

*Ikab Securities & Investment Limited*

**IKAB SECURITIES & INVESTMENT LIMITED**  
Registered Office: Raja Bahadur Compound, Bldg. No. 5  
2<sup>nd</sup> Floor, 43, Tamarind Lane, Fort, Mumbai – 400 001

**Attendance Slip**

I certify my presence at the Twentieth Annual General Meeting of the Company at Raja Bahadur Compound, Bldg. No. 5, 2<sup>nd</sup> Floor, 43, Tamarind Lane, Fort, Mumbai – 400 001 on Friday, September 30, 2011 at 12:15 p.m.

Member's/Proxy's Name  
(IN BLOCK LETTERS)

Member's/Proxy's Signature

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

Note: Please fill this Attendance Slip and hand it over at the entrance of the venue.

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**IKAB SECURITIES & INVESTMENT LIMITED**  
Registered Office: Raja Bahadur Compound, Bldg. No. 5  
2<sup>nd</sup> Floor, 43, Tamarind Lane, Fort, Mumbai – 400 001

**Proxy Form**

I/We \_\_\_\_\_ of \_\_\_\_\_ in the District of \_\_\_\_\_ being a member/members of the above Company hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ or failing him \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our Proxy to vote for me/us on my/our behalf of the Twentieth Annual General Meeting of the Company at Raja Bahadur Compound, Building No. 5, 2<sup>nd</sup> Floor, 43, Tamarind Lane, Fort, Mumbai – 400 001 on Friday, September 30, 2011 at 12:15 p.m. and every adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011

Regd. Folio No. \_\_\_\_\_

DP Id. \_\_\_\_\_ Client Id. \_\_\_\_\_

Re.1  
revenue  
stamp to  
be affixed

**Notes:**

1. Proxy need not be a Member of the Company.
- This form, in order to be effective, should be filled, signed and duly stamped and must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.

# ikab Securities & Investment Limited

Member:

The National Stock Exchange Ltd  
The Bombay Stock Exchange Ltd  
MCX Stock Exchange Ltd  
United Stock Exchange Ltd

*Depository Participant: National Securities Depository Limited (NSDL)*



Twentieth Annual Report  
2010 - 2011

## *Ikab Securities & Investment Limited*

### **Board of Directors:**

- |                             |                     |
|-----------------------------|---------------------|
| 1. Mr. Indra Kumar Bagri    | Chairman            |
| 2. Mr. Anil Kumar Bagri     | Managing Director   |
| 3. Mr. Abhishek Bagri       | Whole-time Director |
| 4. Mr. Prerit Damani        | Director            |
| 5. Mr. Giriraj Ratan Damani | Director            |
| 6. Mr. Nikhil Hasmukh Doshi | Director            |

### **Auditors:**

Bhupendra Shah and Associates  
Chartered Accountants

### **Bankers:**

- HDFC Bank Ltd
- Oriental Bank of Commerce

### **Registered Office:**

Raja Bahadur Compound  
Bldg. No. 5, 2<sup>nd</sup> Floor  
43 Tamarind Lane, Fort  
Mumbai – 400 001

## NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the Members of Icab Securities & Investment Limited will be held on Friday, September 30, 2011 at 12.15 p.m. at Raja Bahadur Compound, Building No. 5, 43 Tamarind Lane, Mumbai – 400 001 to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2011 and the Profit and Loss Account for the year ended on that date and the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of Mr. Prerit Damani who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in place of Mr. Giriraj Ratan Damani who retires by rotation and is eligible for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. The proxy form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Annual General Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 29, 2011 to Friday, September 30, 2011. (Both days inclusive).
4. Shareholders are requested to send all correspondence in respect of the shares held by them in physical form to the Company's Share Transfer Agents viz. Satellite Corporate Services Pvt. Ltd. Sony Apartment, Opp. St. Jude High School, Off Andheri Kurla Road, Jarimari, Saki Naka, Mumbai – 400 072.  
  
All correspondence with respect to shares held in electronic mode should be sent to the Depository Participant with which you have opened your Demat Account.
5. A member desirous of getting any information on the accounts or operations of the Company or any shares-related matter is requested to forward his/her queries to the Company at least seven days prior to the meeting so that the required information can be made available at the meeting.

**Registered Office:**  
Raja Bahadur Compound, Bldg No.5  
2<sup>nd</sup> Floor, 43 Tamarind Lane, Fort  
Mumbai – 400 001

**By order of the Board**  
  
**Sd/-**  
**Anil Bagri**  
**Managing Director**

**Dated: September 05, 2011**

## Director's Report to the Members

Your Directors have pleasure in presenting before you the Twentieth Annual Report and the audited Accounts for the year ended 31<sup>st</sup> March, 2011.

### Financial Results

	<i>(Rs. in Lakhs)</i>	
	Current Year Ended 31.03.2011	Previous Year Ended 31.03.2010
Sales and Other Income	418.38	140.33
Profit / (Loss) before Depreciation and Tax	153.46	(6.79)
Less: Depreciation	(8.65)	(3.13)
Profit / (Loss) before Tax	144.81	(9.92)
Less: Provision for FBT & Written back	(36.52)	--
Deferred Tax Assets/Liability	(0.27)	0.23
Profit / (Loss) after Tax	108.02	(9.69)
Balance carried to balance sheet	108.02	(9.69)

### Operations:

Despite extremely tough market conditions, we are happy that the company was able to post a reasonable profit. The new operations acquired last year of broking (the trading membership of National Stock Exchange Limited (NSE) and Business of being a Depository Participant of National Securities Depository Limited (NSDL)) has become fully operational without any problems. The company has introduced new trading strategies for its investors to protect capital as well as try and encourage growth.

### Future Prospects:

The company is keeping pace with changes brought about by regulatory authorities and is implementing it in the best possible manner, in the best interests of its investors as well its various clients. The company is introducing more investment avenues to its clients and trying to create value for its investors in this part of the business. Growth for the company is inevitably linked to growth in the Indian Capital Markets, which are going through their share of pain. We are hopeful that with the Indian Government coming out with more business-friendly policies, the Indian Capital Markets will recover (the problems of the Western Developed Nations notwithstanding) and along with them, your company too will go through a period of sustained growth.

### Particulars under Section 217(1)(e) of the Companies Act, 1956

In view of the nature of activities of the Company, the particulars under section 217(1)(e) of the Companies Act, 1956 regarding conservation of energy and technology absorption are not given.

There was no foreign exchange earning or outgo during the year under report.

### Listing:

The shares of the Company are listed on Bombay Stock Exchange Limited and the listing fees for the year 2011-2012 were paid.

### Directors

Mr. Prerit Damani and Mr. Giriraj Ratan Damani, Directors of the company would retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

### Deposits

The Company has not invited Deposits from the public.

## Director's Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors confirm the following:

- i) That in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) That such accounting policies have been selected which have been applied consistently and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company in the Balance Sheet as at the end of the financial year and of the Profit and Loss Account for that period.
- iii) That proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities have been taken;
- iv) That the Annual Accounts have been prepared on a going concern basis.

## Particulars of Employees

The Company does not have any employee whose particulars are required to be given pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## Compliance Certificate:

A Compliance Certificate from a secretary in whole-time practice under section 383A of the Companies Act, 1956 in respect of the financial year ended on March 31, 2011 is attached hereto.

## Auditors

M/s. Bhupendra Shah and Associates, Chartered Accountants, Auditors of the Company, would retire at the ensuing Annual General Meeting, and are eligible for re- appointment.

You are requested to appoint Auditors and fix their remuneration.

## Personnel

Your Company has received the full co-operation and support of its personnel. Your Directors thank them and expect the same support from them in the years to come.

## Corporate Governance

Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges, Reports on Management Discussion & Analysis and on Corporate Governance along with a certificate from the Auditors forms part of this report.

## Acknowledgements

The Board of Directors wishes to thank their Clients, Institutions, Shareholders and the Bankers of the Company for their support and co-operation.

For and on behalf of the Board

Place: Mumbai

September 05, 2011

Sd/-  
Indra Kumar Bagri  
Chairman

## Compliance Certificate

Registration No.: L17100MH1991PLC059848

**Authorized Capital** Rs. 5,00,00,000/-

To

The Members

**IKAB SECURITIES & INVESTMENT LIMITED**

Raja Bahadur Compound,

Building No. 5, 2<sup>nd</sup> Floor,

43, Tamarind Lane, Fort,

Mumbai 400 023

We have examined the registers, records, books and papers of **Ikab Securities & Investment Limited** as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **March 31, 2011**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities as mentioned in the said Annexure.
3. The Company being a Public Limited Company has minimum prescribed paid-up capital and comments relating to Private Limited Company about maximum number of members, invitation to public to subscribe for shares and acceptance of deposits from persons other than its members, directors or their relatives, are not required.
4. The Board of Directors duly met 9 (Nine) times on 01.04.2010, 28.04.2010, 08.06.2010, 30.07.2010, 24.08.2010, 29.10.2010, 16.12.2010, 31.01.2011 and on 28.03.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. (No circular resolution was passed.)

5. The Company has closed its Register of Members from 23.09.2010 to 24.09.2010 for the purpose of Annual General Meeting and necessary compliance of Section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31<sup>st</sup> March, 2010 was held on 24.09.2010 after giving due notice to the members of the company and the resolutions passed thereat were recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loan to its Directors and/or persons or firms or companies referred to in the Section 295 of the Act.
9. The Company has complied with the provisions of Section 297 of the Act in respect of contracts other than supply of services specified in that Section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act during the financial year, the company has not obtained any approvals from the Board of Directors, members or the previous approval of the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13.
  - (i) The Company has delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. There was no allotment of securities during the financial year.
  - (ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - (iii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
  - (iv) There are no unpaid dividends, application money due for refund, matured deposits, matured debentures or the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
  - (v) The Company has duly complied with the requirements of Section 217 of the Act.



14. The Board of Directors of the Company is duly constituted. There was no appointment of directors, additional directors, alternate directors and directors to fill in casual vacancies during the financial year.
15. The Company was not required to appoint any Managing Director /Whole-time Director/ Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such other authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the Company are within the borrowing limits of the company and that necessary resolutions as per section 293(1)(d) of the Act have been passed in duly convened general meeting.

25. The Company has not made any investments, loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year under scrutiny.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The Company has not received money as security from its employees during the financial year.
33. The Company has generally deposited both employees' and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

For Parikh Parekh & Associates

Signature:

Name of Company Secretary: J.U.Poojari

C. P. No. : 8187

Place: Mumbai

Date: 05.09.2011

**IKAB SECURITIES & INVESTMENT LIMITED**

**Annexure 'A'**

**Statutory Registers as maintained by the Company:**

1. Register of Charges u/s 143 of the Act
2. Register of Members u/s 150 of the Act and Index of Members u/s 151 of the Act.
3. Minutes Book of Board Meetings u/s 193 of the Act. (In loose leaf)
4. Minutes Book of General Meetings u/s 193 of the Act. (in loose leaf)
5. Minutes Book of Share Transfer Committee Meetings. (in loose leaf)
6. Minutes Book of Remuneration Committee Meetings. (in loose leaf)
7. Minutes Book of Audit Committee Meetings (in loose leaf)
8. Minutes Book of Shareholders Grievance Committee Meetings. (in loose leaf)
9. Books of Accounts u/s 209 of the Act are being audited by the Statutory Auditors of the Company.
10. Register of Contracts u/s 301 of the Act.
11. Register of disclosure of interest u/s 301 of the Act.
12. Register of particulars of Directors etc. u/s 303 of the Act.
13. Register of Directors' Shareholding u/s 307 of the Act.
14. Register of loans/ Investments u/s 372A of the Act.
15. Register of Renewed and Duplicate Certificates under Rule 7 of the Companies (Issue of Share Certificates) Rules, 1960.

**Other Registers:**

1. Register of Transfers/Transmission
2. Register of Directors' Attendance
3. Register of Shareholders' Attendance

For Parikh Parekh & Associates

Signature:

Place: Mumbai

Name of Company Secretary: J.U.Poojari

Date: 05.09.2011

C. P. No. : 8187

**IKAB SECURITIES & INVESTMENT LIMITED**

**Annexure 'B'**

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ended on March 31, 2011:

Sr. No.	Form No./ Return	Filed under section	For	Date of filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid. Yes/No
1.	Form 23 AC and Form 23ACA along with Annual Report for the year ended 31.03.2010	220	Annual Report for the year ended 31.3.2010	12.10.2010	Yes	N.A.
2.	Form 66 along with Compliance Certificate	383A Companies (Compliance Certificate) Rules, 2001	Compliance Certificate for for the year ended 31.3.2010	12.10.2010	Yes	N. A.
3.	Form 20B along with Annual Return made as on 24.09.2010	159	Annual Return made as on 24.09.2010	12.10.2010	Yes	N. A.

For Parikh Parekh & Associates

Place: Mumbai

Signature:

Date: 05.09.2011

Name of Company Secretary: J.U.Poojari

C. P. No. : 8187

## **MANAGEMENT DISCUSSION AND ANALYSIS:**

This Report is in compliance with Para IV of Clause 49 of the Listing Agreement with the Stock Exchanges, titled "Corporate Governance", which is required to be part of this Annual report to the Shareholders.

### **BUSINESS OVERVIEW:**

The Indian Capital Market is getting the fruits of reforms in the equity market in the recent years like more trading instruments, faster third party trading software, and various incentives and regulations introduced by the government.

The Primary Market (Initial Public Offer and Further Public Offer) was robust and was one of the most preferred ways of fund mobilization by Indian Companies.

The Secondary (Equity) Market witnessed a good bull run the previous year 2010 with the BSE Index creating a high crossing the 20,000 mark in October 2010 from the 14,500 mark in 2009.

The robust Indian Capital Market helped the Company and other participants to generate greater volume of business thereby generating more brokerage income.

### **OPPORTUNITIES AND THREATS:**

The Industry has seen lot of consolidation of business by way of Mergers & Acquisitions and the same trend is continuing. The Company is seeing this as a big opportunity and is in the process of exploiting the potential opportunity.

The rise in Interest rates, higher inflation and slump in Global Capital Market including India is a potential threat to the Company in terms of generation of Income and the Company expects this trend to continue till the end of this year.

### **OUTLOOK:**

The Company's performance shall be influenced to large extent by the prevailing market conditions, which are too positive at present.

However, the Company continues to remain optimistic on the long-term growth story, India and opportunities that it will offer, by consolidation.

### **RISKS AND CONCERNS:**

The Company has no risk or concerns other than faced by Industry as a whole on account of higher interest rates, higher inflation and slump in Global Capital Markets.

## **INTERNAL CONTROL SYSTEMS AND ADEQUACY:**

The Company has established a well-defined internal control system to monitor the occupancy rate and operating cost, which are very critical factors from your Company's performance point of view. Any kind of adverse factors are immediately reported to Board for their analysis and necessary action.

## **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

In view of the provisioning in the accounts, profitability of the company has been affected. The company has taken necessary measures to control the operating cost and judiciously utilize its funds by making temporary investments whenever funds are available.

## **HUMAN RESOURCES:**

Your Company recognizes the value of human resource, which plays a vital role in overall performance of the company. Your Company continues with the policy of outsourcing for all routine jobs to reduce the fixed costs.

## **CAUTIONARY STATEMENT:**

As stated in the beginning, this Report to the Shareholders is, in compliance with the Corporate Governance Standard incorporated in the Listing Agreement with the Stock Exchange and as such cannot be construed as holding out for any forecasts, projections, expectations, invitations, offers, etc. within the meaning of applicable securities laws and regulations. This report basically seeks to furnish information, as laid down within the different headings provided under the sub-head Management Discussions and Analysis to meet the Listing Agreement requirements.

Identified as having been approved by the Board of Directors of Icab Securities & Investment Ltd.

Mumbai  
Dated: September 05, 2011

For Icab Securities & Investment Ltd.

Sd/-  
Anil Kumar Bagri  
Managing Director

# **IKAB SECURITIES & INVESTMENT LIMITED**

## **REPORT ON CORPORATE GOVERNANCE** (Pursuant to clause 49 of the Listing Agreement)

### **1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company's philosophy of Corporate Governance is to protect the long-term interest of the shareholders while respecting interest of other stakeholders and society at large.

Through its corporate governance measures, the Company aims to maintain transparency in its financial reporting and keep all its stakeholders informed about its policies, performance and developments. **IKAB SECURITIES & INVESTMENT LIMITED** will contribute to sustain and strengthen stake-holders' confidence by adopting and continuously improving good corporate practices.

Your Company's Board has laid down identifiable policies and guidelines related to the key elements of corporate governance – transparency, disclosure, supervision and internal control, risk management, internal and external communications, high standard of safety, accounting fidelity, product and service quality. It has also introduced adequate review processes.

The Company is committed to good corporate governance and transparency in its dealings and lays emphasis on integrity and regulatory compliance.

### **2. BOARD OF DIRECTORS**

The Board of Directors of the Company consists of persons with considerable professional expertise and experience in business and industry, finance, management and marketing. The Board is entrusted with the task of managing the Company directly or through delegation of authority either partly or totally as may be found appropriate and reasonable to the Board (within the legal frame work of the Company).

#### **A. Composition of Board:**

The present strength of Board of Directors of the Company is six.

Composition and category of Directors is as follows:

Name of Director	Category	No. of Board Meetings attended	Attendance at the last AGM	Directorship in other Companies including private companies in India	No. of Committees in which Chairman/ Member (other than IKAB Securities & Investment Limited)	
					Member	Chairman
Indra Kumar Bagri	Non Executive Chairman	9	Yes	2	1	1
Shri Anil Bagri	Executive Director	8	Yes	2	1	-
Shri Abhishek Bagri	Director	8	Yes	1	-	-
Shri Giriraj Ratan Damani	I & N.E.D	8	Yes	-	-	-
Shri Prerit Damani	I & N.E.D	4	Yes	1	-	-
Shri. Nikhil Doshi	I & N.E.D	3	Yes	-	-	-

\* I & N.E.D - Independent & Non Executive Director.

Shri Indra Kumar Bagri, Shri Anil Bagri and Shri Abhishek Bagri are related to each other. None of the other directors are related inter se.

#### B. Non Executive Directors & Compensation:

None of the non-executive Directors is paid any remuneration other than sitting fee of Rs. 1000/- for each Director for attending each meeting.

#### Shareholdings of the Directors as on 31-03-2011:

Name of Director	No. of Shares held	% of Total Paid up Capital
Shri Indra Kumar Bagri	868991	25.19
Shri Anil Bagri	185100	5.37
Shri. Abhishek Bagri	224595	6.51
Shri. Nikhil Hasmukh Doshi	-	-
Shri Giriraj Ratan Damani	-	-
Shri Prerit Damani	30000	0.87



### **C. Independent Directors:**

The independent directors are not related to promoters or management at the Board level. They review at every board meeting legal compliance reports prepared by the Company.

### **D. Board Procedure:**

10 (Ten) Board Meetings were held during the year 2010-2011. The dates on which the said meetings were held are as follows:

01.04.2010, 28.04.2010, 08.06.2010, 30.07.2010, 24.08.2010, 24.09.2010, 29.10.2010, 16.12.2010, 31.01.2011 and 28.03.2011

The company has a process to provide the information to the Board as required under Annexure IA to Clause 49 of the Listing Agreement.

Directors have made necessary disclosures about the committee positions, they occupy in other companies.

The company has not entered into any materially significant transactions during the year under report with promoters, directors, senior management personnel etc. other than transactions if any, entered into in the normal course of company's business.

### **E. Details of Directors to be appointed**

The particulars of Directors, who are proposed to be appointed / re-appointed at the forthcoming Annual General Meeting, are given below, as required pursuant to clause 49 of the Listing Agreement:

1. Shri Prerit Damani is MBA in Finance. He has a rich experience of 13 years in Stock Broking and Finance. He holds 30000 Equity shares (0.87% paid up capital) in Company.
2. Shri Giriraj Ratan Damani is commerce graduate. He has a rich experience of 33 years in Stock Broking and Finance. He holds NIL Equity shares (0% paid up capital) in the Company

### **F. Code of Conduct:**

The Board has laid down a code of conduct for Board members and senior management personnel of the company. The board members and senior management personnel have affirmed compliance with the said code of conduct.

### 3. AUDIT COMMITTEE

The Audit Committee is comprised of Qualified, Independent & Non-Executive Directors. The terms of reference to the Audit Committee cover the matters specified under Clause 49 of the Listing Agreement such as oversight of the company's financial reporting process; recommending the appointment/ reappointment of statutory auditors; reviewing with the management annual financial statements; quarterly financial statements and other matters as covered under role of audit committee in Clause 49. The audit committee has powers, inter-alia, to investigate any activity within its terms of reference and to seek information from any employee of the company as well as seek outside legal and professional advice.

The members of audit committee have knowledge on financial matters and majority of them have accounting or related financial management expertise. The Chairman of the audit committee is an independent director.

The statutory auditors and finance personnel are invitees to the meetings of the audit committee.

The audit committee reviews all the information that is required to be mandatorily reviewed by it under corporate governance.

5 (Five) meetings of the Committee were held during the year 2010-2011. The dates on which the meetings were held are as follows:

28.04.2010, 30.07.2010, 24.08.2010, 29.10.2010 and 31.01.2011

Composition and category of Members is as follows:

Name of Director	Category	No. of Meetings Attended
Shri Giriraj Ratan Damani	Independent & Non Executive Chairman	5
Shri Prerit Damani	Independent & Non Executive	5
Shri. Nikhil Doshi	Independent & Non Executive	5
Shri Indra Kumar Bagri	Non Executive	5

### 4. SUBSIDIARY COMPANY

The company has no subsidiary company.

## 5. REMUNERATION COMMITTEE

The Remuneration Committee comprised of the following directors:

- a. Shri Indra Kumar Bagri - Non-independent and Non-Executive Director, Chairman of the Committee.
- b. Shri Prerit Damani - Independent & Non-Executive Director.
- c. Shri Giriraj Ratan Damani - Independent & Non-Executive Director.
- d. Shri. Nikhil Doshi - Independent & Non-Executive Director.

The Remuneration Committee deals with the matters specified in Clause 49 of the listing agreement and also reviews the overall compensation structure and policies of the company.

Details of remuneration/sitting fees paid to the Directors of the Company during the year ended March 31, 2011 are given below

Name of Director	Salary	Perquisites	Commission	Others	Sitting fees	Total
Shri Indra Kumar Bagri	0	0	0	0	9,000	9,000
Shri Anil Bagri	3,286,125	0	0	0	0	3,286,125
Shri. Abhishek Bagri	409,602	0	0	0	0	409,602
Shri. Nikhil Hasmukh Doshi	0	0	0	0	3,000	3,000
Shri. Prerit Damani	0	0	0	0	4,000	4,000
Shri Giriraj Ratan Damani	0	0	0	0	8,000	8,000

Non Executive Directors are not entitled for any remuneration other than the sitting fees. The Company does not have a scheme for grant of stock options.

## 6. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Shareholders' / Investors' Grievance Committee comprised of Independent & Non-Executive Directors viz. Shri Prerit Damani, Shri Giriraj Ratan Damani, Shri Nikhil Doshi and one Non-independent and Non-Executive Director viz. Shri Indra Kumar Bagri. Shri Indra Kumar Bagri is the Chairman of the Committee.

The queries received from investors are being regularly attended to and are being resolved. The Committee reviews these queries. Ms. Smita Nair is the Compliance Officer of the company. The Shareholders'/Investors' Grievance Committee has delegated the power of approving transfer/transmission of shares to share transfer committee which met on fortnightly basis during the year 2010-2011.

No Complaints were received from the shareholders/ Investors of the Company during the year under review. There were no outstanding complaints as on 31<sup>st</sup> March, 2011. There were no shares pending for transfer as of 31<sup>st</sup> March, 2011. There were no grievances outstanding from shareholders as on 31<sup>st</sup> March, 2011.

## 7. GENERAL BODY MEETINGS

Location and time of last three Annual General Meetings:

Year	Venue	Day, Date	Time	Special resolution, if any
2009-2010	Raja Bahadur Compound, Building No. 5, 2 <sup>nd</sup> Floor, Tamarind Lane, Mumbai – 400 023	Friday, 24.09.2010	5.00 p.m.	-----
2008-2009	Raja Bahadur Compound, Building No. 5, 43 Tamarind Lane, Mumbai – 400 023	Thursday, 17.09.2009	11.00 a.m.	-----
2007-2008	Raja Bahadur Compound, Building No. 5, 43 Tamarind Lane, Mumbai – 400 023	Monday, 29.09.2008	12.00 p.m.	(i) Approval for appointment of Shri Anil Bagri as Managing Director (ii) Change of name of the Company

No postal ballot was used for voting at these meetings. At the ensuing Annual General Meeting, there is no item on the agenda that needs approval by postal ballot.

## 8. DISCLOSURES

### *(A) Related Party Transactions*

There were no transactions of a material nature with related parties i.e. with its promoters, directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the company at large. The transactions with related parties as per Accounting Standard AS-18, are set out in notes to accounts in the Annual Report.

### *(B) Risk Management*

The Board of Directors has been informed from time to time about the business risks faced by the Company and the steps taken by the management to face them.

### *(C) Proceeds from Initial Public Offerings (IPOs)*

The Company has not made any IPOs during the year.

## **(D) Management**

A separate report on Management Discussion & Analysis which forms part of the report is annexed.

The Company has complied with the requirements of regulatory authorities on matters related to capital markets and no penalties/structures have been imposed against the Company during the last three years.

Clause 49 of the listing agreement mandates to obtain a certificate from either the Auditors or Practicing Company Secretaries regarding the compliance of conditions of corporate governance stipulated in the clause and annex the certificate with the Directors' Report which is sent annually to all the shareholders. The company has obtained a certificate from the Auditors of the company to this effect and the same is given as an annexure to the Directors' Report.

### **9. WHISTLE BLOWER POLICY:**

The company has not framed whistle blower policy, however, no personnel has been denied access to the audit committee.

The company has not adopted non-mandatory requirements of clause 49. However, the particulars relating to remuneration committee are given in this report.

### **10. POSTAL BALLOT:**

No postal ballots were used for voting at these meetings. At the ensuing Annual General Meeting, there is no item on the agenda that needs approval by postal ballot.

### **11. MEANS OF COMMUNICATION:**

The half-yearly and quarterly results are regularly submitted to the Stock Exchange in accordance with the Listing Agreement and are published in newspapers like Asian Age and Apla Mahanagar. These are not sent individually to the shareholders.

Pursuant to Clause 51 of the Listing Agreement, the Company files Quarterly Results, Annual Report, Corporate Governance Report and Shareholding pattern statement on the Electronic Data Information Filing and Retrieval System (EDIFAR) website maintained by National Informatics Centre(NIC). The information filed by the Company can be accessed in the EDIFAR website viz. [www.sebiedifar.nic.in](http://www.sebiedifar.nic.in) or through a link in the website of SEBI viz. [www.sebi.gov.in](http://www.sebi.gov.in)

The Management Discussion and Analysis Report forms part of this Annual Report

There were no presentations made to the institutional investors or analysts.

## 12. GENERAL SHAREHOLDER INFORMATION

### 11.1 Annual General Meeting

- Date and Time : Friday, September 30, 2011 at 12.15 p.m.
- Venue : Raja Bahadur Compound, Building No. 5,  
2<sup>nd</sup> Floor, 43 Tamarind Lane,  
Fort, Mumbai – 400 001

11.2 Financial Year : April 2011 to March 2012

First quarter results – last week of July\*

Second quarter results – last week of October \*

Third quarter results – last week of January \*

Fourth quarter results – last week of April \*

\* Tentative

11.3 Date of Book Closure : September 29, 2011 to September 30, 2011  
(Both days inclusive)

11.4 Dividend Payment Date : Not applicable.

11.5 Listing on Stock Exchange : Mumbai Stock Exchange Limited

11.6 (a) Stock Code – Physical : 514238 at BSE  
(b) ISIN : INE874A01010

### 11.7 Market Price Data

Table below gives the monthly highs and lows of the Company's shares on the Bombay Stock Exchange Limited (BSE).

High and Low prices of the Company's shares on BSE with corresponding BSE Sensex April 2010 to March 2011				
Months	High		Low	
	Price (Rs.)	BSE Sensex	Price (Rs.)	BSE Sensex
April 2010	15.21	18,047.86	13.80	17,529.55
May 2010	16.50	17,536.86	14.40	15960.15
June 2010	14.25	17,919.62	13.60	16,318.39
July 2010	13.00	18,237.57	11.83	17,395.58
August 2010	18.84	18,475.27	13.04	17,819.99
September 2010	34.10	20,267.98	19.75	18,027.12
October 2010	29.50	20,854.55	24.75	19,768.96
November 2010	26.50	21,108.64	20.75	18,954.82
December 2010	21.90	20,552.03	18.80	19,074.57
January 2011	24.00	20,621.61	21.75	18,038.48
February 2011	22.75	18,690.97	20.70	17,295.62
March 2011	22.25	19,575.16	22.25	17,792.17

11.8 Registrar & Transfer Agents: Satellite Corporate Services Private Limited having their office at B-302, Sony Apartment, Opp. St. Jude High School, Off. Andheri Kurla Road, Jarimari, Sakinaka, Mumbai- 400072, Tel.: +91-22-28520461 / 62 Telefax: +91-22-28511809

#### 11.9 Share Transfer System

Share transfers are registered and duly transferred share certificates are returned to the lodger within a period of thirty days from the date of receipt, if the documents are otherwise in order.

The share transfer committee meets as often as possible to approve transfers and related matters as may be required.

#### 11.10 Distribution of shareholding as on 31<sup>st</sup> March, 2011:

Sr. No.	Range	No. of shareholders	% to total holders	No. of Shares held	% of Capital
1	1 to 500	1149	89.98	185670	5.38
2	501 to 1,000	61	4.78	51560	1.49
3	1,001 to 2,000	21	1.64	27992	0.81
4	2,001 to 3,000	6	0.47	13717	0.40
5	3,001 to 4,000	1	0.08	3203	0.09
6	4,001 to 5,000	4	0.31	19880	0.58
7	5,001 to 10,000	6	0.47	47450	1.38
8	10,001 & above	29	2.27	3100528	89.87
	<b>Total</b>	<b>1277</b>	<b>100.00</b>	<b>3450000</b>	<b>100.00</b>

#### 11.11 Categories of Shareholders as on 31<sup>st</sup> March, 2011:

Category	No. of shares held	Percentage to total share capital
Foreign holding (FIIs, OCBs and NRIs)	0.00	0.00
Financial Institutions/ Banks/ Insurance Companies	0.00	0.00
Mutual Funds and UTI	0.00	0.00
Corporate Bodies	317492	9.20
Directors and their relatives	1738686	50.40
Public	1393822	40.40
<b>Total</b>	<b>3450000</b>	<b>100.00</b>

### 11.12 Dematerialization of shares and Liquidity

As on 31<sup>st</sup> March, 2011, 93.39% of the paid up share capital has been dematerialized. Shares of the Company are infrequently traded.

### 11.13 Address for Correspondence

**Registrar and Share Transfer Agents :**  
Satellite Corporate Services Private Limited  
Unit: Ikab Securities & Investment Ltd.  
Sony Apartment, Opp. St. Jude High School,  
Off. Andheri Kurla Road, Jarimari,  
Mumbai- 400072  
Tel.: + 91 22 28520461/462  
Telefax: 91 22 28511809

**Compliance Officer**  
Ms. Smita Nair  
Compliance Officer  
Ikab Securities & Investment Ltd.  
Raja Bahadur Compound  
Bldg. No. 5, 43 Tamarind Lane  
Fort, Mumbai - 400 001  
Tel: 4046 3500 Fax: 4046 3534

### 13. CEO/CFO Certification:

A certificate from the Managing Director of the company in terms of clause 49 (V) of the Listing agreement was placed before the Board at its meeting held on 05.09.2011 to approve the audited annual accounts for the year ended 31<sup>st</sup> March 2011.

### 14. DECLARATION

As provided under clause 49 of the listing agreement with the Stock Exchange, the Board members and the senior management personnel have affirmed compliance with the code of conduct for the Board of directors and senior management for the year ended 31<sup>st</sup> March 2011.

Place: Mumbai  
Dated: September 05, 2011

For Ikab Securities & Investment Ltd.

Sd/-  
Anil Kumar Bagri  
Managing Director



**Auditor's Certificate on Compliance of conditions of Corporate Governance under clause 49 of the Listing Agreement(s)**

**To the members of  
Ikab Securities & Investment Limited**

We have examined the compliance of conditions of Corporate Governance by Ikab Securities & Investment Limited for the year ended on 31<sup>st</sup> March 2011 as stipulated in Clause 49 of the Listing Agreement of the Company with the stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us we certify that Company has complied with the conditions of Corporate Governance except as stated in note no.11 of Schedule 'N' of the annual report as stipulated in the above-mentioned Listing Agreements.

As required by the Guidance Notes issued by the Institute of Chartered Accountants of India, we state that no investor grievance are pending for a period exceeding one month as at 31<sup>st</sup> March 2011 against the Company as per the records maintained by the Investors' / Shareholders' Grievance Committee

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 Bhupendra Shah & Associates  
Chartered Accountants  
(Firm Registration No: 101454 W)  
Sd/-  
Bhupendra Shah  
Proprietor  
Membership No.33640**

**Place: Mumbai  
Date : September 5, 2011**

## **Auditor's Report**

We have audited the attached Balance Sheet of **Ikab Securities & Investment Limited** as on 31<sup>st</sup> March 2011 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. 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.

- A) We have conducted our audit in accordance with 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.
- B) As required by the Companies (Auditor's Report) Amendment Order, 2004 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure hereto a statement of the matters specified in the paragraphs 4 and 5 of the said Order.
- C) Further to our comments in the paragraph (B) above, we report that:
1. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  2. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books of accounts.
  3. The Balance Sheet and the Profit and Loss Account and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  4. In our opinion, the Balance Sheet and the Profit and Loss Account dealt with by this Report have been prepared in compliance with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable.
  5. On the basis of the written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**Auditor's Certificate on Compliance of conditions of Corporate Governance under clause 49 of the Listing Agreement(s)**

**To the members of  
Ikab Securities & Investment Limited**

We have examined the compliance of conditions of Corporate Governance by Ikab Securities & Investment Limited for the year ended on 31<sup>st</sup> March 2011 as stipulated in Clause 49 of the Listing Agreement of the Company with the stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us we certify that Company has complied with the conditions of Corporate Governance except as stated in note no.11 of Schedule 'N' of the annual report as stipulated in the above-mentioned Listing Agreements.

As required by the Guidance Notes issued by the Institute of Chartered Accountants of India, we state that no investor grievance are pending for a period exceeding one month as at 31<sup>st</sup> March 2011 against the Company as per the records maintained by the Investors' / Shareholders' Grievance Committee

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 Bhupendra Shah & Associates  
Chartered Accountants  
(Firm Registration No: 101454 W)  
Sd/-  
Bhupendra Shah  
Proprietor  
Membership No.33640**

**Place: Mumbai  
Date : September 5, 2011**

## Annexure to Auditor's Report

(Referred to in Paragraph B of our report on even date of Ikab Securities & Investment Limited for the year ended 31/03/2011)

**1) In respect of Fixed Assets**

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. We are informed that no material discrepancies were noticed by the management on such verification.
- c) The Company has not disposed of any substantial part of fixed assets during the year. The disposal of the fixed assets by the company during the year has not affected the going concern assumption.

**2) In respect of its Inventory**

- a) As explained to us, and according to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals during the year by the management.
- b) In our opinion the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of inventory and no material discrepancies were noticed on physical verification as compared to the book records.

**3) In respect of Loans Given / Taken**

The Company neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

**4) In respect of Internal Control Procedure**

In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, sale of inventory and fixed assets. During the course of our audit, we have not observed any major weakness in internal controls.

**5) In respect of transactions covered u/s 301 of the Companies Act, 1956.**

- a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that needed to be entered into the register needed to be maintained u/s 301 of the Companies Act have been so entered.
- b) In our opinion and according to the information and explanations given to us, there are transactions in pursuance of contracts or arrangements entered in the register maintained u/s 301 of the Companies Act aggregating during the year to Rs. 5,00,000/- [Rs. Five lakhs only] or more in respect of parties. Each of these transactions has 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 Public.**

- 7) The Company has No formal system of Internal Audit in operation. However the internal control system of the Company is commensurate with its size and nature of its business.
- 8) The Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 in respect of the Company.
- 9) In respect of Statutory Dues:
  - a) According to the records of the Company, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income tax, Service Tax , Wealth Tax , etc and any other statutory dues with the appropriate authorities According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31-3-2011 for a period of more than six months from the date they became payable.
  - b) The Company does not have any disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities.
- 10) The Company has not incurred cash losses in this financial year. Moreover there are no accumulated losses at the end of the financial year.
- 11) Monitoring of Loans taken from Banks/Financial Institutions etc.
  - a) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that, the Company has not defaulted in repayment of dues to any bank.
  - b) The Company has taken short term loan from Bank against half of the Fixed Deposit given to the bank and utilized for the purpose of margin money required by the Stock Exchanges.
  - c) The funds raised on short-term basis have not been used for long-term investment and vice versa.
  - d) The Company has not issued any debentures.
- 12) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or other financial institutions.
- 13) The Company has maintained proper records of the transactions and contracts in respect of shares, securities, debentures and other securities and timely entries have been made therein; All shares, debentures and other securities have been held by the Company in its own name except to the extent of the exemption, if any, granted under section 49 of the Companies Act, 1956.
- 14) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- 15) In our opinion, the Company is not a chit fund or a Nidhi /or mutual benefit fund / society. Therefore, clause 4(xiii) of the Companies (Auditors Report) Amendment Order 2004 is not applicable to the Company.

- 16) The Company has not made any preferential allotment of shares during the year.
- 17) The Company has not raised any money by way of Public Issue during the year.
- 18) In our opinion and according to the information and explanations given to us no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.
- 19) On the basis of written representation received from the directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of Companies Act, 1956.

**For BHUPENDRA SHAH & ASSOCIATES**  
**Chartered Accountants**  
**(Firm Registration No: 101454 W)**

**Sd/-**  
**(Bhupendra Shah)**  
**Proprietor**  
**Membership No. 33640**

**Place: Mumbai**  
**Date : September 5, 2011**

Balance Sheet as at 31st March, 2011

Schedule	As at 31-03-2011		As at 31-03-2010	
	Rs.	Rs.	Rs.	Rs.
<b>SOURCES OF FUNDS</b>				
<b>Shareholder's Funds</b>				
Share Capital	A	34,312,000		34,312,000
Reserves and Surplus	B	46,752,365		35,950,664
Secured Loans	C	-		6,376,688
Unsecured Loans	C1	-		5,000,000
<b>Total</b>		<b>81,064,365</b>		<b>81,639,352</b>
<b>APPLICATION OF FUNDS</b>				
<b>Fixed Assets</b>				
Gross Block	D	9,720,804	3,422,292	
Less : Depreciation		(2,581,126)	(1,716,608)	
Net Block		7,139,678		1,705,684
Investments	E	6,272,382		6,272,382
<b>Current Assets</b>				
Loans and Advances	F	57,319,855	56,524,069	
	G	46,482,781	24,336,166	
		103,802,636	80,860,235	
Less : Current Liabilities & Provisions	H	(36,253,585)	(7,329,795)	
Net Current Assets		67,549,051		73,530,440
Deferred Tax Assets		103,254		130,846
<b>Total</b>		<b>81,064,365</b>		<b>81,639,352</b>
Notes on Accounts	M			

Notes on Accounts

Schedules attached forming part of Accounts.

As per our report of even date attached.

For Bhupendra Shah & Associates  
Chartered Accountants  
(Firm Registration No:101454W)  
sd/-  
Bhupendra Shah  
Proprietor  
Membership No : 33640

Place : Mumbai  
Date : September 5, 2011

For and on behalf of the Board

Indra Kumar Bagri sd/- Chairman  
Anil Kumar Bagri sd/- Director

Place : Mumbai  
Date : September 5, 2011

**Profit and Loss Account for the year ended 31st March, 2011**

Schedule	For the year ended 31-03-2011		For the year ended 31-03-2010	
	Rs.	Rs.	Rs.	Rs.
<b>INCOME</b>				
Brokerage				
Depository Income	18,303,124		4,755,545	
Income from Trading in Securities and Derivatives	721,949		0	
Other Income	22,125,503		(6,077,867)	
	<u>687,588</u>	41,838,164	<u>15,355,584</u>	14,033,262
<b>EXPENDITURE</b>				
Interest				
Employee Remuneration and Benefits	1,580,291		8,978,738	
Establishment and Other Expenses	9,153,564		3,290,084	
Depreciation	15,758,550		2,443,884	
	<u>864,519</u>	27,356,924	<u>312,904</u>	15,025,610
Profit before Taxation				
Provision for Income Tax		14,481,240		(992,348)
Deferred Tax Assets / Liabilities		(3,651,947)		
		<u>(27,592)</u>		<u>22,938</u>
Profit after Taxation		<u>10,801,701</u>		<u>(969,410)</u>
Balance transferred to Balance Sheet		<u>10,801,701</u>		<u>(969,410)</u>
Notes on Accounts				

Schedules attached forming part of Accounts.

As per our Report of even date attached.

For Bhupendra Shah & Associates  
Chartered Accountants  
(Firm Registration No:101454 W)

sd/-  
Bhupendra Shah  
Proprietor  
Membership No : 33640

Place : Mumbai  
Date : September 5, 2011

For and on behalf of the Board

Indra Kumar Bagri sd/- Chairman  
Anil Kumar Bagri sd/- Director

Place : Mumbai  
Date : September 5, 2011



(Schedules 'A' to 'M' attached to and forming part of the Accounts for the year ended 31st March, 2011)

	As on 31-03-2011		As on 31-03-2010	
	Rs.	Rs.	Rs.	Rs.
<b>Schedule A - Share Capital</b>				
Authorised Capital : 5,000,000 (PY 5,000,000) Equity Shares of Rs. 10/- each		50,000,000		50,000,000
Issued, Subscribed and Paid-up Capital : 3,450,000 (PY 3,450,000) Equity Shares of Rs. 10/- each fully paid-up in cash. Less : Calls in Arrears		34,500,000 (188,000)		34,500,000 (188,000)
		<u>34,312,000</u>		<u>34,312,000</u>
<b>Schedule B - Reserves and Surplus</b>				
<b>Profit and Loss Account</b>				
Opening Balance	35,950,664		36,920,074	35,950,664
Profit / Loss during the year	<u>10,801,701</u>	46,752,365	<u>(969,410)</u>	<u>35,950,664</u>
		<u>46,752,365</u>		<u>35,950,664</u>
<b>Schedule C - Secured Loans</b>				
<b>From Banks :</b>				6,376,688
HDFC Bank Over Draft (Secured by Mortgage of Flat of Director)				<u>6,376,688</u>
<b>Schedule C1 - Unsecured Loans</b>				
<b>From Others :</b>				5,000,000
Bhootnath Vinimay Pvt Ltd				<u>5,000,000</u>
<b>Schedule E - Investments (at cost other than trade)</b>				
<b>Fully Paid</b>				
<b>(I) Unquoted</b>				5,715,882
1. 5,438 (PY 5,438) Equity Shares of Bombay Stock Exchange Ltd. of Rs. 10 each (Fully Paid up in Cash)				5,715,882
2. 65,256 (PY 65,256) Bonus Equity Shares of Bombay Stock Exchange Ltd. of Rs. 10 each (Fully Paid up in Cash) of Rs. 10 each (Fully Paid up in Cash)				
3. Nil (PY 43) Non cumulative Redeemable convertible debenture of Emerging Equities Pvt. Ltd. of Rs 6.00 Lacs Each, Fully Paid up debenture.				
<b>(II) Quoted</b>		556,500		556,500
1. 1,750 (PY 1,750) Equity Shares of Bombay Burmah of Rs. 10 Each (Fully Paid in Cash) Market Value: (CY 691,775 /-) (PY 615,912/-)				<u>6,272,382</u>
		<u>5,715,882</u>		<u>5,715,882</u>
<b>Total : Unquoted (Cost) -/-</b>		556,500		556,500
<b>Total : Quoted (Cost) -/-</b>		691,775		615,912
<b>Total : Quoted (Market Value) -/-</b>				

Schedule F - Current Assets	For the year ended 31-03-2011		For the year ended 31-03-2010	
	Rs.	Rs.	Rs.	Rs.
Stock in Trade (Valued at Lower of Cost or Market Value)		9,764,150		43,993,832
Sundry Debtors (unsecured, considered good) Outstanding for more than 6 months		-		-
Others	4,020,633	4,020,633	603,097	603,097
Cash in Hand (as verified by Directors)		90,982		90,730
Balance with Scheduled Banks in Current Accounts		13,694,090		2,086,410
Fixed Deposits with Scheduled Banks		29,750,000		9,750,000
		<u>57,319,855</u>		<u>56,524,069</u>

**Schedule G - Loans and Advances (Unsecured, Considered Good)**

Advances :				
Taxes Paid (Income Tax, FBT & STT)	5,587,777		2,536,263	
Advances recoverable in cash or kind or for value to be received	40,289,345	45,877,122	21,472,661	24,008,924
Income Receivable		605,659		327,242
		<u>46,482,781</u>		<u>24,336,166</u>

**Schedule H - Current Liabilities and Provisions**

**Current Liabilities :**

**Sundry Creditors**

Due to Small and Micro industries				
Clients Margin / Creditors for Shares	31,316,800		6,793,184	
Sundry Creditors for Expenses	661,075		158,679	
FBT / Tax / TDS Payable	588,763	32,566,638	342,932	7,294,795

**Provisions :**

Provision for Income Tax

Opening Balance	35,000		35,000	
Less : Adjusted during the year				
Add : Provided during the year	3,651,947	3,686,947		35,000
		<u>36,253,585</u>		<u>7,329,795</u>

**Schedule I - Income from Trading in Securities and Derivatives**

Sales		279,830,245		265,580,150
Opening Stock	43,993,832		2,694,090	
Add : Purchases	224,145,516	268,139,348	304,230,249	306,924,339
Less : Closing Stock (Cost or market whichever is lower)		9,764,150		43,993,832
Profit on Securities Trading		21,455,047		2,649,643
Profit / Loss on Derivatives		670,456		(8,727,510)
		<u>22,125,503</u>		<u>(6,077,867)</u>

**Schedule J - Other Income**

Miscellaneous Income		687,588		335,015
Advisory / Processing / Consultancy Fees (TDS CY Rs. Nil ; PY Rs.1,213,300/-)				15,020,569
		<u>687,588</u>		<u>15,355,584</u>

**Schedule K - Interest**

Interest Paid		4,531,478		9,898,162
Less:				
Interest from Banks (Gross) / Others (TDS CY Rs. 277,083/- ; PY Rs. 98,192/-)		2,951,187		919,424
		<u>1,580,291</u>		<u>8,978,738</u>

For the year ended 31-03-2011  
Rs.

For the year ended 31-03-2010  
Rs.

**Schedule L - Employees Remuneration and Benefits**

Salaries and Bonus		8,874,800		3,215,891
Staff Welfare Expenses		278,764		74,193
		<u>9,153,564</u>		<u>3,290,084</u>

**Schedule M - Establishment and Other Expenses**

Advertisement Expenses		34,956		26,914
Auditor's Remuneration :				
Audit Fees	35,000		35,000	
Tax Audit	15,000		15,000	
Taxation & Others	10,000	60,000	10,000	60,000
Bad Debts		275,460		420,061
Bank Charges		674,691		229,063
Board Sitting Fees		21,000		27,000
Business Development Expenses		785,885		87,028
Conveyance / Travelling Expenses		2,130,827		171,486
Depository Charges		380,241		64,566
Donation		995,000		-
Electricity & Insurance Charges		843,587		35,512
Exchange Trading Charges		3,724,382		346,602
Legal and Professional Expenses		1,331,645		384,741
Loss on Sale of Assets		157,053		-
Membership, Subscription & Registration		260,090		40,000
Postage & Courier Expenses		86,942		22,102
Printing & Stationery Expenses		466,185		169,963
Repairs and Maintenance		1,076,686		29,761
Rent / Rates / Taxes		1,527,812		228,473
Sundry Expenses		234,132		50,000
Telephone Charges		691,976		50,612
		<u>15,758,550</u>		<u>2,443,884</u>

**Schedule N - Notes on Accounts**

- 1) In the opinion of the Management, the Current Assets and Loans and Advances are not less than the value stated, if realised in the ordinary course of business.
- 2) Figures of the previous year have been regrouped and recast wherever necessary so as to make them comparable with those of the current year.
- 3) Quantitative and other information in respect of Purchases and Sales are as follows :

	Unit	Quantity		Amount (Rs.)	
		Current Year	Previous Year	Current Year	Previous Year
Purchases (Shares)	Nos.	2,446,820	2,996,645	224,145,516	304,230,249
Sales (Shares)	Nos.	2,896,267	2,613,492	279,830,245	265,580,150
4) Details of Stock in Trade :					
	Unit	Quantity		Amount (Rs.)	
		Current Year	Previous Year	Current Year	Previous Year
Opening Stock (Shares)	Nos.	466,208	83,055	43,993,832	2,694,090
Closing Stock (Shares)	Nos.	16,761	466,208	9,764,150	43,993,832

5) Balance Sheet Abstract and Company's General Business Profile :

I) Registration Details :

Registration Number : 59848 State Code : 11  
 Balance Sheet Date : 31-Mar-11

II) Capital Raised during the year (Rs. in Lakhs) :

Public Issue : Nil  
 Bonus Issue : Nil  
 Private Placement : Nil  
 Rights Issue : Nil

III) Position of Mobilisation and Deployment of Funds (Rs. in Lakhs) :

Total Liabilities	1,173.18	Total Assets	1,173.18
<b>Sources of Funds</b>		<b>Application of Funds</b>	
Paid-up Capital	343.12	Net Fixed Assets	71.40
Reserves and Surplus	467.52	Investments	62.72
Secured Loans	-	Net Current Assets	675.49
Un Secured Loans	-	Deferred Tax Assets	1.03
	<b>810.64</b>		<b>810.64</b>

IV) Performance of Company (Rs. in Lakhs) :

Total Turnover 418.38  
 Total Expenditure 273.57  
 Profit / (Loss) before Tax 144.81  
 Provision for Taxes (36.80)  
 Profit / (Loss) after Tax 108.02  
 Earning Per Share (Rs.) 3.15  
 Dividend Rate (Equity) 0.00

V) Generic Name of three Principal Products of the Company (as per Monetary Terms) :  
 Not Applicable (The Company is dealing in Shares and Securities)

6) Significant Accounting Policies :

- a) The Company follows the Accrual System of accounting for all Income, Expenditure, Assets & Liabilities.
- b) Stock in Trade is valued at Cost or Market Value, whichever is lower.
- c) Long term Investments are carried at cost less provisioned, if any, for permanent diminution in value of such investment.
- d) Fixed Assets are stated at Cost less Depreciation.
- e) Depreciation on Fixed Assets is provided for as per the Straight Line Method on pro-rata basis at the rates and in the manner prescribed by the Schedule XIV of the Companies Act, 1986.
- f) Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provision of Income Tax Act 1961
- g) Deferred Tax is recognised 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/ Liabilities in respect of depreciation on fixed assets is recognised if there is reasonable certainty that there will be sufficient future taxable income to realise such assets / liabilities. Moreover, deferred tax is shown net of deferred tax assets and deferred tax liabilities. Depreciation as per Company Rs. 864,519/-, Dep. as per Income Tax Rs. 956,493/-, Bal Rs. 91,974/-  
 DTL = 91,974, \* 30% = Rs. 27,592/-
- h) In view of the smallness of liability and uncertainty, retirement benefits have not been provided for as per AS 15.
- i) If internal / external indications suggest that an asset of the company may be impaired, the recoverable amount of asset / cash generating asset is determined on the Balance Sheet date and if it is less than its carrying amount, the carrying amount of the asset / cash generating unit is reduced to the said recoverable amount. The recoverable amount is measured as the higher of net selling price and value in use of such assets / cash generating unit, which is determined by the present value of the estimated future Cash Flows. As at the Balance Sheet date, there was no such indication.
- j) The Company has no other segment except that of securities. Therefore segment accounting as of AS - 17 is not required.

7) The Company has no outstanding dues to small-scale industrial undertakings as on 31st March, 2011

- 8) (A) The Company is contingently liable to HDFC Bank, Fort Branch for Rs. 425.00 Lakhs (PY Rs. 175.00 Lakhs) towards Bank Guarantees issued by the bank in favour of The Bombay Stock Exchange, and NSCCL against which Bank is holding Fixed Deposits of Rs. 106.25 Lakhs (PY Rs. 87.50 Lakhs).  
 The Company is contingently liable to the Directors for the collateral personal guarantee given by them for the same.
- (B) The Company is contingently liable on account of Gratuity up to 31/03/2011 is Rs. 1,838,044 /- (PY Rs. 841,629/-)  
 Other benefits like leave encashment are accounted on accrual basis.
- (C) The Company has given counter guarantee to HDFC Bank towards Guarantee given by HDFC Bank to Oasis Securities Ltd a company in which directors are interested, for Rs Nil (PY Rs. 450.00 Lakhs).
- (D) The Company is contingently liable to Director for the Guarantee given to HDFC Bank for Overdraft Facility upto Approx Rs. 3.00 Cr (P.Y. 3.00 Cr).
- (E) Fixed Deposit of Rs 37.50 Lacs pledge with the bank for availing Short Term Loan of Rs 75.00 Lacs (P.Y. Rs Nil)

**Schedule N - Notes on Accounts (cont'd)**

9) Debts due by Directors: Rs.Nil (PY Rs. Nil); Maximum Balance due by directors during the year Rs.12,602,173/- (PY Rs. 16,825,413/-)

10) Debts due from Companies under the same management:  
Oasis Securities Ltd. Rs.Nil (PY Rs. Nil)

Maximum Balance due during the year from the above Companies  
Oasis Securities Ltd Rs.8,456,029/- (PY Rs. 4,471,923/-)

11) During the year remuneration of Rs.3,355,800/- (PY Rs. 706,880/-) has been paid to the Wholetime Directors along with allowances of Rs19,200/- (PY Rs. 19,200) and the same is within the limits prescribed in the Companies Act. However the same is yet to be approved by general body as per schedule - XIII

Name of Director	Salaries & Allowances	Contribution to Provident Fund	Total
Anil Kumar Bagri	3,000,000	286,125	3,286,125
Abhishek Bagri	375,000	34,602	409,602
Total	3,375,000	320,727	3,695,727

12) Overdraft Account with the bank is secured by personal guarantee of Directors as well as the flat belonging to Director.

13) Related Party Disclosures are as per Annexure 'A'.

14) Other Information pursuant to Schedule VI of the Companies Act, 1956 is either Nil or Not Applicable.

Schedules attached forming part of Accounts.

As per our Report of even date attached.

**For Bhupendra Shah & Associates**  
**Chartered Accountants**  
**(Firm Registration No:101454 W)**  
sd/-  
**Bhupendra Shah**  
**Proprietor**  
**Membership No : 33640**

**Place : Mumbai**  
**Date : September 5, 2011**

**For and on behalf of the Board**

**Indra Kumar Bagri sd/-**  
**Anil Kumar Bagri sd/-**  
**Chairman**  
**Director**

**Place : Mumbai**  
**Date : September 5, 2011**

**Schedule D - Fixed Assets As Per Companies Act, 1956 (FY 2010-2011)**

Particulars	Rate %	Gross Block		Depreciation		Net Block					
		As on 1-Apr-10 Rs.	Addition During Yr Rs.	Deletion During Yr Rs.	As On 31-Mar-11 Rs.	Up to 1-Apr-10 Rs.	Provided for the Yr Rs.	Deletion During Yr Rs.	Up to 31-Mar-11 Rs.	As on 31-Mar-10 Rs.	
Air Conditioner	4.75	332,188	120,510	-	452,698	122,806	21,503	-	144,309	308,389	209,382
Computer Software	16.21	342,320	537,792	-	880,112	256,515	116,705	-	373,220	506,892	85,805
Computers	16.21	172,000	827,477	-	999,477	79,824	92,107	-	171,931	827,546	92,176
EPABX System	4.75	-	73,440	-	73,440	-	3,488	-	3,488	69,952	-
Fax Machine	4.75	20,010	6,746	-	26,756	9,846	1,270	-	11,116	15,640	10,164
Furniture & Fixture	6.33	729,209	660,568	-	1,389,777	501,913	87,973	-	589,886	799,891	227,296
Motor Car	9.50	1,720,136	3,992,054	222,053	5,490,137	691,519	521,563	-	1,213,082	4,277,055	1,028,617
Motor Cycle	9.50	-	24,570	-	24,570	-	2,335	-	2,335	22,235	-
Office Equipments	4.75	-	38,550	-	38,550	-	1,831	-	1,831	36,719	-
Printer	4.75	60,529	85,286	-	145,815	30,261	6,926	-	37,187	108,628	30,268
Television	4.75	45,900	132,465	-	178,365	23,923	7,815	-	31,738	146,627	21,977
Photocopier Machine	4.75	-	21,107	-	21,107	-	1,003	-	1,003	20,104	-
<b>Total</b>		<b>3,422,292</b>	<b>6,520,565</b>	<b>222,053</b>	<b>9,720,804</b>	<b>1,716,607</b>	<b>864,519</b>	<b>-</b>	<b>2,581,126</b>	<b>7,139,678</b>	<b>1,705,685</b>
<b>Previous Year</b>		<b>3,366,910</b>	<b>55,382</b>	<b>-</b>	<b>3,422,292</b>	<b>1,403,704</b>	<b>312,904</b>	<b>-</b>	<b>1,716,608</b>	<b>1,705,685</b>	<b>1,963,206</b>

## **Auditor's Report**

To  
Ikab Securities and Investment Ltd  
Raja Bahadur Compound,  
Bldg No 5, 2<sup>nd</sup> floor  
43 Tamarind Lane, Fort  
Mumbai – 400 001

We have examined the attached Cash Flow Statement of Ikab Securities and Investment Ltd. for the year ended 31<sup>st</sup> March 2011. We have also examined the relevant Statements in this respect for the year ended 31<sup>st</sup> March 2011. The Statement has been prepared by the Company in accordance with the requirement of the Listing Agreement Clause 32 with the Bombay Stock Exchange Ltd and is based on and in agreement with the corresponding Profit and Loss Account Sheet of the Company covered by our Report dated 05<sup>th</sup> September 2011 to the members of the Company.

**For BHUPENDRA SHAH & ASSOCIATES**  
**Chartered Accountants**  
**(Firm Registration No:101454 W)**

**Sd/-**  
**(Bhupendra Shah)**  
**Proprietor**  
**Membership No: 33640**

**Place: Mumbai**  
**Date : September 5, 2011**

	For the year ended 31-03-2011		For the year ended 31-03-2010	
	Rs.	Rs.	Rs.	Rs.
<b>Cash Flow from Operating Activities</b>				
Net Profit / (Loss) before Taxes				
(A) Adjustments for:		14,481,240		(992,348)
Depreciation			312,904	
Interest	864,519		(919,424)	
Miscellaneous Income	(2,951,187)		(335,015)	
Profit / Loss on Sale of Assets	(687,588)			
Operating Profit before Working Capital Changes	157,053	(2,617,203)		(941,535)
(B) Adjustments for:				
(Increase) / Decrease in Sundry Debtors	(3,417,536)		690,445	
(Increase) / Decrease in Inventories	34,229,682		(41,299,742)	
(Increase) / Decrease in Loans and Advances	(19,095,101)		2,259,759	
Increase / (Decrease) in Sundry Creditors	25,271,843		1,617,916	
Cash Generated from Operations		36,988,888		(36,731,622)
<b>Less: Tax Paid during the year (Net)</b>		(3,051,514)		(1,477,563)
<b>Net Cash from Operating Activities ( A )</b>		45,801,411		(40,143,068)
<b>Cash Flow from Investing Activities</b>				
Purchase of Fixed Assets	(6,520,565)		(55,382)	
Purchase of Investments				
Interest received	2,951,187		919,424	
Miscellaneous Income received	687,588		335,015	
Sale of Assets / Investments	65,000		27,675,000	
<b>Net Cash (Used In) / From Investing Activities ( B )</b>		(2,816,790)		28,874,057
<b>Cash Flow from Financing Activities</b>				
Profit / Loss adjusted during the year				
Increase / (Decrease) in Secured Loans	(6,376,688)		6,230,325	
Increase / (Decrease) in Un Secured Loans	(5,000,000)		5,000,000	
<b>Net Cash (Used In) / From Financing Activities ( C )</b>		(11,376,688)		11,230,325
<b>Net Increase / (Decrease) in Cash (A+B+C)</b>		31,607,933		(38,686)
Cash and Cash Equivalents at beginning of the year		11,927,140		11,965,826
Cash and Cash Equivalents at end of the year		<u>43,535,073</u>		<u>11,927,140</u>
As per our Report of even date attached.		43,535,073		11,927,140

For Bhupendra Shah & Associates  
Chartered Accountants  
(Firm Registration No: 101454 W)  
sd/-  
Bhupendra Shah  
Proprietor  
Membership No : 33640

Place : Mumbai  
Date : September 5, 2011

For and on behalf of the Board

Indra Kumar Bagri sd/-  
Anil Kumar Bagri sd/-

Chairman  
Director

Place : Mumbai  
Date : September 5, 2011



**IKAB SECURITIES & INVESTMENTS LTD.**

Sr.No.	Name of the Related Party	Nature of Relationship	Brokerage Received (Rs.)	Nature of Transaction or Volume Directors Remuneration (Rs.)	Board Sitting Fees(Rs.)	Maximum Margin Received(Rs.)	Margin on 31/03/11 (Rs.)	Other Elements of Transaction	Provision For Doubtful Debts	Amount w/off In Respects of Debts
1	Indra Kumar Bagri	Self	5,345,359	-	8,000	15,500,000	-	N.A	-	-
2	Kumkum Bagri	Spouse of Indra Kumar Bagri	13,287	-	-	-	-	N.A	-	-
3	Anil Kumar Bagri	Managing Director	4,399	3,286,125	-	-	-	N.A	-	-
4	Archana Bagri	Spouse of Anil Bagri	175,126	-	-	2,000,000	-	N.A	-	-
5	Amit Kumar Bagri	Son of Indra Kumar Bagri	6,110	-	-	-	-	N.A	-	-
6	Pooja Bagri	Spouse of Amit Bagri	6,373	-	-	-	-	N.A	-	-
7	Abhishek Bagri	Whole Time Director	50,184	409,602	-	-	-	N.A	-	-
8	Aakriti Bagri	Spouse of Abhishek Bagri	6,210	-	-	-	-	N.A	-	-
9	Giriraj Damani	Director	22,281	-	7,000	-	-	N.A	-	-
10	Kiran Damani	Spouse of Giriraj Damani	14,180	-	-	-	-	N.A	-	-
11	Anirudh Damani	Son of Giriraj Damani	4,760	-	-	-	-	N.A	-	-
12	Prent Damani	Director	606	-	3,000	-	-	N.A	-	-
13	Avantika Damani	Spouse of Prent Damani	622	-	-	-	-	N.A	-	-
14	Kamal Damani	Father of Prent Damani	1,452	-	-	-	-	N.A	-	-
15	Sapna Damani	Mother of Prent Damani	621	-	-	-	-	N.A	-	-
16	Nikhil Doshi	Director	-	-	3,000	-	-	N.A	-	-
17	Oasis Securities Limited	Company under same Management	545,680	-	-	4,600,000	-	N.A	-	-