) The annual accounts of the Company have been prepared in conformity with the generally accepted accounting standards in India.
- (ii) Accounting policies selected were applied consistently, reasonable and prudent judgment and estimates are made so as to give a true and fair view of the Company as on 31st March 2012 and of the Profit of the Company for the Year ended on that date.
- (iii) Proper and sufficient care has been taken 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. The internal audit control system of the Company is monitored by the director's themselves.
- (iv) The Company is in a position to carry on its business in the foreseeable future and, accordingly, the financial statements have been prepared on the basis of a going concern.

CORPORATE GOVERNANCE

A detailed report on Corporate Governance alongwith the Certificate of M/s S. Chand Mittal & Co., Chartered Accountants confirming compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with The Delhi Stock Exchange forms part of the Annual Report.

AUDITORS

M/s S. Chand Mittal & Co., Chartered Accountants, retires as Statutory Auditors of the Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of the Statutory Auditors, if re-appointed. They have furnished a certificate to the effect that their appointment, if made, will be within the limits prescribed Under Section 224(1B) of the Companies Act, 1956.

AUDITORS' REPORT

The Auditors' Report read with notes on accounts is self-explanatory and therefore, in the opinion of the Directors, do not call for any further explanation.

ACKNOWLEDGEMENT

Your Directors appreciate the trust reposed by the Investor fraternity and Clients in the Company and look forward to their continued patronage. The Directors are also grateful and pleased to place on record their appreciation for the excellent support, guidance and cooperation extended by the Delhi Stock Exchange, Bombay Stock Exchange, National Stock Exchange, MCX Stock Exchange, United Stock Exchange, Central Depository Services (India) Ltd. The Board also expresses its appreciation of the understanding and support extended by the shareholders and employees of the Company.

By Order of the Board of Directors of
Modex International Securities Limited

Dharmendra Kumar Arora
(Chairman)

DATE : 16.08.2012
PLACE : NEW DELHI

**REPORT ON CORPORATE GOVERNANCE
(PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)**

1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company believes in conducting its affairs with the highest levels of integrity, with proper authorizations, accountability and transparency to give best services to Indian Investors for dealing in stock exchange for the growth of economy as whole. The business operations of your Company are conducted not to benefit any particular interest group but for the benefit of all stakeholders.

A report on the implementation of the Code of Corporate Governance as per clause 49 of the Listing agreement is given below:

2. BOARD OF DIRECTORS

The business of the Company is managed by a Board of Directors. The Board formulates the strategy, regularly reviews the performance of the Company and ensures that the previously agreed objectives are met on a consistent basis. The Executive Directors manage the day-to-day operations of the Company.

2.1 COMPOSITION

The Board of Directors of the Company as at the year ending March 31, 2012 consists of 6 Directors comprising of 3 Executive directors and 3 Non – Executive Independent Directors which is in compliance with the requirements of Clause 49 of the Listing Agreement.

2.2 BOARD MEETINGS AND ATTENDANCE

During the year under review, the Board of Directors met 08 (eight) times viz. 14th May, 2011, 12th August, 2011, 13th August, 2011, 24th September, 2011, 27th September, 2011, 12th November, 2011, 14th February, 2012 and 09th March, 2012 and the gap between two meetings did not exceed three months.

Composition and category of Directors and attendance of each Director at the Board Meetings, last Annual General Meeting and Number of other Directorship and Chairmanship / Membership of Committee of each Director in various Companies:

Name of the Director	Category of Director	Attendance at Board Meetings		Attendance at last A.G.M. held on 27.9.2011	Number of other Directorships ¹ and other Committee ² Memberships & Chairmanships	
		Held	Attended		Directors hips	Committee Memberships
Mr. Dharmendra Kumar Arora	Whole Time Director-Promoter	08	08	Yes	2	Nil

Mr. Mahesh Gopal Goel	Whole Time Director-Promoter	08	08	Yes	Nil	Nil
Mr. Pavan Kumar Sachdeva	Whole Time Director-Promoter	08	08	Yes	3	Nil
Mr. Gaurav Chhabra	Independent Non-Executive	08	08	No	Nil	Nil
Mr. Vikram Duggal	Independent Non-Executive	08	08	No	Nil	Nil
Mr. Sanjay Mohan Uniyal	Independent Non-Executive	08	08	Yes	Nil	Nil

1. The directorships held by the directors, as mentioned above, do not include the directorships held in Foreign Companies, Private Limited Companies, Companies under Section 25 of the Companies Act and Alternate Directorships.
2. The committees considered for the purpose are those prescribed under Clause 49(I)(C)(ii) of the Listing Agreement viz. Audit Committee and Shareholders/Investor Grievance Committee of Indian public Limited Companies.

2.3 REMUNERATION OF DIRECTORS (AS ON 31-03-2012)

a) Whole-time Directors

No Director whether Executive or Non Executive is getting any sitting fee. Following are the details of remuneration paid to Whole-time Directors:

Name	Designation	Salary & Perks (In Rs.)
Mr. Dharmendra Kumar Arora	Whole-time Director	7,80,000
Mr. Mahesh Gopal Goel	Whole-time Director	7,80,000
Mr. Pavan Kumar Sachdeva	Whole-time Director	3,60,000

b) Non-Executive Directors

Your company has Mr. Gaurav Chhabra, Mr. Vikram Duggal & Mr. Sanjay Mohan Uniyal as Non-Executive Directors on its Board as on 31st March 2012. The said Directors do not have any pecuniary relationship with the Company. No remuneration or sitting fee is paid to the Non-Executive Directors by the Company.

3. AUDIT COMMITTEE

Since the Paid up Capital of the Company is less than Rs. 5 Crore, the Audit Committee U/s 292A of the Companies Act, 1956 has not been constituted.

3.1 SHAREHOLDERS/INVESTOR GRIEVANCES COMMITTEE:

The Company has constituted “Shareholders/Investors Grievance Committee” as on 3.01.03 under the chairmanship of a non-executive/independent director to specifically look into shareholder issues including share transfer, transmission, issue of duplicate certificates and redressing of

shareholder complaints like non receipt of balance sheet, declared dividend etc. Details of the composition of Shareholders/Investors Grievance are as follows:

Director	Position
Mr. Vikram Duggal	Chairman (Non-Executive)
Mr. Dharmendra Kumar Arora	Executive Director
Mr. Mahesh Gopal Goel	Executive Director
Mr. Gaurav Chhabra	Director – Non Executive

Complaints/correspondence are usually dealt within 10 days of receipt and are completely resolved except in cases where litigation is involved. However no complaint from any shareholder has been received during the year.

S.No	Nature of Complaint	Received	Disposed	Pending	Remarks
	NIL	NIL	NIL	NIL	NIL

3.2 SHARE TRANSFER COMMITTEE:

Share Transfer Committee considers and approves share transfers/transmissions, re-materialisation, issue of duplicate share certificates and other related activities in physical mode besides taking note of beneficial owner’ position under Demat mode. In order to expedite the transfer process, the Board appointed a Registrar company to approve requests for transfer/transmission of shares w.e.f. 03-01-2003. Details of the composition of Shareholders/Investors Grievance are as follows:

Director	Position
Mr. Gaurav Chhabra	Chairman(Non-Executive)
Mr. Dharmendra Kumar Arora	Executive Director
Mr. Mahesh Gopal Goel	Executive Director
Mr. Vikram Duggal	Director – Non Executive

3.3 APPOINTMENT OF COMPLIANCE OFFICER

Mr. K.L. Grover, Vice President (Finance) of the Company is also the Compliance Officer of the Shareholders/ Investors Grievance & Transfer Committee.

4. GENERAL BODY MEETINGS OF THE SHAREHOLDERS

Particulars of the General Meetings of the shareholders held during last 3 years:

Year	Date	Time	Venue	Special Resolution, if any
2008-2009	26-09-2009	10.00 A.M.	Bhati Farms, Village Bhati, Mehrauli, New Delhi-110030	Nil
2009-2010	30-09-2010	10.00 A.M.	Bhati Farms, Village Bhati, Mehrauli, New Delhi-110030	Nil
2010-2011	27-09-2011	10.00 A.M.	Bhati Farms, Village Bhati, Mehrauli, New Delhi-110030	Nil

5. DISCLOSURES

5.1 MATERIAL CONTRACTS/RELATED PARTY TRANSACTIONS

There are no materially significant related party transactions that have potential conflict with the interests of the Company at large.

5.2 COMPLIANCES BY THE COMPANY

The Company has complied with the requirements of the SEBI and Stock Exchanges (DSE) on all matters related to capital markets during the last three years except for non-publication of Notice for board meetings in some cases. All returns and reports were filed within stipulated time with Stock Exchanges/other authorities.

5.3 CODE OF CONDUCT FOR DIRECTORS AND SENIOR EXECUTIVES

Code of conduct approved by the Board is a comprehensive code applicable to Executive and Non-Executive Directors as well as to the senior management of the Company. The code has been circulated to all the Directors and members in the senior management at the beginning of the financial year and the same has been affirmed by them. A declaration to this effect signed by Chairman is enclosed.

5.4 EXECUTIVE DIRECTORS / CFO CERTIFICATION

The Executive Directors and the Company have certified to the Board with regard to the compliance made by them in terms of Clause 49(V) of the Listing Agreement.

5.5 ACCOUNTING TREATMENT

The financial statements are prepared under the historical cost convention and have been prepared in accordance with applicable mandatory Accounting Standards and relevant presentational requirements of Institute of Chartered Accountants of India and provisions in the Companies Act, 1956.

5.6 MEANS OF COMMUNICATION

The Company communicates with its shareholders through its Annual Report, General Meetings, on website, www.modexindia.com.

Quarterly un-audited results are informed to Delhi Stock Exchange soon after these are taken on record by the Board. The results are published in two daily newspapers, one in English language and other in vernacular language i.e. Hindi.

6. GENERAL INFORMATION FOR SHAREHOLDERS

6.1 ANNUAL GENERAL MEETING

Date : 29th September, 2012
Time : 10.00 A.M.
Venue : Bhati Farms, Village Bhati, Mehrauli, New Delhi – 110 030

6.2 FINANCIAL CALENDAR FOR 2012-13 (TENTATIVE)

EVENTS	TENTATIVE DATE
Annual General Meeting	July- September 2013
Un-Audited Financial results for the first quarter ending 30 th June, 2012	July/August, 2012
Un-Audited Financial results for the second quarter ending 30 th September, 2012	October/November, 2012
Un-Audited Financial results for the third quarter ending 31 st December, 2012	January/February, 2013
Un-Audited Financial results for the fourth quarter ending 31 st March, 2013	April, 2013

6.3 DATE OF BOOK CLOSURE

Book Closure / Record date: 24-09-2012 to 29-09-2012 (both days are inclusive)

6.4 LISTING ON STOCK EXCHANGES

The Company's shares are listed with Delhi Stock Exchange Limited (DSE). Listing fees for the year 2012-2013 has been paid to the Stock Exchange in time.

6.5 REGISTRAR AND SHARE TRANSFER AGENT

M/s Mas Services Limited, New Delhi, is the Company's Registrar and Share Transfer Agent among others. All kinds of investors' related services both for physical as well as electronic segments are provided from the Share Registry. Complaints/Grievances are addressed within a week's time on an average.

All share transfers are affected in time and all physical share certificates are dispatched to the transferees immediately after affecting the transfer.

6.6 SHAREHOLDING PATTERN AS AT 31ST MARCH, 2012

Sl. No.	Category	No. of Shares	% of Shareholding
A.	Promoter's Holding		
1.	Promoters		
a)	Indian Promoters	2250000	75.00
b)	Foreign Promoters	Nil	Nil
2.	Persons acting in Concert	Nil	Nil
	Sub-Total (A)	2250000	75.00
B.	Non-Promoters Holding		
3.a)	Institutional Investors	Nil	Nil
b)	Mutual Funds and UTI Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutional / Non-Govt. Institutions)	Nil	Nil
c)	FII's	Nil	Nil
4.	Others		
a)	Private Corporate Bodies	450300	15.01
b)	Indian Public	299700	9.99
c)	NRI's/OCBs	Nil	Nil
d)	Any other (please specify)	Nil	Nil
	Sub-Total (B)	750000	25.00
	GRAND TOTAL (A + B)	3000000	100.00

6.7 DEMATERIALISATION OF SHARES & LIQUIDITY

As on 31st March 2012, about 24.25% of the Shares of the Company have been Dematerialised.

6.8 ADDRESS FOR INVESTOR CORRESPONDENCE:

The Company's Registered Office is situated at:

507, Padma Tower – II, 22 Rajendra Place

New Delhi – 110008

E-Mail Address : contact@modexindia.com

The Company has created a dedicated E-mail Id in the name and style of grievances@modexindia.com for exclusive dealing with shareholder/investor related correspondence/grievances for prompt and efficient investor service by the Company. Shareholders/Investors have been advised to send their queries/complaints through this e-mail id for quick and prompt reply from the Company.

Shareholders holding shares in electronic form have been advised to address all their correspondence regarding change of address, bank particulars etc. to their respective Depository Participants (DPs) only.

For **Modex International Securities Limited**

Place: New Delhi
Date: August 16, 2012

Dharmendra Kumar Arora
(Chairman)

DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Employees have affirmed compliance with the Code of Conduct for the year ended 31st March, 2012.

For **Modex International Securities Limited**

Place: New Delhi
Date: August 16, 2012

Dharmendra Kumar Arora
(Chairman)

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members
Modex International Securities Limited

We have examined all relevant records of Modex International Securities Limited ("the Company") for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement with Delhi Stock Exchange Association Limited for the financial year ended March 31, 2012.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi
Date: August 16, 2012

For S. Chand Mittal & Co.
Chartered Accountants
(Registration No.09818N)
Suresh Chand Mittal
Membership No. 88587

AUDITOR'S REPORT

To
The Members of Modex International Securities Limited,

1. We have audited the attached Balance Sheet of Modex International Securities Limited (the "Company") as at 31st March, 2012, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. 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 sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, 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 purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - (e) On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2012;
- (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For and on behalf of
S. Chand Mittal & Co.
Firm Registration Number: 9818N
Chartered Accountants**

**New Delhi
16th August, 2012**

**Suresh Mittal
Partner
Membership Number 88587**

ANNEXURE TO AUDITORS REPORT

Referred to in paragraph 3 of our report of even date to the members of Modex International Securities Limited on the financial Statements of the year ended 31st March 2012.

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.

(c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
2. On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.

(b) In view of the clause 3 (a) above, clause 3 (b), (c) and (d) are not applicable.

(c) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.

(d) In view of the clause 3 (c) above clause 3 (f) and (g) are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, no major weakness have been noticed or reported.
5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. 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.
7. In our opinion, the Company has an internal audit system commensurate with its size and 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 Act for any of the products of the Company.
 9. (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 regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, service tax and other material statutory dues as applicable with the appropriate authorities. .

(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 and service-tax as at 31st March, 2012 which have not been deposited on account of a dispute.
 10. The Company has no accumulated losses as at 31st March, 2012 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
 11. 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.
 12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/ societies are not applicable to the Company.
 14. In our opinion, the Company has maintained proper records of transactions and contracts relating to dealing or trading in shares, securities, debentures and other investments during the year and timely entries have been made therein. Further, such securities have been held by the Company in its own name or are in the process of transfer in its name, except to the extent of the exemption granted under Section 49 of the Act.
 15. 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 banks or financial institutions during the year.
 16. In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
 17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
 18. 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.
 19. The Company has not issued any debentures; hence this clause is not applicable.
 20. The Company has not raised any money by public issues during the year.
 21. 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 such case by the Management.

**For S. Chand Mittal & Co.
Firm Registration Number:9818N
Chartered Accountants**

**New Delhi
16th August, 2012**

**Suresh Mittal
Partner
Membership Number : 88587**

Balance Sheet as at 31st March, 2012

(Amount In Rupees)

Particulars	Note No.	As at 31st March, 2012	As at 31st March, 2011
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	30,000,000	30,000,000
(b) Reserves and Surplus	2	78,235,145	78,027,482
(2) Share Application Money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	4,440,691	11,744,452
(b) Deferred Tax Liabilities (Net)		22,445	98,597
(4) Current Liabilities			
(b) Trade Payables		134,378,323	102,039,414
(c) Other Current Liabilities	4	79,432,889	73,880,803
(d) Short-Term Provisions	5	471,254	196,400
TOTAL		<u>326,980,747</u>	<u>295,987,149</u>
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	6	7,599,484	9,107,385
(ii) Intangible Assets	7	88,555	172,003
(b) Non-Current Investments	8	22,910,000	22,910,000
(2) Current Assets			
(b) Inventories	9	126,222,631	73,427,810
(c) Trade Receivables	10	104,117,639	107,645,381
(d) Cash and Cash Equivalents	11	43,228,434	41,915,771
(e) Short-Term Loans and Advances	12	18,034,792	36,061,684
(f) Other Current Assets	13	4,779,212	4,747,115
TOTAL		<u>326,980,747</u>	<u>295,987,149</u>
		0.3	0.32

See accompanying notes to the financial statements

For and on Behalf of the Board

Auditors' Report

As per our report of even date attached

For **S. Chand Mittal & Co.**
Firm Registration No. 9818N
Chartered Accountants

Suresh Mittal
Partner
Membership No. 88587
New Delhi, 16th Aug, 2012

Mahesh Gopal Goel
Director

Dharmendra Kumar Arora
Director

Kundan Lal Grover
Vice President

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2012

(Amount In Rupees)

Particulars	Note No.	Year Ended 31st March, 2012	Year Ended 31st March, 2011
I. Revenue from Operations	14	80,040,037	87,639,949
II. Other Incomes	15	3,865,348	27,046,654
III. Total Revenue (I + II)		83,905,385	114,686,603
IV. Expenses:			
Brokerage Paid		17,881,255	26,839,824
Administrative & Selling Expenses			
Employee Benefit Expenses	16	19,855,017	18,639,325
Other Administrative and Selling Expenses	17	35,072,379	25,980,185
Security Transaction Tax Paid		4,966,063	15,272,086
Finance Costs	18	2,645,904	1,154,841
Depreciation and Amortization Expense	6-7	2,754,619	2,703,155
Total Expenses		83,175,237	90,589,416
V. Profit before Exceptional and Extraordinary		730,147	24,097,186
VI. Exceptional Items		-	-
VII. Profit before Extraordinary Items and Tax (V - VI)		730,147	24,097,186
VIII. Extra Ordinary Items		-	-
IX. Profit before Tax (VII - VIII)		730,147	24,097,186
X. Tax Expense:			
Provision for taxation			
(1) Current tax		471,254	196,400
(2) Earlier Year Tax		127,383	2,352
(3) Deferred Tax		(76,152)	(103,436)
XI. Profit/ (Loss) for the period from Continuing Operations (IX - X)		207,662	24,001,870
XII. Profit/Loss from Discontinuing Operations		-	-
XIII. Tax Expense of Discontinuing Operations		-	-
XIV. Profit/(Loss) from Discontinuing Operations (after Tax) (XII - XIII)		-	-
XV. Profit/ (Loss) for the Period (XI + XIV)		207,662	24,001,870

XVI. Earnings Per Equity Share

1) Basic	0.07	8.00
2) Diluted		

See accompanying notes to the financial statements

For and on Behalf of the Board

Auditors' Report

As per our report of even date attached

Mahesh Gopal Goel
Director

Dharmendra Kumar Arora
Director

For **S. Chand Mittal & Co.**
Firm Registration No. 9818N
Chartered Accountants

Kundan Lal Grover
Vice President

Suresh Mittal
Partner
Membership No. 88587
New Delhi, 16th Aug, 2012

Cash Flow Statement
For the year ended 31st March, 2012

		(` In lacs)	
	As at 31.03.2012	As at 31.03.2011	
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/ (Net Loss) before tax and extraordinary items	7.30		240.97
Adjustments for :			
1 Depreciation	27.55	27.03	
2 Bank Charges	26.46	11.55	
3 Dividend Income	-	(7.68)	
4 Interest Income	(35.32)	(30.28)	
5 Profit on sale of fixed Assets	(3.25)	<u>15.43</u>	<u>(1.17)</u>
			<u>(0.55)</u>
Operating Profit/(Loss) before working capital changes	22.73		240.42
Adjustment for :			
1 (Increase)/Decrease in Stock in Trade	(527.95)	(554.57)	
2 (Increase)/Decrease in Sundry Debtors	35.28	(345.51)	
3 (Increase)/Decrease in loans and advances	180.27	(43.04)	
4 (Increase)/Decrease in Other Current Liabilities	(0.33)		
5 (Increase)/Decrease in Deferred Tax Asset	-	(1.03)	
6 Increase/(Decrease) in Current Liabilities	378.91	508.39	
7 Increase/(Decrease) in Secured Loan	(73.04)	<u>(6.86)</u>	<u>104.30</u>
			<u>(331.47)</u>
Cash Generated from operations	15.87		(91.05)
Direct Tax Paid	(3.23)		(0.96)
Net Cash Flow From Operating Activities (A)	12.64		(92.01)
B. CASH FLOW FROM INVESTING ACTIVITIES:			
Increase/(Decrease) in Capital	-	-	
Increase/(Decrease) in Share Premium	-	-	
Increase/(Decrease) in Capital Reserve	-	-	
Purchases of fixed assets	(18.33)	(26.36)	
Sale of Fixed Assets	9.95	2.23	
(Increase)/Decrease in Investments	-	19.00	
Interest received	35.32	30.28	
Dividend received	-	<u>26.94</u>	<u>7.68</u>
			<u>32.84</u>
Net Cash flow from investing activities (B)	26.94		32.84

C. CASH FLOW FROM FINANCING ACTIVITIES :

Bank Charges		(26.46)	(11.55)
Net Cash used in financing activities	(C)	<u>(26.46)</u>	<u>(11.55)</u>
Net Increase/(Net Decrease) in cash and cash equivalents (A+B+C)		13.12	(70.72)
Cash and Cash equivalents at the beginning of the year		419.16	489.87
Cash and cash equivalents at the end of the year		432.28	419.16

For S. Chand Mittal & Co.
Firm Registration No. 9818N
Chartered Accountants

For and on Behalf of the Board

Mahesh Gopal Goel
Director

Dharmendra Kumar Arora
Director

Suresh Mittal
Partner
Membership No. 88587
New Delhi, 16th Aug, 2012

Kundan Lal Grover
Vice President

Particulars	As at 31st March, 2012	As at 31st March, 2011
NOTE # 1		
Share Capital		
Authorised Capital		
35,00,000 Equity Shares of Rs 10/- each	35,000,000	35,000,000
Issued, Subscribed and Paid up		
30,00,000 Equity Shares of Rs.10/- each	30,000,000	30,000,000
	<u>30,000,000</u>	<u>30,000,000</u>

* Shares held by each shareholder holding more than 5% shares, specifying the number of shares held.

S.No	Name of Shareholders	No. of Shares held of Rs. 10/- each	% of Shareholding
1	Dharmendra Kumar Arora	750000	25
2	Mahesh Gopal Goel	750000	25
3	Pavan Sachdeva	750000	25
	Total	2250000	75

NOTE # 2

Reserves and Surplus

(a) Capital Reserve

As per last Balance Sheet	3,456,500	3,456,500
Addition during the year	-	-
	<u>3,456,500</u>	<u>3,456,500</u>

(b) Securities Premium

As per last Balance Sheet	6,913,000	6,913,000
Addition during the year	-	-
	<u>6,913,000</u>	<u>6,913,000</u>

(c) Surplus i.e. Balance in the Statement of Profit & Loss

As per last Balance Sheet	67,657,982	43,656,112
Addition during the year	207,662	24,001,870
Allocations & Appropriations		
Transfer to Reserves		
	<u>67,865,645</u>	<u>67,657,982</u>
	<u>78,235,145</u>	<u>78,027,482</u>

NOTE # 3

Non-Current Liabilities

Long-Term Borrowings

Bonds/ Debentures

Term Loans

- From ICICI Bank(Loan Against Shares)	3,614,932	10,016,828
- From Others	-	-

SECURED LOANS

Kotak Mahindra Prime Limited(Hypothecation of Cars)

103,307

787,534

ICICI Bank (Hypothecation of Cars)

722,452

940,090

4,440,691

11,744,452

NOTE # 4

Current Liabilities

Other Payables (specify nature)

TDS Payable	1,140,337.00	350,862
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Expenses Payable

Audit Fees	33,090	33,090
Brokerage	1,462	-
BSE Charges	4,733	-
Nse Processing Charges	2,242,551	1,072,371
Expense Payable(DIRECTOR'S SALARY)	335,590	169,855
Salary	1,716,684	-

Margin & Securities

Security Deposit of Staff	360,500	260,000
Margin Currency(Daily)	1,615,602	2,344,164
Margin Mg13 Control A/C	19,050,500	27,493,622
Fix Margin A/C	52,931,839	42,156,839
	<u>79,432,889</u>	<u>73,880,803</u>

NOTE # 5

Short-Term Provisions

Provision for Employee Benefits	-	-
Others (specify nature)	-	-
Provision for Income Tax	471,254	196,400
	<u>471,254</u>	<u>196,400</u>

NOTE # 6

Particulars of depreciation allowable as per the Companies Act, for the year ended 31st March, 2012

Tangible Assets as on 31st March 2012

S · N O ·	PARTICULARS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
		COST AS ON 01.04.2011	ADDITIONS DURING THE YEAR	SALE / DISPOSAL DURING THE YEAR	TOTAL AS ON 31.03.2012	UPTO 01.04.2011	FOR THE YEAR	ADJUSTMENT	UPTO 31.03.2012	NET CARRYING AMOUNT AS ON 31.03.2012	NET CARRYING AMOUNT AS ON 31.03.2011
1	Air Conditioner	348,313	104,000		452,313	203,822	32,665		236,487	215,826	144,491
2	Computer EPBAX	7,050,708	1,362,641		8,413,349	5,111,318	1,104,192		6,215,510	2,197,839	1,939,390
3	System	88,393	-		88,393	60,444	3,887		64,331	24,062	27,949
4	Fax Machine	32,937	-		32,937	27,136	807		27,943	4,994	5,801
5	Furniture & Fixtures	3,789,626	55,400		3,845,026	1130200	487,099		1,617,299	2,227,727	2,659,426
6	Generator	92,910	253,125		346,035	54310	33,075		87,385	258,650	38,600
7	Invertors	157,738	-		157,738	56,005	14,151		70,156	87,582	101,733
8	Motor Car Office	6,104,535	-	838,689	5,265,846	2,307,486	934,914	(168,994)	3,073,406	2,192,440	3,797,049
9	Equipment	318,723	57,799		376,522	67132	40,719		107,851	268,671	251,591
10	T.V.	175,550	-		175,550	34,195	19,662		53,857	121,693	141,355
TOTAL		18,159,433	1,832,965	838,689	19,153,709	9,052,048	2,671,171	(168,994)	11,554,225	7,599,484	9,107,385
Previous Year		16,226,757	2,635,676	703,000	18,159,433	7,030,827	2,617,851	596,630	9,052,048	9,107,385	9,195,930

NOTE # 7

Intangible Assets as on 31st March 2012.

S · N O ·	PARTICULARS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
		COST AS ON 01.04.2011	ADDITIONS DURING THE YEAR	SALE / DISPOSAL DURING THE YEAR	TOTAL AS ON 31.03.2012	UPTO 01.04.2011	FOR THE YEAR	ADJUSTMENT	UPTO 31.03.2012	NET CARRYING AMOUNT AS ON 31.03.2012	NET CARRYING AMOUNT AS ON 31.03.2011
1	Software	474540	-	-	474540	302537	83,448		385,985	88,555	172,003
TOTAL		474,540	-	-	474,540	302,537	83,448	-	385,985	88,555	172,003

NOTE # 8

Non-Current Investments

Investment Property	-	-
<u>Fully Paid Equity Shares - Unquoted</u>		
Companies under the same Management:		
1,50,000 Equity Shares of Rs. 10/- each (Previous year 3,50,000) of		
Modex Commodity Trades (P) Limited	1,500,000	1,500,000
<u>Other Non-Current Investments (specify nature)</u>		
BSE Security Deposit	11,260,000	11,260,000
NSE Security deposit	7,800,000	7,800,000
CDSL Security Deposit	250,000	250,000
BSE Currency Derivative	100,000	100,000
NSE Currency Derivative	1,000,000	1,000,000
Investment in Model Town Office	900,000	900,000
Deposit to United Stock Exchange of India Ltd.	<u>100,000</u>	<u>100,000</u>
	<u>22,910,000</u>	<u>22,910,000</u>

NOTE # 9

Current Assets

Inventories

Stock-in-Trade (in respect of goods acquired for trading)	<u>126,222,631</u>	<u>73,427,810</u>
	<u>126,222,631</u>	<u>73,427,810</u>

NOTE # 10

Trade Receivables

Unsecured, Considered Good

- Outstanding for a period exceeding six months	11,415,442	10,857,422
- Others	92,702,197	96,787,959
	<u>104,117,639</u>	<u>107,645,381</u>

NOTE # 11

Cash and Cash Equivalents

Balance with Banks		
- in Current Accounts	1,012,804	205,817
- in Fixed Deposits	41,353,862	41,171,123
Cash in Hand	861,769	538,831
	<u>43,228,434</u>	<u>41,915,771</u>

NOTE # 12

Short-Term Loans and Advances

Advances recoverable in cash or kind	16,769,876	2,543,160
Leased Line Deposit	360,000	570,000
Share Application Money	-	32,000,000
Staff Advance	186,260	129,410
TDS A.Y. 2012-13	457,747	419,114
V-Sat Deposit	200,000	400,000
Electronic Eye Systems(Advance for Camera)	25,000	-
Seven Seaz Vacations Private Limited(Advance)	35,909	-
	<u>18,034,792</u>	<u>36,061,684</u>

NOTE # 13

Other Current Assets (Residual Head)

Prepaid Expenses	4,779,212	4,173,749
Interest Receivable	-	573,366
	<u>4,779,212</u>	<u>4,747,115</u>

NOTE # 14

Revenue From Operations

Brokerage A/C	48,461,458	49,608,553
Income from sale purchase of shares	30,321,106	36,822,803
Income From Depository Services	1,062,383	1,208,593
Other Operating Revenues	195,090	-
	<u>80,040,037</u>	<u>87,639,949</u>

NOTE # 15

Other Incomes

Interest received on FDR	3,532,307	3,028,258
Other Interest	-	49,613
Dividend Income		768,420
Profit on sale of Fixed Asset	325,305	116,630
Profit on sale of Agricultural Land	-	23,083,733
BSE Incentive	7,736	-

NOTE # 16

Employee Benefit Expenses

	<u>3,865,348</u>	<u>27,046,654</u>
Bonus	770,087	553,350
Salaries and Wages	18,726,287	17,666,371
Staff Welfare Expenses	<u>358,643</u>	<u>419,604</u>
	<u>19,855,017</u>	<u>18,639,325</u>

Particulars	Year Ended 31st March, 2012	Year Ended 31st March, 2011
NOTE # 17 Other Administrative and Selling Expense		
Advertisement Exp	420,679	178,777
Audit Fees	33,090	33,090
Bad Debts written off	19,765	116,734
Business Promotion	210,576	157,718
Co-Location Charges	5,274,643	2,930,685
Data Processing Charge	41,226	39,378
Demat Charges	-	15,142
Director's Car Repair & Maintenance	191,375	-
Director's Remuneration	1,920,000	1,300,000
Directors Travelling Exp.	371,322	52,542
Electricity & Water Charges	643,276	426,414
Freight & Cartage (Outward)	1,700	-
ID Charges	700,659	1,257,406
Insurance	96,710	65,104
Lease Line Charges	1,981,915	-
Membership & Subscriptions	378,400	536,600
NCFM Exam Fee	30,878	28,184
Postage & Telephone	2,135,803	3,264,088
Printing & Stationery	349,532	316,322
Processing Fee	4,416	-
Professional & Legal Expenses	857,330	897,817
Rent, Rates & Taxes	3,656,963	3,035,811
Repair & Maintenance		-
- Computer & Generator Expenses	931,513	1,814,241
- Office	210,301	57,487
- Others	657,083	-
	1,798,897	1,871,728
Stock Exchange Charges		
Nse Charges	11,920,379	7,204,222
Bse Charges	75,500	467,859
V-Sat Charges	249,234	514,346
Travelling & Conveyance	295,135	315,163
Vehicle Running & Maintenance (car)	8,028	286,672
Turnover Tax (SEBI)	842,907	524,156
Miscellaneous Expenses		
Digital Signature	-	2,100
Miscellaneous exp. (Service Tax arrears)	231,203	22,200
Short/Excess	53,480	18,742
General Expenses	77,939	70,109
Donation	21,000	5,100
Newspapers, Books & Periodicals	47,975	7,057
Filing Fees	846	6,848
Festival Expenses	124,600	7,070
Listing Fees	5,000	144,226
	562,042	5,000
	35,072,379	25,980,185

NOTE # 18

Finance Costs

Bank Charges	1,500,005	1,027,884
Interest Expense	1,001,395	5,527
Interest on Car Loan	144,504	121,430
	2,645,904	1,154,841

Schedule forming part of the Financial Statements for the year ended 31st March, 2012**Note No- 19****Notes to the Financial Statements**

Significant Accounting

1 Policies

The financial statements are prepared to comply in all material aspects with the applicable accounting principles in India, the accounting standards notified under sub-section (3C) of Section 211 of 'The Companies Act, 1956' of India (the 'Act') and the other relevant provisions of the Act. The significant accounting policies are as follows -

(a) Basis of Accounting

The financial statements are prepared in accordance with the historical cost convention.

(b) Fixed Assets and Depreciation

Fixed assets are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation.

Depreciation on assets is provided on the written down value method at the rates and in the manner prescribed in Schedule XIV of the Act, except softwares, which are amortised over a period of five years.

(c) Revenue Recognition

Income and Expenses are recognised on accrual basis except dividends, bonus and staff emoluments (other than salaries) like gratuity. Other items of revenue are recognised in accordance with Accounting Standard - 9 issued by the Institute of Chartered Accountants of India.

(d) Taxes on Income

Current tax is determined as the amount of tax payable in respect of estimated taxable income for the year.

Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

2. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) - Rs. Nil [Previous year Rs. Nil].

	316,837	
Printing & Stationery	-	155,801
Balances as at the year end -		
Investments	1,500,000	1,500,000
Outstanding Receivables	17,045,987	4,872,910
(ii)		
) Key Management Personnel Remuneration		
Mahesh Goel		650,000
D K Arora	780,000	650,000
Pavan Sachdeva	780,000	-
	360,000	
(iii)		
) Relatives of Directors		
Remuneration		
Sunita Goel		300,000
	300,000	
Neena Arora	300,000	300,000

8. Basic earnings per share has been calculated by dividing profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings per Share has been computed as under:

	Year ended 31st March, 2012	Year ended 31st March, 2011
Profit after Taxation (Rs.)	207,662	24,001,870
Weighted average number of Shares (Nos.)	3,000,000	3,000,000
Earnings per Share (Rs. per Equity Share of Rs. 10 each) – Basic	0.07	8.00

Details of Equity Index Futures and Equity Stock Futures contracts having open interests as on balance sheet date:

Name of Future	Series of Future	Nature of Position	No. of contracts	No. of units involved	Daily Settlement price as of date
FUTN-ABAN	26-04-2012	LONG	7	7000	435.5
FUTN-ADANIENT	26-04-2012	LONG	35	17500	308.1
FUTN-ADANI PORTS	26-04-2012	LONG	5	10000	129.9

FUTN-BFUTILITIE	26-04-2012	LONG	4	2000	391.15
FUTN-BHARATFORG	26-04-2012	LONG	6	6000	322.2
FUTN-BHUSANSTL	26-04-2012	LONG	10	10000	419.2
FUTN-BOMDYENG	26-04-2012	LONG	3	3000	587.15
FUTN-CANBK	26-04-2012	LONG	4	2000	479.6
FUTN-CHAMBLFERT	26-04-2012	LONG	13	26000	78
FUTN-DELTACORP	26-04-2012	LONG	5	10000	69.8
FUTN-DENABANK	26-04-2012	LONG	2	8000	91.15
FUTN-DISHTV	26-04-2012	LONG	5	20000	64.6
FUTN-DLF	26-04-2012	LONG	1	1000	203.4
FUTN-ESCORTS	26-04-2012	LONG	2	8000	69.5
FUTN-ESSAROIL	26-04-2012	LONG	6	24000	54.2
FUTN-FINANTECH	26-04-2012	LONG	8	2000	5 693.05 264
FUTN-GRASIM	26-04-2012	LONG	4	500	9.1
FUTN-HDIL	26-04-2012	LONG	74	148000	86.4
FUTN-HINDUNILER	26-04-2012	LONG	1	1000	413.2
FUTN-IBRELEST	26-04-2012	LONG	2	8000	64.6
FUTN-ICICIBANK	26-04-2012	LONG	2	500	890.9
FUTN-IDFC	26-04-2012	LONG	4	8000	136.15
FUTN-INDIAINFO	26-04-2012	SHORT	2	-8000	67.75 288
FUTN-IMFY	26-04-2012	LONG	5	625	6.55
FUTN-IVRCLIMFRA	26-04-2012	LONG	3	24000	67
FUTN-JPOWER	26-04-2012	LONG	6	48000	41.2
FUTN-LICHSGFIN	26-04-2012	LONG	5	5000	265. 65
FUTN-MCDOWELL-N	26-04-2012	LONG	4	1000	613. 25
FUTN-MTNL	26-04-2012	LONG	1	8000	27.7 5
FUTN-NIFTY	26-04-2012	SHORT	5	-250	533 3.25
FUTN-NMDC	26-04-2012	LONG	11	11000	163.05
FUTN-ONMOBILE	26-04-2012	LONG	5	20000	60.9
FUTN-ORCHIDCHEM	26-04-2012	LONG	5	10000	187.05
FUTN-PANTALON-NR	26-04-2012	LONG	3	3000	155.25
FUTN-PUNJLLOYD	26-04-2012	LONG	82	328000	55.35
FUTN-RAYMOND	26-04-2012	LONG	1	1000	429.85
FUTN-RCOM	26-04-2012	LONG	7	28000	85.05
FUTN-RENUKA	26-04-2012	LONG	1	4000	32
FUTN-RPOWER	26-04-2012	LONG	1	4000	118.15

FUTN-SAIL	26-04-2012	LONG	9	18000	95.25
FUTN-STER	26-04-2012	LONG	21	42000	112.3
					117
FUTN-TCS	26-04-2012	LONG	2	500	9.25
FUTN-YESBANK	26-04-2012	LONG	2	2000	368.6
OPTN-GVKPIL	26-04-2012	LONG	1	12000	0.55
OPTN-NIFTY	26-04-2012	LONG	60	3000	10.05
OPTN-NIFTY	26-04-2012	LONG	30	1500	4.65

- 11 In the opinion of Directors, current assets, loans and advances are shown as realisable, in the ordinary course of business. However, the shares and securities held as stock or investments are subject to market fluctuations
- 12 **The Company is trading in shares and securities. Such shares and securities are held at the end of the year have been shown accordingly in Balance Sheet as stock in trade. As per the Directors, the company is holding all such shares and securities on account of trading activities. Therefore these have been valued at cost by the directors. If the stock has been valued at lower of cost or market value, total value of stock would be Rs. 9,69,83,308 (P.Y. Rs. 6,46,11,240). Actual profit/loss will be taken into account at the time of actual sale of stock**
- 13 It is certified by the Directors that all the Investments and Stock held by the company are in their personal custody and are registered in the name of Company.
- 14 As the Company trades in shares & securities of various Companies of different types, it is not practicable to give their quantitative data.
- 15 Income in Foreign - Nil (P.Y. Nil)
 Currency
 Expenditure in - Nil (P.Y. Nil)
 Foreign Currency
- 16 Previous year figures have been regrouped or restated where necessary.
- Signature to Notes 1 to 19

In terms of our report of even date

For S. Chand Mittal & Co.
Firm Registration No. 9818N
Chartered
Accountants

For and on Behalf of the Board

Mahesh Gopal Goel **Dharmendra Kumar Arora**
Director **Director**

Suresh Mittal
Partner
Membership No. 88587
New Delhi, 16th August,2012

Kundan Lal Grover
Vice President

MODEX INTERNATIONAL SECURITIES LIMITED

REGD. OFFICE: 507 PADMA TOWER – II, 22 RAJENDRA PLACE, NEW DELHI – 110008

PROXY FORM

I/We _____ of _____ in the district of _____ being a member / members of MODEX INTERNATIONAL SECURITIES LIMITED, hereby appoint _____ in the district of _____ or failing him or her _____ of _____ in the district of _____ as my / our proxy to attend and vote for me/us on my/our behalf at the 18th Annual General Meeting of the Company to be held on Saturday, 29th September, 2012 at 10.00 A.M. at Bhati Farms, Village Bhati, Mehrauli, Delhi-110030 and of any adjournment thereof.

In witness whereof, I/We have set my/our hand/hands this..... day of 2012

Signed this _____ day of _____ 2012.

Folio No. / Client ID
DP ID
Number of shares held



Note: This form duly completed and signed as per specimen signatures registered with the company should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the commencement of the meeting.

MODEX INTERNATIONAL SECURITIES LIMITED

REGD. OFFICE: 507 PADMA TOWER – II, 22 RAJENDRA PLACE, NEW DELHI – 110008

ATTENDANCE SLIP

I/We hereby record my presence at the 18th Annual General Meeting held on Saturday, 29th September, 2012 at 10.00 A.M. at Bhati Farms, Village Bhati, Mehrauli, Delhi-110030.

Name of the Shareholders or Proxy (In Block Letters) _____

No. of Shares Held _____

Regd. Folio No. _____

DP ID & Client ID _____

Signature of the Shareholder/Proxy

Note: PLEASE COMPLETE THIS ATTENDENCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL.