

Arihant's Securities Limited

Regd. Office : No. 138, Dr. Radhakrishnan Salai, Mylapore, Chennai 600 004.
Tel : (044) 28444555, 43434000 Fax : (044) 43434030
Email : arihantssecurities@gmail.com CIN No. : L65993TN1994PLC027783



NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the members of the Company will be held at the Registered Office of the Company at No. 138, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600 004 on Tuesday, 30th September, 2014 at 9.30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Balance Sheet as at 31.03.2014, the Profit & Loss account for the period from 01.04.2013 to 31.03.2014 and to consider the reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Ravikant Choudhry (DIN: 00831721), Director who retires by rotation and being eligible offers himself for reappointment.
3. To appoint M/s. N.R. Krishnamoorthy & Co (FRN : 001492S), Chartered Accountants, Chennai, the retiring auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the sixth Annual General Meeting to be held after this meeting, subject to ratification in subsequent Annual General Meeting, on remuneration to be fixed by the Board of Directors."

SPECIAL BUSINESS:

4. To consider and to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 152, 196, Schedule V and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to vary the Ordinary Resolution passed in the 18th Annual General Meeting held on 30th November, 2012 in relation to re-appointment of Mr. Nishikanth Mohanlal Choudhary (DIN: 02142746) as Managing Director of the Company, from 'director not liable to retirement by rotation' to 'director liable to retire by rotation' and that the other terms and conditions of re-appointment of Mr. Nishikanth Mohanlal Choudhary as Managing Director, shall remain same for the balance period of his tenure."

5. To consider adoption of the following resolution, with or without modification(s), as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Sections 149, 152, Schedule IV and other applicable provisions if any of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Ajitkumar Chordia (DIN: 00049366), Director of the Company whose period of office is liable to retirement by rotation as per the Companies Act, 1956, who has submitted a declaration that he meets the criteria of Independence and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for a period of five (5) years with effect from 30th September, 2014."

"RESOLVED FURTHER THAT Mr. Nishikanth Mohanlal Choudhary (DIN: 02142746), Managing Director of the Company be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

6. To consider adoption of the following resolution, with or without modification(s), as an **Ordinary Resolution**:

THAT pursuant to Sections 149, 152, Schedule IV and other applicable provisions, if any of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Narendra B Bhatt (DIN:06964939) who is eligible for appointment, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for a period of five (5) years with effect from 30th September, 2014."



“RESOLVED FURTHER THAT the Mr. Nishikanth Mohanlal Choudhary (DIN: 02142746), Managing Director of the Company be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

7. To consider and if though fit, to pass with or without modification(s) the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification and or re-enactment thereof for time being in force) and in terms of Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company, to borrow for the purpose of business of the Company from time to time at their discretion, any sum or sums of money from any Bank/s or Financial Institutions/s, Firm/s, Body Corporate/s, other person/s up to a sum of Rs. 10,00,00,000/- (Rupees Ten Crores Only) including all types of fund based and non-fundbased facilities, notwithstanding that the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may, at any time, exceed the aggregate of the paid up capital of the Company and its free reserves and that the Board of Directors be and are hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to Interest, repayment, security or otherwise as they may, in their absolute discretion, think fit”.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may in its sole and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents as maybe necessary, proper, desirable or expedient to give effect to this Resolution.”

8. To consider and if though fit, to pass with or without modification(s) the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions if any, of the Companies Act 2013, (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to mortgage / charge all or any of the immovable and movable properties of the Company both present and future and the whole or substantially the whole of the undertaking or the undertakings of the Company on such terms and conditions, as may be agreed to between the Board and Lender(s) to secure the loans / borrowings obtained subject to the limits approved under section 180(1)(c) of the Companies Act 2013.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion may deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of this resolution and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution and to file relevant forms.”

Registered Office
138, Dr. Radhakrishnan Salai,
Mylapore, Chennai - 600 004.

Date : 3rd September, 2014

BY ORDER OF THE BOARD
For **ARIHANT'S SECURITIES LIMITED**
Sd/-
Ravikant Choudhry
(Chairman & Director)
(DIN : 00831721)



NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY OR PROXIES NEED NOT BE A MEMBER OF THE COMPANY.
A PERSON SHALL NOT ACT AS A PROXY FOR MORE THAN 50 MEMBERS AND HOLDING IN AGREGATE NOT MORE THAN 10% OF THE TOTAL VOTING SHARE CAPITAL OF THE COMPANY. HOWEVER, A SINGLE PERSON MAY ACT AS A PROXY FOR A MEMBER HOLDING MORE THAN 10% OF THE TOTAL VOTING SHARE CAPITAL OF THE COMPANY PROVIDED THAT SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON.
The Instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Businesses is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will be closed from 23.09.2014 to 30.09.2014 (both days inclusive) in connection with the Annual General Meeting.
4. Members are requested to:
 - (a) Intimate to the Company's Registrar and Transfer Agents, Cameo Corporate Services Limited, #1, Subramaniam Building, Club House Road, Mount Road, Chennai - 600 002 changes, if any, in their Registered Addresses at an early date, in case of shares held in physical form;
 - (b) Intimate to the respective Depository Participants, changes, if any, in their Registered Addresses at an early date, in case of shares held in electronic mode; and
 - (c) Quote their folio Numbers/Client ID/DP ID in all Correspondence.
5. Members/ Proxies should carry the Attendance Slip duly filled in while coming to attend the meeting as also copy of their Annual Report.
6. Members are requested to convert their shareholdings in the company into Demat form.
7. Members holding the Equity Shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio.
8. The listing fees to Bombay Stock Exchange has been paid up to 2014-2015.
9. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite Declarations for their appointment/re-appointment.
10. Electronic copy of the Notice of the 20th Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with attendance slip and proxy form is being sent to all the members whose email ids are registered with the company/depository participants(s) for communication purposes unless any member has requested for a hard copy of the same. For Members who have not registered their email address, physical copies of the Notice of the 20th Annual General Meeting of the company *inter alia* indicating the process and manner of e-voting along with attendance slip and proxy form is being sent in the permitted mode. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode.
11. **VOTING THROUGH ELECTRONIC MEANS**
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members with a facility to exercise their right to vote at the 20th Annual General Meeting (AGM) by electronic means and the business may be transacted through Electronic Voting (e-Voting) Services provided by Central Depository Services (India) Limited (CDSL):
The voting period begins on Monday, 22nd day of September, 2014 (09.00 a.m. IST) and ends on Wednesday, 24th day of September, 2014 (06.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date 29th day of



August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The instructions for members for voting electronically are as under:-

A. In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company. Then enter the Captcha Code as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.

- (vi) Now, fill up the following details in the appropriate boxes:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)
DOB#	Enter the Date of Birth as recorded in your Demat account or in the company records for the said Demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio.

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of your name and the sequence number in the PAN field.

Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. (Sl. No. mentioned in your address label can be used as Sequence No. for this purpose)

Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the DP or Company please enter the number of shares held as on the cutoff date in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on EVSN ARIHANT'S SECURITIES LIMITED on which you choose to vote.
- (xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.



- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- B. Please follow all steps from Sr. No. [i.] to Sr. No. [xiv] herein above to cast vote, in case of members receiving the physical copy of Notice of Annual General Meeting [for members whose e-mail IDs are not registered with the Company / Depository Participant [s] or requesting physical copy].**
- C. For Institutional Shareholders:**
1. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 2. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 3. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote.
 4. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 5. A scanned copy of the Board Resolution and Power of Attorney (PoA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- D.** The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 29th day of August, 2014.
- E.** Mrs. Anchal R Jain, Practicing Company Secretary (Membership No. 5560), has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- F.** The Scrutinizer shall, within a period not exceeding three working days from the conclusion of e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- G.** The results will be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL.
- H.** In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Details of Director seeking re-appointment to the Board

Name of the director	Mr.RavikantChoudhry
Date of birth	04.06.1963
Educational qualification	B.Sc. (Maths), NCFM
Date of appointment	13.06.1994
Category and Designation	Non-Executive Promoter Director and Chairman
Expertise in specific functional area	Finance, Investments, Stock Market and Taxation. Stock Broker by profession.
Directorships and/or Committee Memberships in Public Limited Companies	Arihant Foundations & Housing Limited
Committee Membership	Chairman Audit Committee, Member - Shareholders/ Investors Grievance Committee, Remuneration Committee.
Number of shares held	1496900 Equity Shares



EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 04 :

The Board of the Company presently consists of One Independent Director and Two Non Independent Directors. Out of the Non Independent Directors Mr. Nishikanth Mohanlal Choudhary, Managing Director is not liable to retire by rotation.

In accordance with the provisions of Section 152(6) of the Companies Act 2013 ("the Act"), unless the Articles of Association of the Company provides for retirement of all Directors by rotation, at least two third of the total number of Directors shall be the persons whose period of office is liable to determination by retirement of Directors by rotation. Also, in terms of explanation to Section 152(6), Independent Directors appointed in terms of Section 149 of the Act are to be excluded for the purpose of calculating total number of Directors who are liable to retirement by rotation. Therefore, in order to comply with the aforesaid provision of the Act, the Company is now required to reconstitute the composition of its Board in a manner that it comprises of two-third of the total number of Directors whose period of office is liable to determination for retirement by rotation.

Accordingly, the Company is required to vary the Ordinary Resolution passed in the 18th Annual General Meeting of the Company held on 30.11.2012 in connection with re-appointment of Mr. Nishikanth Mohanlal Choudhary, as Managing Director to make him liable to retire by rotation in terms of Section 152 of the Act. Mr. Nishikanth Mohanlal Choudhary has given his consent for above variation. Henceforth, the office of Mr. Nishikanth Mohanlal Choudhary, Managing Director shall be liable for determination by retirement by rotation. All other terms and conditions of his re-appointment shall remain same.

The above resolution is placed before the shareholders for their approval and the Board recommends passing of the resolution as an Ordinary resolution.

Mr. Ravikant Choudhary being relative of Mr. Nishikanth Mohanlal Choudhary and Mr. Nishikanth Mohanlal Choudhary himself, are concerned or interested in the resolution set out at Item No. 4.

Item No. 05:

Mr. Ajitkumar Chordia (DIN: 00049366), aged about 51 years, is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 29th June, 1995. He is the Chairman of the Audit Committee and Remuneration Committee and member of the Shareholders/ Investors Grievance Committee of the Board of Directors of the Company.

Mr. Ajit Kumar Chordia is an Engineering graduate and a well-known business man with deep rooted knowledge, expertise and experience in the field of business management, automobiles, real estate development, finance, investment and corporate laws.

Mr. Ajit Kumar Chordia has been Independent Director pursuant to Clause 49 of the Listing Agreement on the Board of the Company, whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act 1956. With the enactment of the Companies Act, 2013 ('Act') it is now incumbent upon every listed company to appoint Independent Directors' as defined in section 149(6) of the Act and ensure that at least half of the total number of directors are Independent Directors. Hence it is proposed to appoint Mr. Ajit Kumar Chordia as an Independent Director under Section 149 and Clause 49 of the Listing Agreement to hold office for five (5) consecutive years with effect from 30th September, 2014.

The Company has received notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Ajit Kumar Chordia for the office of Director of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director.

In the opinion of the Board Mr. Ajit Kumar Chordia fulfills the conditions specified in the Act, rules made there

Arihant's Securities Limited



under and the listing agreement for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Ajit Kumar Chordia as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Ajit Kumar Chordia as an Independent Director, for the approval by the shareholders of the Company. In terms of provisions of Section 149(13) of the Companies Act, 2013, Mr. Ajit Kumar Chordia shall not be liable to retire by rotation.

The details of the Directorship and/or Membership/Chairmanship of Committees of the Board of Mr. Ajit Kumar Chordia (except private companies, Non Profit companies and foreign companies) as on March 31, 2014 are as follows:

S. No.	Name of the Company	Committee Positions held (Excluding the Company)	
		Audit Committee	Shareholders/ Investors Grievance Committee
1	Castle Traders Limited	Member	Nil
2	National Plastic Technologies Limited	Member	Member

Mr. Ajit Kumar Chordia does not hold any Shares in the Company.

Except Mr. Ajit Kumar Chordia, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 05. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 06

Mr. Narendra B Bhatt (DIN: 06964939), aged 53 years, is proposed to be appointed as Non-Executive Independent Director of the Company.

Mr. Narendra B Bhatt is a Graduate in Commerce from University of Madras. He is actively involved in the Capital Market operations for more than 25 Years as an Investor and also as a Member of the Madras Stock Exchange Ltd. He possess good knowledge about the Market Operations and is well versed with the latest developments in the Capital Markets.

The Company has received notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Narendra B Bhatt for the office of Director of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director. Hence it is proposed to appoint Mr. Narendra B Bhatt as an Independent Director under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for five (5) consecutive years with effect from 30th September, 2014.

In the opinion of the Board Mr. Narendra B Bhatt fulfills the conditions specified in the Act, rules made thereunder and the listing agreement for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Narendra B Bhatt as an Independent Director. Accordingly, the Board recommends there solution in relation to appointment of Mr. Narendra B Bhatt as an Independent Director, for the approval by the shareholders of the Company. In terms of provisions of Section 149(13) of the Companies Act, 2013, Mr. Narendra B Bhatt shall not be liable to retire by rotation.

Mr. Narendra B Bhatt is not a Director in any other Company. He does not hold any Shares in the Company.

Arihant's Securities Limited



Except Mr. Narendra B Bhatt, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 06. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

ITEM No. 07

As per the provisions of Section 180(1)(c) of the Companies Act, 2013 the approval of members of the Company is required by way of Special Resolution to borrow amount (excluding the temporary loans availed in normal course of business) in excess of Paid up capital and Free Reserves. In order to meet the growing needs for working capital and capital expenditure the Company may be required to borrow money(ies) from any Bank/s or Financial Institutions/s, Firm/s, Body Corporate/s, other person/s, it is therefore necessary that the members pass a special resolution under Section 180(1)(c) of the Companies Act, 2013, as set out at Item No. 07 of the Notice, to enable the Board of Directors to borrow money in excess of the aggregate of the Paid up capital and Free reserves of the Company.

Hence the approval of members is being sought by way of Special Resolution, to borrow not exceeding Rs. 10,00,00,000/- (Rupees Ten Crores Only)in excess of the aggregate paid up capital and freer eserves of the Company.

None of the Directors and their relatives are concerned or interested in the resolution. The Board recommends the Special resolution for your approval.

ITEM NO.08:

Section 180 (1) (a) of the Companies Act, 2013, provides inter-alia that the Board of Directors of the Company, shall not without consent of the members, sell, lease or otherwise dispose of the whole or substantially whole of the undertaking of the Company. For meeting growing needs for working capital and capital expenditure, the Company may be required to borrow money from any Bank/s or Financial Institutions/s, Firm/s, Body Corporate/s, other person/s. As a security, the Company may also be required to create Mortgage/Charge on Fixed Assets in favour of the lender(s). Hence it is proposed to pass Special Resolution under section 180(1)(a) of the Companies Act,2013 authorizing the Board of Directors or its committees to mortgage / charge the properties and/or the whole or substantially the whole of the undertaking of the Company as aforesaid to the lenders subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013.

None of the Directors and their relatives are concerned or interested in the resolution. The Board recommends the Special resolution for your approval.

BY ORDER OF THE BOARD
For **ARIHANT'S SECURITIES LIMITED**
Sd/-

Place : Chennai
Date : 3rdSeptember, 2014

Ravikant Choudhry
(Chairman & Director)
(DIN : 00831721)

Arihant's Securities Limited



ARIHANT'S SECURITIES LIMITED

Registered Office : 138, Dr.Radhakrishnan Salai, Mylapore, Chennai - 600004.Tel : (044) 28444555, 43434000
Fax : (044) 43434030 Email : arihantssecurities@gmail.com CIN No. : L65993TN1994PLC027783

Form No. MGT-11 Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): _____

Registered address: _____

E-mail Id: _____

Folio No./Client Id & DP. Id: _____

I/We, being the Member(s) holding _____ shares of the above named Company, hereby appoint

1. Name : _____ Address : _____

Email Id: _____ Signature : _____, or failing him

2. Name : _____ Address : _____

Email Id: _____ Signature : _____, or failing him

3. Name : _____ Address : _____

Email Id: _____ Signature : _____,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the company, to be held on Tuesday, 30th day of September, 2014 at 9.30 A.M. At No. 138, Dr. Radhakrishnan Salai, Mylapore, Chennai 600004 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
1	To receive, consider and adopt the Audited Balance sheet as at 31 st March 2014 and Statement of Profit and Loss Account for the year ended 31 st March 2014 and the reports of the Directors and Auditors thereon.
2	To appoint a Director in the place of Mr. Ravikant Choudhry, (DIN: 00831721), Director who retires by rotation and being eligible, offers himself for re-appointment.
3	To appoint M/s. N. R. Krishnamoorthy & Co, Chartered Accountants, as Statutory Auditors and to fix their remuneration.
4	To Vary the terms of Mr. Nishikanth Mohanlal Choudhary, Managing Director of the Company
5	To appoint Mr. Ajitkumar Chordia as an Independent director.
6	To appoint Mr. Narendra B Bhatt as an Independent director.
7	Authorisation to the Board for borrowing beyond the Paid-up Share Capital and Free Reserves of the Company.
8	Authorisation to the Board for creating mortgage and/or charges on the assets of the Company.

Signed this _____ day of September 2014

Signature of shareholder

Signature of Proxy holder(s)

1 Rupee
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



ARIHANT'S SECURITIES LIMITED

Registered Office : 138, Dr.Radhakrishnan Salai, Mylapore, Chennai - 600004.
Tel : (044) 28444555, 43434000 Fax : (044) 43434030
Email : arihantssecurities@gmail.com CIN No. : L65993TN1994PLC027783

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

*DP ID :	Folio No :
*Client Id:	No. of Shares :

Name and Address of the Shareholder : _____

I hereby record my presence at the 20th Annual General Meeting of the company held on Tuesday, the 30th day of September, 2014 at 9.30 A.M. at No. 138, Dr. Radhakrishnan Salai, Mylapore, Chennai 600004

Signature of Shareholder / Proxy

***Applicable for investors holding shares in electronic form**

Tear Here

Twentieth Annual Report

2013-2014



Arihant's Securities Limited

Arihant's Securities Limited



- Board of Directors** : 1. Ravikant Choudhry, Chairman
2. Nishikanth Mohanlal Choudhary, Managing Director
3. Ajitkumar Chordia, Director
- Audit Committee** : 1. Ajitkumar Chordia, Member - Chairman
2. Nishikanth Mohanlal Choudhary, Member
3. Ravikant Choudhry, Member
- Statutory Auditors** : N.R. Krishnamoorthy & Co.,
Chartered Accountants
No.11, 1st Floor, Balaji Apartments,,
1, Pinjala Subramania Street,
T. Nagar, Chennai 600 017.
Tamil Nadu. India
- Bankers** : Oriental Bank of Commerce Limited
HDFC Bank Limited
Axis Bank Limited
- Registered Office** : 138, Dr. Radhakrishnan Salai,
Mylapore, Chennai - 600 004.
Ph. : (044) 28444555, 43434000
Fax : (044) 43434030
E-mail id : arihantsecurities@gmail.com
CIN No. : L65993TN1994PLC027783
- Share Transfer Agents** : Cameo Corporate Services limited,
#1, Subramaniam Building,
Club House Road,
Mount Road, Chennai - 600 002
Ph.: (044) 28460390 (5 lines)
Fax: (044) 28640129
Website : www.cameoindia.com
Email id : investor1@cameoindia.com



DIRECTORS REPORT

Your Directors are happy to present the Twentieth Annual Report of your company together with the Audited Accounts of the Company for the financial year ended 31st March 2014.

FINANCIAL HIGHLIGHTS:

The financial results of the company compared to the previous year are summarized as under:

Particulars	(Amount in ₹)	
	31.03.2014	31.03.2013
Revenue from Operations	15,94,109	10,29,228
Other Income	-	4,69,900
Gross Income	15,94,109	14,99,128
Profit / (Loss) before Financial cost, Depreciation and Tax	9,58,943	8,77,347
Less: Financial Cost	880	270
Profit / (Loss) before Depreciation and Tax	9,58,064	8,77,077
Less: Depreciation	353	2,954
Profit / (Loss) before Tax & Exceptional / Extraordinary Items	9,57,711	8,74,123
Less: Exceptional and Extraordinary Items	-	-
Profit / (Loss) before Tax	9,57,711	8,74,123
Less: Tax Expense	1,40,145	1,24,455
Profit/ (Loss) After Tax for the year	8,17,566	7,49,668

MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes & Commitments, which have occurred between the end of the financial year of the company to which the balance sheet relates and the date of the report affecting the financial position of the company.

RESERVES:

The company does not propose to carry any amount to reserves during the financial year.

DIVIDEND:

In order to conserve the financial resources of the company for growth and expansion plans, the Board of Directors do not recommend any dividend for the financial year under review.

DEPOSITS AND LOANS/ADVANCES:

The Company has not accepted any public deposits during the financial year.

The particulars of loans/ advances and investment in its own shares by listed companies, their subsidiaries, associates etc. required to be disclosed in the annual accounts of the company pursuant to Clause 32 of the listing agreement with the company, are furnished separately.

LISTING:

The Equity Shares of the Company are listed at the Madras Stock Exchange and Bombay Stock Exchange. The Annual Listing Fees for the financial year 2014-2015 has been paid to Bombay Stock Exchange.

SEBI has mandated the small / regional exchanges to raise their capabilities in terms of net worth / trading reach. Madras Stock Exchange, in which your company is also listed has not fulfilled the criteria framed by the SEBI. Subsequently it has opted for voluntary exit as a Stock Exchange and advised the Companies to delist their shares, which are not exclusively listed with it. In view of this scenario, the company shall delist its Equity Shares from Madras Stock Exchange.



MANAGEMENT DISCUSSION AND ANALYSIS

a) Overview, Industry Structure, Development and Outlook

Our Company is concentrating mostly on Trading in Shares and also on Loan financing. The growth of the Industry had faced very critical times due to depreciation in the Indian rupee and partly due to political reasons. So the Stock markets and other financial sectors had gone through very tough times and had to content with the stagnation. The price rise and other national and International factors have also contributed to the stagnated growth of the Indian Capital Markets. Under the above circumstances, our Company's performance for the year ended was moderate.

The present outlook in the Capital Markets seems to be encouraging when compared to the previous year environment and the Company is expected to do well in the coming years.

b) Business performance and Segment Reporting

The company has been able to recover dues in most cases of NPAs. In a few cases, court cases are pending and the company hopes to recover loans and interest dues during the future. During the year under review, the company has earned a profit of Rs. 8,17,566/- as against a profit of Rs. 7,49,668/- during the previous year. The company is hoping to achieve much better overall performance during the coming years.

The company is presently operating in two identifiable business segments viz., Share Segment and Loan Segment. It operates in one geographical segment; services in India only. The particulars of segment wise revenue, results and capital employed are furnished separately.

c) Internal Control System and its adequacy

The system of internal control has been established to provide reasonable assurance of safeguarding assets and maintenance of proper Accounting records and its accuracy. The business risks and its control procedures are reviewed frequently. Systems audit is also conducted regularly to review the systems with respect to Security and its Adequacy. Reports are prepared and circulated to Senior Management and action taken to Strengthen controls where necessary.

d) Risk Management

Risk evaluation and management is an ongoing process in the company.

e) Human resources and Industrial relations

Your company continues to have cordial relations with its employees.

f) Cautionary Statement:

Statements in the Management discussion and analysis describing the company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demand/supply and prices conditions in the domestic and overseas markets in which the company operates/ going to operate, changes in government regulations, tax laws and other statutes and other incidental factors.

COMPLIANCE WITH RBI PRUDENTIAL NORMS

The company has complied with the prudential norms on income recognition, accounting standards, assets classification, provisioning for bad and doubtful debts as applicable to it in terms of Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 for the year ended on 31st March 2014.

DIRECTORS

Mr. Ravikant Choudhry Director of the company retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for reappointment.

Arihant's Securities Limited



Pursuant to the notification of section 149 and other applicable provisions of the Companies Act, 2013 read with rule thereon, the existing Non Executive Independent Director of the Company Mr. Ajit Kumar Chordia is being appointed as Independent Director for a period of five (5) consecutive years commencing from 30th September, 2014.

To comply with the conditions prescribed in the listing Agreement for appointment of Independent Directors, Mr. Narendra B Bhatt proposed to be appointed as Independent Director for a period of five (5) consecutive years commencing from 30th September, 2014.

In order to fulfill the requirements of Section 152(6) of the Companies Act, 2013 ("the Act") the terms of re-appointment of Mr. Nishikanth Mohanlal Choudhary, Managing Director are being varied by making him liable to retire by rotation in terms of Section 152 (6) of the Act, and all other terms and conditions of his reappointment shall remain the same.

Your Board recommends the above appointments / reappointments of Directors in the best interest of the Company.

KEY MANAGERIAL PERSONNEL'S:

The Board of Directors in their meeting held on 14th August, 2014 has appointed Mr. V. Muralidharan, as a Chief Financial officer (CFO) of the Company. Mr. Nishikanth Mohanlal Choudhary, Managing Director & Mr. V. Muralidharan, CFO were also identified as Key Managerial Personnel pursuant to Section 203 of the Companies Act, 2013.

COMMITTEES OF BOARD:

Due to resignation of Mr. Subash Chand Nahar as Director of the Company, the Board of Directors in their meeting held on 10th June, 2013, had reconstituted the Audit Committee, Remuneration Committee and Shareholders/ Investors Grievance Committee.

The present Audit Committee comprises of the following Directors of the Board:

Mr. Ajit Kumar Chordia	- Chairman
Mr. Nishikanth Mohanlal Choudhary	- Member
Mr. Ravikant Choudhary	- Member

The present Remuneration Committee comprises of the following Directors of the Board:

Mr. Ajit Kumar Chordia	- Chairman
Mr. Ravikant Choudhary	- Member
Mr. Nishikanth Mohanlal Choudhary	- Member

The present Shareholders/ Investors Grievance Committee, comprises of the following Directors of the Board:

Mr. Ravikant Choudhary	- Chairman
Mr. Ajit Kumar Chordia	- Member
Mr. Nishikanth Mohanlal Choudhary	- Member

AUDITORS:

M/S N R Krishnamoorthy & Co, Chartered Accountants, Chennai (FRN: 001492S), Statutory Auditors of the company, hold office until the conclusion of the ensuing Annual General meeting of the Company and are eligible for reappointment for a term of five years from the conclusion of the ensuing annual general meeting as per the provisions of Companies Act 2013 subject to ratification by shareholders in the annual general meeting every year. The company has received confirmation that their appointment will be within the limits prescribed under Section 139 read with section 141 of the Companies Act, 2013.

The Audit Committee in its meeting have recommended the reappointment of the Auditors. The necessary resolution is being placed before the shareholders for approval.

AUDITORS REPORT:

There are no reservations, qualifications or adverse remarks contained in the Auditors Report.

Arihant's Securities Limited



CORPORATE GOVERNANCE:

As required by clause 49 of the Listing agreement entered into with the Stock exchanges, a detailed report on Corporate Governance is given as part of the Annual Report.

The Company is in full compliance with the requirements and disclosures that have to be made in this regard. The Auditors' Certificate of the Compliance with the Corporate Governance requirements by the Company is attached to the Report on Corporate Governance.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Pursuant to 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 the following information is provided:

The Company is a financial services company. Therefore, its operations do not account for substantial energy consumptions. Accordingly, Rules 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 concerning conservation of energy and technology absorption respectively are not applicable to the Company. However, the Company is taking all possible measures to conserve energy. The management keeps itself abreast of the technological advancements in the industry.

There are no inflow and outflow of foreign exchange during the year under review.

PARTICULARS OF EMPLOYEES U/S 217(2A) OF COMPANIES ACT, 1956:

None of the employees have received remuneration in excess of the sum prescribed u/s 217(2A) of the Companies Act, 1956.

DIRECTORS RESPONSIBILITY STATEMENT:

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

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) they have, in the selection of the accounting policies, consulted the Statutory Auditors and these have been applied consistently and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 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; and
- (iv) the annual accounts have been prepared on a going concern basis.

COMPANY SECRETARY:

The company is making consistent efforts for appointment of Whole time Company Secretary. The company has been availing services of practicing company secretary from time to time to ensure compliance of the provisions of the applicable acts and statutes. Also the Annual Return of the Company is being certified by practicing company secretary from year to year and the company is also taking certifications from them for Stock Exchange Compliances.

ACKNOWLEDGEMENT:

Your directors wish to place on record their deep appreciation of the dedication and commitment of employees to the growth of your company during the year. Your directors also express their sincere gratitude to the customers, bankers, consultants, Auditors and the shareholders for their continued patronage and cooperation.

FOR AND ON BEHALF OF THE BOARD

Chennai
Dated : 14th August, 2014

Sd/-
Ravikant Choudhry
(Chairman)
(DIN : 00831721)



REPORT ON CORPORATE GOVERNANCE

I. Company's Vision and Philosophy on the Code of Governance:

The vision of Arihant's Securities Limited is to be a financially sound, profitable, growth oriented and technology friendly Company committed to building values and maximizing gains for all its stakeholders, for those doing business with it, and for others associated with it. In its pursuit to attain its goals, the Company is laying maximum emphasis on the effective system of Corporate Governance particularly with a view to improve its image, efficiency, effectiveness, and integrity in all its dealings. The Company's Corporate Governance philosophy is to be ethical in its conduct of its business, to constantly strive to grow with profits, and to enhance shareholders value to the maximum extent.

The Corporate Governance policies of your Company recognize the accountability of the Board Of Directors vis-à-vis all its constituents viz. Borrowers, Shareholders, Employees, Government & other Regulatory Authorities, and others dealing with it and doing business with it.

II. Board of Directors :

Composition and Category

As on 31st March, 2014, the Board of the Company consists of Three (3) directors. The Board has an optimum combination of Executive and Non-Executive Directors. The Board Comprises of One Executive Director and Two Non-Executive Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement, with reference to number of Executive and Non-Executive Directors.

The Executive Director is involved in the day to day management of the Company and Non-Executive Directors including the Independent Director bring external and wider perspective and independence to the decision making.

Mr. Nishikanth Mohanlal Choudhary, Managing Director of the Company works under the direction, control and supervision of the Board of Directors. The Board of Directors meet regularly to discuss, appraise and approve matters relating to company's strategy, plans, budgets, financials and operations.

The details of the composition, nature of Directorship and the directorships held in other companies by the Directors of the Company as on 31st March, 2014 are detailed below:

Name	Nature of Directorship	Directorships in other Public Companies	Membership / Chairmanship in the Committees of the Board of other Public Companies	
			Committee Member	Committee Chairman
Mr. Ravikant Choudhry	Non - Executive Chairman	1	2	1
Mr. Nishikanth Mohanlal Choudhary	Managing Director	Nil	Nil	Nil
Mr. Ajit Kumar Chordia	Non-Executive Independent Director	2	2	Nil

Board Agenda :

Meetings are governed by a structured Agenda and a Board member may bring up any matter for consideration of the meeting in consultation with the Chairman. The detailed agenda and relevant information is sent to every director at least 7 working days in advance for each meeting, facilitating effective discussion and decision making. An indicative list of the information usually placed before the Board is as under:



- Annual Budgets and updates thereon.
- Capital expenditure proposals if any and review of their implementation.
- Quarterly, Half yearly and Annual Results.
- Business performance and steps for improvement.
- Legal proceedings involving the Company.
- Minutes of meetings of Audit Committee, Remuneration Committee and Shareholders Committee.
- Materially important show cause notices, non-compliances, if any, etc.
- Other relevant information pertaining to the Company including information detailed in Annexure I A of Clause 49 of the Listing Agreement.

III. Board Meetings :

During the financial year ended 31st March, 2014 eleven (11) Board meetings were held and the maximum time gap between two (2) meetings did not exceed four (4) months. The dates on which the said meetings were held are as follows:

1st April, 2013, 15th April, 2013, 30th May, 2013, 10th June, 2013, 29th June, 2013, 14th August, 2013, 5th September, 2013, 14th November, 2013, 28th November, 2013, 14th February, 2014 and 31st March, 2014.

Details of attendance at the Board meetings and the last Annual General Meeting (AGM):

<i>Name of the Director</i>	<i>Board Meetings Attended</i>	<i>Attendance in Last AGM</i>
Mr. Ravikant Choudhry	11	Yes
Mr. Nishikanth Mohanlal Choudhary	11	Yes
Mr. Ajit Kumar Chordia	11	Yes

IV. Committees of the Board

The Board of Directors has constituted 3 Committees of the Board viz. Audit Committee, Remuneration Committee and Shareholders/ Investor Grievance Committee. The Board approves the terms of reference of these Committees from time to time. At each Board Meeting, minutes of the Committees meetings are placed before the Directors for their perusal and noting.

a) AUDIT COMMITTEE :

Composition, Names of Members and Chairman:

The Audit Committee comprises of One (1) Independent Director, One (1) Non-Executive Director and One (1) Managing Director as on 31.03.2014. All the members of the Audit Committee have accounting, financial and management expertise.

Consequent to the resignation of Mr. Subhash Chand Nahar, Mr. Nishikanth Mohanlal Choudhary was appointed as the Member of the Committee w.e.f. 10.06.2013

During the year, the Committee met five (5) times on the following dates:

15th April, 2013, 30th May, 2013, 14th August, 2013, 14th November, 2013 and 14th February, 2014.

<i>Name of the Director</i>	<i>Designation</i>	<i>No. of Meetings</i>	
		<i>Held</i>	<i>Attended</i>
Mr. Ajit Kumar Chordia	Chairman	5	5
Mr. Ravikant Choudhry	Member	5	5
Mr. Nishikanth Mohanlal Choudhary	Member	5	5

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company to answer the Shareholders queries.

The Audit Committee of the Board of Directors of the Company, inter-alia, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.



TERMS OF REFERENCE:

The terms of Reference of the Audit Committee are wide enough to cover the matters specified for Audit Committees under Clause 49 of the Listing Agreements as well as in Section 292A of the Companies Act, 1956 as amended from time to time and inter-alia includes:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees and for approval of payment to statutory auditors for any other services rendered by the statutory auditors.
3. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - b. Any Changes in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management and significant adjustments made in the financial statements arising out of audit findings.
 - d. The Going concern assumption.
 - e. Compliance with accounting standards.
 - f. Compliance with listing and other legal requirements relating to financial statements
 - g. Disclosure of any related party transactions i.e. transaction of the company of material nature with promoters of the management and their subsidiaries or relatives etc. that may have potential conflict with the interest of the company at large.
 - h. Qualifications in the draft audit report.
4. Reviewing, with the management, the quarterly financial statements before submission to the board for approval, performance of statutory and internal auditors, the structure and adequacy of the internal control systems.
5. Reviewing adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit and discussing with internal auditors any significant findings and follow up there on.
6. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
7. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
8. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
9. Reviewing the Company's financial and risk management policies.
10. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
11. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee, inter alia, reviews the following information:

 1. Management discussion and analysis of financial condition and results of operations;
 2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 4. Internal audit reports relating to internal control weaknesses; and
 5. The appointment, removal and terms of remuneration of the Chief internal auditor.



In fulfilling the above role the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees, to obtain outside legal and professional advice and to secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) issued by the Institute of Chartered Accountants of India. Compliance of the AS as applicable to the Company has been ensured in the financial statements for the year ended March 31, 2014.

b) REMUNERATION COMMITTEE :

TERMS OF REFERENCE AND REMUNERATION POLICY:

The Remuneration Committee has been constituted to recommend and review the remuneration packages of the Managing Director, Whole time Directors and to formulate a broad policy for management remuneration. The remuneration policy as outlined by the committee aims at recognizing and rewarding performances and achievements, while fixing the remuneration of Directors their contribution by way of their professional approach. This policy is in tune with national and international practices.

Constitution:

The Remuneration Committee comprises of two Non-Executive Directors viz., Mr. Ravikant Choudhry, Mr. Ajit Kumar Chordia and One Managing Director Mr. Nishikanth Mohanlal Choudhary. The Chairman of the Remuneration Committee is a Non-Executive Independent Director nominated by the Board.

Due to resignation of Mr. Subhash Chand Nahar, Mr. Ajit Kumar Chordia was appointed as Chairman and Mr. Nishikanth Mohanlal Choudhary was appointed as Member of the Remuneration Committee

Meetings and Attendance:

The Remuneration Committee met once during the year on 30th May, 2013 and all the directors have attended the meeting.

The company has a Managing Director and there was no payment to him as he has foregone his remuneration for the year in view of low profits made by the company. No remuneration has been paid to any directors of the company.

The Shareholdings of directors in the Company as on 31st March, 2014 are as under.

1. Ravikant Choudhry, Chairman	: 1496900 Equity Shares
2. Nishikanth Mohanlal Choudhary, Managing Director	: Nil
3. Ajit Kumar Chordia, Director	: Nil

c) SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE:

The Shareholders/ Investors Grievance Committee comprises of two Non-Executive Directors viz., Mr. Ravikant Choudhry, Mr. Ajit Kumar Chordia and One Managing Director Mr. Nishikanth Mohanlal Choudhary. The Committee is chaired by Mr. Ravikant Choudhry, Non-Executive Director of the Company.

The Shareholders/ Investors Grievance Committee reviews the following:

- Transfer / Transmission of shares
- Issue of duplicate share certificate
- Non receipt of declared dividends
- Non receipt of Annual Report
- Monitors expeditious redressal of investors' grievances

Arihant's Securities Limited



The Company gives a detailed report on steps taken by it to the Committee to specifically look into redressing Shareholders and investor's complaint, break up of the nature of complaints received including number of complaints not resolved to the satisfaction of the complainants. Additionally details of communication received from agencies like Stock Exchanges/SEBI/ Ministry of Corporate Affairs, reply made to it and time within which it were made are also placed with an explanation. The Company has delegated to its Registrar and Share Transfer Agent, all shares related works. No complaint of any material nature was received during the year under review.

Meetings and Attendance:

The Shareholders Committee met four (4) times during the year i.e. on 30th May, 2013, 14th August, 2013, 14th November, 2013 and 14th February, 2014. And all the directors have attended all the four meetings.

The Company has not received any complaints from the shareholders during the financial year 2013-14. No investor grievances remained unattended / pending for more than 30 days as on 31st March, 2014.

NAME AND DESIGNATION OF THE COMPLIANCE OFFICER:

MS. REVATHY RAGHAVAN, COMPLIANCE OFFICER
Tel No. : +91-44-28444555 Fax No. : +91-44-43434030
Email ID : arihantssecurities@gmail.com

V. GENERAL BODY MEETINGS :

Location and time, where last three Annual General Meetings were held is given below:

<i>Year</i>	<i>Date & Time</i>	<i>Place</i>
2011	30.09.2011 at 09.30 A.M.	138, Dr. Radhakrishnan Salai, Mylapore, Chennai 600 004.
2012**	30.11.2012 at 09.30 A.M.	138, Dr. Radhakrishnan Salai, Mylapore, Chennai 600 004.
2013	30.09.2013 at 09.30 A.M.	138, Dr. Radhakrishnan Salai, Mylapore, Chennai 600 004

** The Company had obtained extension under section 166(1) of the Companies Act, 1956 for holding the Annual General Meeting upto 30th November, 2012 from the Registrar Of Companies, Chennai vide letter dated 28th September, 2012.

No Special Resolutions were passed at the last three Annual General Meetings. No Extraordinary General Meeting was held and no resolution was put to vote through Postal Ballot during the year under review.

VI. SUBSIDIARIES : NIL

VII. CODE OF CONDUCT:

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors and Senior Management. The said code has been communicated to the Directors and members of the Senior Management and they have affirmed compliance with the same. There is no website of the company.

VIII. PREVENTION OF INSIDER TRADING :

The Company has framed a Code of Conduct for prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time. This code is applicable to all Directors/ Officers/ Designated Employees. The code ensures the prevention of dealing in company's shares by persons having access to unpublished price sensitive information.



IX. DISCLOSURES :

- a) There have been no materially significant transactions, pecuniary transactions or relationships between the company and directors, management or related parties except those disclosed in the financial statements for the year ended 31st March, 2014. Further the details of the Related party transactions are presented in the Notes to Accounts.
- b) In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
- c) The Company has complied with the requirements of regulatory authorities. No penalties/ strictures have been imposed on the company by any regulatory authority for non-compliance of any law relating to capital markets.
- d) The Company has complied with the mandatory requirements relating to strengthening the responsibilities of Audit Committee, improving the quality of financial disclosures, including related party transactions and periodical review by the Board and its constituted committees.
- e) The Company has complied with the following non-mandatory requirements as prescribed in Annexure ID to Clause 49 of the Listing Agreement: -
 - (i) The Company has set up the remuneration Committee.
 - (ii) The financial statements of the company are unqualified.

MEANS OF COMMUNICATION :

- (i) The Board of Directors of the company approves and takes on record the quarterly and yearly financial results in the proforma prescribed by Clause 41 of the Listing Agreement within the prescribed time of the close of the respective period.
- (ii) The approved financial results are forthwith sent to the listed stock Exchanges and are published in the leading national English Newspaper namely Trinity Mirror (English daily). In addition the same is published in local language (Tamil) newspaper namely Makkal Kural (Tamil daily) within forty-eight hours of approval thereof. The same are not sent to the shareholders separately.
- (iii) Management Discussion and Analysis forms part of the Annual Report, which is posted to the shareholders of the company.
- (iv) The Company has not made presentations to Institutional Investors or to Analysts.
- (v) Company's Email ID: arihantssecurities@gmail.com

X. GENERAL SHAREHOLDERS INFORMATION :

Registered Office : **138, Dr. Radhakrishnan Salai, Mylapore, Chennai 600 004.**
Number of AGM : **20th AGM**
Date : **30th September, 2014**
Day : **TUESDAY**
Time : **9.30 A.M.**
Venue : **138, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600 004.**
Financial year : **1st April, 2013 to 31st March, 2014**
Book Closure date : **TUESDAY, 23rd September, 2014 TO TUESDAY, 30th September, 2014**
(BOTH DAYS INCLUSIVE)
Dividend payment date: **Not Applicable**

LISTING ON STOCK EXCHANGES:

The Bombay Stock Exchange Limited, Mumbai
Madras Stock Exchange Limited, Chennai

LISTING FEES: The company has paid listing fees upto the financial year 2014 - 2015 to Bombay Stock Exchange.

REGISTRAR AND TRANSFER AGENTS:

CAMEO CORPORATE SERVICES LIMITED,
#1, SUBRAMANIAM BUILDING, CLUB HOUSE ROAD,
MOUNT ROAD, CHENNAI - 600 002.



SHARE TRANSFER SYSTEM:

The share transfers in physical form are processed and the share certificates returned within a period of 10 to 15 days from the date of receipt by the Registrar and Transfer Agent so long as the documents have been clear in all respects. In case of shares in electronic form, the transfers are processed by NSDL/ CDSL through respective Depository participants. The company as per SEBI Guidelines offers the facility of transfer cum demats. There are no pending share transfers and requests for demat as on 31st March, 2014. In compliance with the Listing Agreement with the Stock Exchanges, a Practising Company Secretary carries out an Audit of the System of Transfer and a certificate to that effect is issued.

SHARE PRICES:

Stock Code :

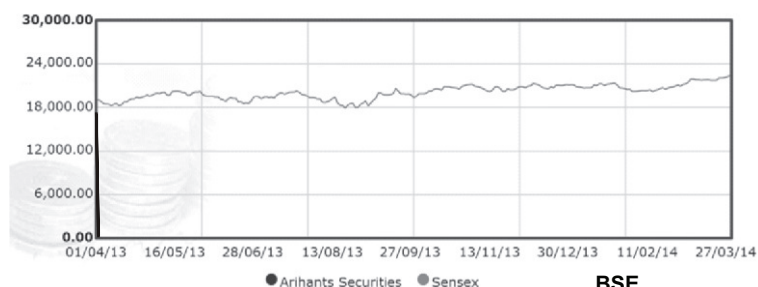
Name of the Stock Exchange	Stock Code (Physical)	Stock Code (Demat)
Bombay Stock Exchange Limited	531017	531017
Madras Stock Exchange Limited	ARIHTSECU	ARIHTSECU

Market Price Data :

High, low (based on the closing prices) and number of shares traded during each month in the financial year 2013-2014 on the Bombay Stock Exchange Limited

BOMBAY STOCK EXCHANGE LIMITED			
Month	High (Rs)	Low (Rs)	Total Number of Shares Traded
April 2013	13.80	12.47	635
May - 2013	11.85	10.70	215
June 2013	10.17	7.90	1439
July 2013	8.19	7.42	2627
Aug 2013	8.50	8.50	3500
Oct - 2013	8.92	8.92	30
Nov 2013	9.00	9.00	20
Dec 2013	9.00	9.00	3
Feb 2014	9.25	9.00	5
Mar 2014	9.00	6.66	599

PERFORMANCE OF SHARE PRICE OF THE COMPANY IN COMPARISON TO THE BSE SENSEX



Historic Graph 01-04-2013 to 31-03-2014

BSE
High
Low

13.80
6.66



MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

The Management Discussion and Analysis Report is included in the Directors Report and forms part of the Annual Report.

XI. COMPLIANCE CERTIFICATE OF THE AUDITORS :

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and the same is annexed to the Directors Report. The same will be sent to the listed Stock Exchanges along with the Annual Reports of the Company.

XII. CHIEF EXECUTIVE OFFICER CERTIFICATE :

The Chief Executive Officer have certified to the Board as required under Clause 49(v) of the Listing Agreement and the same is annexed to and forms part of this report.

SHARE HOLDING PATTERN AS ON 31ST MARCH, 2014

Category	No. Of Shares	%
A. Promoters and Promoters Group Shareholdings		
a) Indian	2118177	42.36
b) Foreign	—	—
Sub-Total	2118177	42.36
B. Non Promoters Shareholdings		
1. Institutional Investors		
a) Mutual Funds and UTI	—	—
b) Banks, Financial Institutions, Insurance Companies, Central Government/ State Governments/ Venture Capital Funds.	—	—
c) FIIs/ Foreign Venture Capital Investors	—	—
2. Non Institutional Investors		
a) Bodies Corporate	957196	19.14
b) Indian Public	1885724	37.72
c) NRIs	31250	0.63
d) Any other (Please Specify)		
Clearing Members	-	-
Hindu Undivided Families	7653	0.15
Sub-Total	2881823	57.64
Grand Total	5000000	100

Arihant's Securities Limited



DISTRIBUTION SCHEDULE AS ON 31.03.2014

No. of Equity Shares Held	No. of Share Holders	%	No. of Shares	%
10 - 5000	1773	79.9368	263063	5.2612
5001 - 10000	176	7.9350	146719	2.9343
10001 - 20000	108	4.8692	160770	3.2154
20001 - 30000	80	3.6068	200400	4.0080
30001 - 40000	15	0.6762	51700	1.0340
40001 - 50000	13	0.5861	63100	1.2620
50001 - 100000	21	0.9467	184300	3.6860
100001 & above	32	1.4427	3929948	78.5989
Total	2218	100.0000	5000000	100.0000

Dematerialisation of Shares and Liquidity :

The company's shares are available for trading on both the depositories in India viz., National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on 31st March, 2014 the details of shares in demat mode and in physical mode are as under :

No. of shares in Physical mode : 2544870 (50.8974%)

No. of shares in dematerialized mode : 2455130 (49.1026%)

Under the Depository system the International Securities Identification Number (ISIN) allotted to the Company's Shares is **INE190D01015**

Outstanding GDRs/ADRs/ Warrants : Nil

RECONCILIATION OF SHARE CAPITAL AUDIT:

As stipulated by SEBI, a qualified practicing Company Secretary carries out Reconciliation of Share Capital Audit of the total admitted capital with National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This Audit is carried out every quarter and the report thereon is submitted to the Listed Stock Exchanges. The audit confirms that the total listed and paid up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

Company Registration details

The Company is registered in the State of Tamilnadu. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65993TN1994PLC027783

The Company has not issued any GDRs/ADRs/ Warrants/Convertible Instruments.

Address for Correspondence :

Regd. Office: 138, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600 004.

In terms of Clause 47(f) of the Listing Agreement of Stock Exchanges, investors may please use the following exclusive e-mail id for redressal of Investor requests/complaints:-

E-mail : arihantssecurities@gmail.com

Compliance Officer : Ms. Revathy Raghavan

Tel No. : +91-44-28444555

Registrar And Transfer Agents: Cameo Corporate Services Limited,

#1, Subramaniam Building, Club House Road, Mount Road, Chennai 600 002.

Factory Location : Nil

For and on behalf of the Board
Sd/-

Date :14th August, 2014

Place : Chennai

Chairman
(Ravikant Choudhry)
(DIN : 00831721)



DECLARATION REGARDING COMPLIANCES BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a code of conduct for the members of the Board and Senior Management Personnel. I confirm that the company has, in respect of the financial year ended 31st March, 2014, received from the members of the Board and Senior Management Team of the Company, a declaration of compliance with the code of conduct as applicable to them.

Place : Chennai
Date : 14th August, 2014

Sd/-
Nishikanth Mohanlal Choudhary
Managing Director
(DIN : 02142746)

Certification by Managing Director and Finance In-Charge

We, Nishikanth Mohanlal Choudhary, Managing Director and V. Muralidharan, Chief Financial Officer of Arihant's Securities Limited, certify that:

1. We have reviewed the financial statements for the year 2013-14 and that to the best of our knowledge and belief
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements present a true and fair view of the state of affairs of the Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
2. There are to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept overall responsibility for establishing and monitoring the Company's Internal control system for financial reporting and evaluating its effectiveness. Internal audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all levels of management and statutory auditors, and reports significant issues to the Audit committee of the Board. The auditors and audit committee are appraised of any corrective action taken or proposed to be taken with regard to significant deficiencies and material weaknesses.
4. We have indicated to the Auditors and Audit Committee
 - a) significant changes, if any, in internal control over financial reporting during the year;
 - b) significant changes, if any, in accounting policies during the year;
 - c) instances of significant fraud, if any, of which we have become aware of and which involve management or other employees who have significant role in the Company's internal control system over financial reporting. However, there was no such instance.

Place: Chennai
Date : 14th August, 2014

SD/-
Nishikanth Mohanlal Choudhary
Managing Director
(DIN : 02142746)

SD/-
V. Muralidharan
CFO



**AUDITORS CERTIFICATE REGARDING COMPLIANCE WITH CONDITIONS OF CORPORATE
GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

**REGISTRATION NO. OF THE COMPANY : L65993TN1994PLC027783
NOMINAL CAPITAL : RS. 6,00,00,000/-**

**TO
THE MEMBERS OF ARIHANT'S SECURITIES LIMITED
CHENNAI**

We have examined all the relevant records of M/s. **ARIHANT'S SECURITIES LIMITED** for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement with Stock Exchanges for the financial year ended on 31st March, 2014. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate 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.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the company has generally complied with the applicable mandatory conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement and the company has adopted the non-mandatory requirements with regard to setting up of a remuneration committee. The financial statements of the company are unqualified.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that the Registrar and Share Transfer Agents of the Company have maintained records to show Investors' Grievances against the Company and have certified that as on 31st March, 2014 there were no investor grievances remaining unattended / pending for a period exceeding one month.

**Place: Chennai
Date: 14.08.2014**

For N.R. KRISHNAMOORTHY & CO.,
Chartered Accountants
FRN : 001492S.
Sd/-
N.R. KRISHNAMOORTHY
Partner
Membership No. : 020638



INDEPENDENT AUDITORS' REPORT – TO THE SHAREHOLDERS OF ARIHANT'S SECURITIES LIMITED

We have audited the accompanying financial statements of **M/s. Arihant's Securities Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. .

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of the Section 211 of the Companies Act, 1956 ("the Act") read with the General circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

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

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2014;
- ii. in the case of the Statement of Profit and Loss, 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (the 'Order') issued by the Central Government of India in terms of sub - section (4A) of Section 227, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of Companies Act, 2013; and
 - e. On the basis of written representations received from the Directors as on March 31, 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For **N.R. KRISHNAMOORTHY & CO.**,
Chartered Accountants
FRN : 001492S.
Sd/-
N.R. KRISHNAMOORTHY
Partner
Membership No. : 020638

Place: Chennai
Date: 30.05.2014



ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date under the caption "Report on Other Legal and Regulatory Requirements")

The Annexure referred to in our report to the members of Arihant's Securities Limited ("the Company") for the year ended 31st March, 2014. We report that:

- (i) (a) The Company has maintained records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us the fixed assets have been physically verified by the Management, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. As explained to us no material discrepancies have come to the notice on such physical verification.
- (c) The company has not disposed off any fixed assets during the year so as to affect its going concern assumption.
- (ii) (a) As explained to us, the inventories have been verified by the management with the supporting evidence during the year. In our opinion the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory (shares). No discrepancies were noticed on verification between the dematerialized stocks, physical certificates of stocks and the book records.
- (iii) (a) 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 Companies Act, 1956.
- (b) The company has not granted any loan secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) 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 with regard to purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination and according to the information and explanation given to us, we have neither come across nor have been informed of any instance of major weakness in the aforesaid internal control system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered into the Register maintained under the said Section have been entered in the said Register.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements referred to in (a) above and exceeding the value of rupees five lakhs with any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 58A and 58AA of the Companies Act, 1956 or any other relevant provisions of the Act and the rules made thereunder.
- (vii) In our opinion, the Company has an internal audit system, commensurate with the size and nature of business.
- (viii) The company has not been required by the Central Government to maintain cost records under section 209 (1) (d) of the Companies Act, 1956.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Tax deducted at source, Excise Duty, Customs Duty, Employees State Insurance Fund, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of above were in arrears, as at 31st March 2014 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of Provident Fund, Tax deducted at source, Excise Duty, Service Tax, Customs Duty, Employees State Insurance Fund and Cess which have not been deposited with appropriate authorities on account of any dispute.
- (x) The Company's Accumulated losses at the end of the financial year are less than fifty percent of its net worth, and it has not incurred cash losses during the financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has no outstanding dues to a financial institution / bank.
- (xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and / or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
- (xiv) Based on our audit procedures and according to the information and explanations provided to us by the management, we are of the opinion that the Company has maintained proper records in respect of the trading transactions and contracts of shares, securities, debentures and other investment. Also, the Company has accounted such transaction on date of transactions further, the investments have been held by the Company in its own name.
- (xv) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
- (xvi) The Company has not taken any Term Loan during the year. Hence the provision of clause 4 (xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not raised funds on short term basis during the year and hence the provisions of clause 4 (xvii) of the Order are not applicable to the Company.
- (xviii) The Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
- (xix) No debentures have been issued by the Company during the year. Hence the provisions of clause 4 (xix) of the Order are not applicable to the Company
- (xx) During the year Company has not raised money by way of public issue. Hence the provisions of clause 4(xx) of the Order are not applicable to the Company.
- (xxi) During the course of our examination of the books of account, we have neither come across any instance of fraud on or by the Company, either noticed or reported during the year, nor have we been informed of any such case by the Management.

For N.R. KRISHNAMOORTHY & CO.,
Chartered Accountants
FRN : 001492S
Sd/-
N.R. KRISHNAMOORTHY
Partner
Membership No. : 020638

Place: Chennai
Date: 30.05.2014

Arihant's Securities Limited



To
The Board of Directors,
Arihant 's Securities Ltd

1. We have audited the accompanying financial statements of **M/s. Arihant's Securities Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information and issued our Audit opinion dated 30th May, 2014 thereon. 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. Our Audit was conducted in the manner specified in paragraph 2 of the Audit Report.
2. As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008", issued by the Reserve Bank of India ("the Bank" or RBI) and amended from time to time ("the Directions"), and based on our audit referred to in paragraph 1 above and based on the information and explanations given to us which to the best of our knowledge and belief were necessary for this purpose, we report hereunder on the matters specified in paragraph 3 of the Directions:
 - a. The Company is engaged in the business of Non-Banking Financial Institution ('NBF') as defined in section 45-I(a) of the Reserve Bank of India Act, 1934 ('the Act') during the year ended 31st March, 2014 and it has obtained Certificate of Registration No. : 07.00211 dated 1st April, 1998 from Reserve Bank of India;
 - b. Based on the asset/income pattern as on March 31, 2014 determined by the Management in accordance with the audited financial statements for the year ended as on that date, and with reference to paragraph 15 of the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, the Company is entitled to continue to hold such Certificate of Registration;
 - c. Based on the criteria set forth by the Bank in Circular No. DNBS.PD. CC No. 85 / 03.02.089 /2006-07 dated December 6, 2006 for classification of NBFCs, the Company has been correctly classified as Investment Company as defined in Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998 with reference to the business carried on by it during the financial year ended March 31, 2014;
 - d. The Board of Directors in their meeting held on April 2, 2013 has passed a resolution for non-acceptance of any public deposits without prior approval of Reserve Bank of India in writing;
 - e. The Company has not accepted any public deposits during the year ended March 31, 2014;
 - f. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 for the year ended March 31, 2014;

For N.R. KRISHNAMOORTHY & CO.,
Chartered Accountants

Sd/-
N.R. KRISHNAMOORTHY
Partner
Membership No. : 020638
FRN : 001492S

Place : Chennai
Date : 30.05.2014

Arihant's Securities Limited



BALANCE SHEET AS AT 31ST MARCH 2014

Particulars	Note No.	As at March 31, 2014 ₹	As at March 31, 2013 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	50,000,000	50,000,000
(b) Reserves and Surplus	2	(7,944,880)	(8,762,446)
(c) Money received against share warrants			
(2) Share application money pending allotment			
		-	-
(3) Current Liabilities			
(a) Trade payables	3	6,700,000	7,438,385
(b) Short-term provisions	4	1,736,725	1,539,588
Total		50,491,845	50,215,526
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
Tangible assets	5	1,558,052	1,558,406
(b) Non-current investments	6	900,000	900,000
(c) Deferred tax assets (net)	7	5,996	6,020
(d) Long term loans and advances	8	16,007,902	15,270,259
(2) Current assets			
(a) Current investments	9	22,589,952	21,319,228
(b) Trade receivables	10	9,258,857	11,360,457
(c) Cash and cash equivalents	11	107,925	(255,160)
(d) Short-term loans and advances	12	63,160	56,317
Total		50,491,845	50,215,526

Significant Accounting Policies and
Notes on Accounts forming part of financial statements
vide our report of even date

For N.R. KRISHNAMOORTHY & CO.,
Chartered Accountants
FRN : 001492S

Sd/-

N.R. KRISHNAMOORTHY, Partner

Membership No. : 020638

Place: Chennai

Date: 30.05.2014

For and on behalf of the Board of Directors

Sd/-

Chairman & Director
(RAVIKANT CHOUDHRY)
(DIN : 00831721)

Sd/-

Managing Director
(NISHIKANTH CHOUDHARY)
(DIN : 02142746)

Arihant's Securities Limited



PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	Note No.	As at March 31, 2014 ₹	As at March 31, 2013 ₹
I. Revenue from operations	13	1,594,109	1,029,228
II. Other Income	14	-	469,900
III. Total Revenue (I + II)		1,594,109	1,499,128
<i>IV. Expenses:</i>			
Employee benefit expense	15	235,944	238,833
Financial costs		880	270
Other operating expenses	16	399,222	382,948
Depreciation and amortization expense	5	353	2,954
Total Expenses		636,398	625,005
V. Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)		957,711	874,123
VI. Exceptional Items		-	-
VII. Profit/(Loss) before extraordinary items and tax (V - VI)		957,711	874,123
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		957,711	874,123
X. Tax expense:			
(1) Current tax		140,121	125,205
(2) Deferred tax		24	(750)
XI. Profit(Loss) for the period from continuing operations (IX - X)		817,566	749,668
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		817,566	749,668
XVI. Earning per equity share:			
(1) Basic		0.16	0.15
(2) Diluted		0.16	0.15

Significant Accounting Policies and Notes on Accounts forming part of financial statements vide our report of even date
For N.R. KRISHNAMOORTHY & CO.,
Chartered Accountants
FRN : 001492S
Sd/-
N.R. KRISHNAMOORTHY, Partner
Membership No. : 020638
Place: Chennai
Date: 30.05.2014

For and on behalf of the Board of Directors
Sd/-
Chairman & Director
(RAVIKANT CHOUDHRY)
(DIN : 00831721)
Sd/-
Managing Director
(NISHIKANTH CHOUDHARY)
(DIN : 02142746)

Arihant's Securities Limited



CASH FLOW STATEMENT

	2013-14 ₹	2012-13 ₹
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary items	957,711	874,123
Adjustments for :		
Add : Provisions	-	-
Add : Depreciation	353	2,954
	958,064	877,077
Less : Other Income	-	-
Operating Profit before working capital changes	958,064	877,077
Adjustments for :		
Add : Decrease in Current Assets	2,094,757	444,240
	3,052,821	1,321,317
Add : Increase in Current Liabilities	(738,383)	698,485
	2,314,438	2,019,802
Less : Increase in Current Assets	2,008,369	1,291,608
	306,069	728,194
Less : Decrease in Current Liabilities	(57,016)	1,069,525
Cash generated from Operations	363,086	(341,331)
Add : Other Income	-	-
Net Cash from Operating Activities	363,086	(341,331)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase/Sale of Fixed Assets	-	-
Purchase/Sale of Investments	-	-
Net Cash used for Investing Activities	-	-
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	-	-
Secured or Unsecured Loans taken	-	-
Net Cash from Financing Activities	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	363,086	(341,331)
Cash & Cash Equivalents as at 01.04.2013	(255,160)	86,170
Cash & Cash Equivalents as at 31.03.2014	107,925	(255,160)

"As per our Report Attached"
For N.R. KRISHNAMOORTHY & CO.,
Chartered Accountants
FRN : 001492S

Sd/-
N.R. KRISHNAMOORTHY,
Partner
Membership No. : 020638
Chennai, 30.05.2014

For and on behalf of the Board of Directors

Sd/-
Chairman & Director
(RAVIKANT CHOUDHRY)
(DIN : 00831721)
Sd/-
Managing Director
(NISHIKANTH CHOUDHARY)
(DIN : 02142746)



Significant Accounting Policies and Notes to accounts:

Significant Accounting Policies:

1. Basis of Preparation of Financial Statements:

The financial statements are prepared under the historical cost convention from the books of accounts maintained on accrual basis, in conformity with the accounting principles generally accepted in India, and comply with the accounting standards issued by the council of the Institute of Chartered Accountants of India and referred to in section 211(3C) of the Companies Act, 1956.

2. Fixed Assets:

Fixed Assets are stated at their historical cost less depreciation. All costs related to the acquisition and installation of Fixed Assets is capitalized including directly attributable financing costs relating to borrowed funds and costs of bringing the asset to working condition for its intended use.

3. Depreciation:

Depreciation is provided on Straight Line Method as per the rates and in the manner specified in Schedule XIV of Companies Act, 1956.

4. Investments:

Long term investments are stated at cost, Provision for diminution in value of long term investments is made only if there is a decline other than temporary in the opinion of the management.

5. Shares & Securities:

Shares & Securities are stated at Cost or Market Price whichever is less.

6. Financial Statements are prepared based on Indian Accounting Standards

7. Taxes on Income:

Current income tax expense represents the tax on income payable determined according to the provisions of the Income Tax Act, 1961.



Deferred Tax Expense / Benefit is recognized on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets consisting of unabsorbed depreciation and carry forward of losses are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available to realize these assets.

8. Earnings per Share:

The Basic earnings per share is computed by dividing the net profit after tax for the period by the weighted average number of Equity Shares outstanding during the period. Diluted earnings per share, if any is computed using the weighted average number of equity number of equity shares and dilutive potential equity shares outstanding during the period except when the results are anti-dilutive.

9. Impairment of Assets:

Except otherwise than the Financial Assets, Inventories and Deferred Tax Asset, the Carrying Amounts of all the Assets are reviewed at each balance sheet date to determine any indications of impairment. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The Impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

10. Provision, Contingent Liabilities and Contingent Assets:

Contingent Liabilities, if any, are disclosed by way of Notes to accounts. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end, till the approval of accounts by the Board of Directors and which have material effect on the position stated in the balance sheet.

11. Prior Period Items and Changes in Accounting Policies:

According to the information and explanations given to us and in the opinion of the management there are no prior period items significantly affecting the Net Profit or Loss for the current period or later periods. And also there is no change in the Accounting Policies used by the management in the preparation of Financial Statements.

Arihant's Securities Limited



Notes to and forming part of Balance Sheet as at 31st March 2014

Note 1 : Share Capital

(Amount in ₹)

Particulars	31.03.2014	31.03.2013
Authorised Capital		
60,00,000 Equity Shares of ₹ 10/- each	60,000,000	60,000,000
	60,000,000	60,000,000
Issued, Subscribed & Paid Up Capital		
50,00,000 Equity Shares of ₹ 10/- each, Fully Paid up	50,000,000	50,000,000
Total	50,000,000	50,000,000
1(a) Reconciliation of Nos. Of Shares		
Number of Equity Shares at the beginning	5,000,000	5,000,000
Add : Number of Shares Issued	-	-
Number of Equity Shares at the end	5,000,000	5,000,000

1(b) Below are the name of the shareholders holding more than 5% of Shares

Name of Shareholder	No. of Share Holding	Percentage of Holding
Ravikant Choudhry	1,496,900	29.94
Khivraj Auto & Investments Private Limited	372,500	7.45

1(c) There is no Shares allotted as fully paid up without payment being received in cash during proceeding five years.

Note 2 : Reserve and Surplus

(Amount in ₹)

Particulars	31.03.2014	31.03.2013
General Reserve	2,500,000	2,500,000
Special Reserve	3,149,169	3,149,169
Surplus (Profit & Loss Account) :		
As per last Balance sheet	(14,411,615)	(15,161,283)
Add : Profit/ (loss) during the year	817,566	749,668
Amount transferred to Reserve	(13,594,049)	(14,411,615)
Total	(7,944,880)	(8,762,446)

Arihant's Securities Limited



Notes to and forming part of Balance Sheet as at 31st March 2014

Note 3 : Trade Payables

(Amount in ₹)

Particulars	31.03.2014	31.03.2013
Trade Creditors	6,700,000	7,438,385
Others	-	-
Total	6,700,000	7,438,385

1. Sundry Creditors represent the amount received as advances during the normal course of business.
2. There are no amounts due to Small Scale Industries in terms of "Micro, Small and Medium Enterprises Development Act, 2006"

Note 4 : Short Term Provisions

(Amount in ₹)

Particulars	31.03.2014	31.03.2013
Provision From Employees Benefit		
Provision for Salaries	136,016	114,000
Others		
Provision for tax	1,545,709	1,405,588
Provision for Audit Fees	55,000	20,000
Total	1,736,725	1,539,588

Note 5 : Fixed Assets

(Amount in ₹)

Description	Gross Block at cost				Depreciation			Net Block	
	As on 1.4.2013 ₹	Additions ₹	Deductions ₹	As on 31.03.2014 ₹	As on 1.4.2013 ₹	For the year ₹	As on 31.03.2014 ₹	As on 31.03.2014 ₹	As on 31.03.2013 ₹
Land	1,556,690	-	-	1,556,690	-	-	-	1,556,690	1,556,690
Computer	16,150	-	-	16,150	16,150	-	16,150	-	-
Motor Cycle	39,138	-	-	39,138	39,138	-	39,138	-	-
Office Equipments	7,438	-	-	7,438	5,722	353	6,076	1,362	1,716
Total	1,619,416	-	-	1,619,416	61,010	353	61,364	1,558,052	1,558,406
Previous Year	1,619,416	-	-	1,619,416	58,056	2,954	61,010	1,558,406	1,561,360

Fixed Assets have been depreciated in accordance with Section 205 (2) (d) of the Companies Act, 1956.

Note 6 : Non Current Investment

(Amount in ₹)

Particulars	31.03.2014	31.03.2013
Investment in Property *	900,000	900,000
Total	900,000	900,000

* Investments ₹ 9,00,000/- represents Land at Sriperumbudur

Arihant's Securities Limited



Notes to and forming part of Balance Sheet as at 31st March 2014

Note 7 : Deffered Tax Assets (Net)

(Amount in ₹)

Particulars	31.03.2014	31.03.2013
Deffered Tax Asset	5,996	6,020
Total	5,996	6,020

The major components of deferred tax assets and deferred tax liabilities arising out of timing differences are as under

Particulars	31.03.2014	31.03.2013
Deferred Tax Asset :		
a. Provision for Investments / Non Performing Assets, etc.,	-	-
b. Income deferral on Non Performing Assets	-	-
c. Depreciation	(24)	750
d. Other Timing Differences	-	-
Defered Tax Liability		
a. Depreciation	-	-
b. Others	-	-
Total	(24)	750

Note 8 : Long Term Loans and Advances

(Amount in ₹)

Particulars	31.03.2014	31.03.2013
Capital Assets		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	-	-
c) Doubtful	-	-
Security Deposit		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	-	-
c) Doubtful	-	-
Financing Activity		
a) Secured Loan :		
i) Considered Good	-	-
ii) Considered Doubtful	-	-
Less : Provision for Doubtful loans	-	-
b) Unsecured Loan :		
i) Considered Good	5,246,944	4,678,506
ii) Considered Doubtful	993,199	993,199
Less : Provision for Doubtful loans	993,199	993,199
	<u>5,246,944</u>	<u>4,678,506</u>
Other Loans & Advances :		
i) Advances	10,409,250	10,409,250
ii) Tax Deducted at Source	351,708	182,503
	<u>10,760,958</u>	<u>10,591,753</u>
Total	16,007,902	15,270,259

1. Loans and Advances are unsecured and those considered doubtful have been fully provided for.

2. Provisioning is done as per the prudential norms prescribed by the Reserve Bank of India.

3. Advances include ₹ 54,09,250/- towards Property advance

Note 9 : Current Investment

(Amount in ₹)

Particulars	31.03.2014	31.03.2013
Investment in Equity (Refer Note No. 9A)	22,589,952	21,319,228
Others	-	-
Total	22,589,952	21,319,228

Arihant's Securities Limited



NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2014

Note 9A Investment in Equity

(Amount in ₹)

No. of Shares	Shares and Securities	2014	2013
QUOTED EQUITY SHARES :			
500	AHMAD FORGE	16,500	16,500
5000	ALK SECURITIES	4,900	4,900
600	ALPHAGEO	34,200	34,200
25	ARIHANT FOUND	1,601	1,601
97	ARVIND MILLS	951	41,540
28500	AURUM SOFT SYS LTD.	885	885
613	BAFNA PHARMACEUTICALS LTD	28,250	28,250
400	BF INVESTMENTS LTD	17,200	17,200
400	BF UTILITIES	128,120	128,120
2	BODAL CHEMICALS LTD	100	100
2500	BPL LTD	40,100	40,100
200000	CEE TV ENTERTAINMENT LIMITED	2,000,000	2,000,000
1800	CEREBRA INTEGRATED TECH LTD	70,030	70,030
5343	CLARIANT CHEM	1,051,502	1,051,502
15500	COMFORT INC	41,420	41,420
1000	DEEPAK FERT	56,600	56,600
258	DION GLOBAL SOLUTIONS LTD	1,346	1,346
6000	DISHTV	232,880	232,880
23643	DR. AGARWAL EYE	353,294	353,294
500	EASUN REYROLLE	22,425	22,425
1000	EDL	47,350	47,350
2300	ENCHANTE JEWEL	8,510	8,510
1200	ESSAR (INDIA) LTD	3,222	4,297
600	ESSAR SHIPPING	52,920	52,920
420	ESS DEE ALUMINIUM	1,371,714	-
25000	EVEREADY	445,000	445,000
2800	FACT ENT	28,000	28,000
60000	FCL	1,038,353	1,038,353
2500	FERVENT SYNERGIES LIMITED	25,000	25,000
3000	GEECEE VENTURES LTD.	249,600	249,600
19500	GOLDINFRA	284,309	284,309
30000	GOLDSTONE TECHNOLOGIES	406,500	406,500
1000	GRAPHITE INDIA	42,827	42,827
280	GUJARAT NRE COKE NEW PP	3,710	3,710
250	GUJRAT BOROSIL	1,752	1,752
952	GUJRAT MINERAL	37,746	37,746
2800	GUJRAT NRE COKE	74,620	74,620
1000	GULF OIL CORP	27,050	27,050
5400	HILLOCK AGRO	5,400	5,400
15000	HIMACHAL FUTURISTICS	190,100	190,100
2450	INDIA BULLS	213,980	213,980
6490	INDIA BULLS EQ	6,490	6,490
275	INDIA BULLS WHOLE EQ	275	275
3600	INDO ASIAN FIN	17,790	17,790
1000	INDO BONITO MULTINATIONAL LTD.	7,050	7,050
500	INDRAPRASTHA GAS	13,975	13,975
25000	INDUSIND BANK	807,500	807,500
22063	INFO DRIVE	516,688	516,688
500	INVICTA MEDITEK LTD.	2,745	2,745
1000	ISMT	20,050	20,050
352	JAGRAN PRAKASHAN	39,420	39,420
0	JAIPRAKASH ASSOCIATES	-	59,325
1000	KALYANI STEEL	80,790	80,790
200	KANISHK STEEL	2,856	2,856
2500	KCP	28,913	28,913
1500	KHODAY INDIA	36,750	36,750
1500	KIRL FERE IN	16,485	16,485
30000	KOTHARI SUGAR	153,000	153,000
8000	KREON FINANCIAL	14,000	14,000
2100	KUMBHAT FINANCE	2,100	2,100
26000	LE WATERINA RESORTS & HOTEL LTD	3,810	3,810
3200	LOKESH MACHINES LTD.	63,680	63,680
150	LUMAX AUTO	2,550	2,550
2100	MANSI FINANCE	11,571	11,571
1250	MAWANA SUGARS	20,437	20,437
1400	MIDDAY	16,534	16,534
100	MONEY MATTER	7,979	7,979
1000	MRPL	41,050	41,050
86500	M S INVESTMENTS	230,900	230,900
2000	MTZ POLYFILMS LIMITED	2,000	2,000

Arihant's Securities Limited



5000	MUNDRAPORT	323,200	323,200
100	MUNOTH FINANCIAL	583	583
52500	NATIONAL PLASTIC (ARHAM)	371,700	371,700
1000	NECTAR LIFESCIENCE	11,260	11,260
1000	NILE LTD	44,350	44,350
155	NITCO	3,642	3,642
100	NOIDATOLL	4,438	4,438
4028	NTC INDUSTRIES LIMITED	180,857	180,857
269450	PEETI SECURITIES	269,450	269,450
3000	PIPAVAV SHIPYARD LTD	178,440	178,440
7370	PONDY OXIDES	82,838	82,838
1010	PRATIBHA IND	15,898	15,898
3000	PRESSURE SENSITIVE	5,730	5,730
200	PRIME SECU	2,510	2,510
500	PSL HOLDINGS	43,325	43,325
10	PANJAB NATIOANL BANK	10,895	10,895
9300	RAJESWARI FOUNDATION	73,470	73,470
54	RANBAXY	8,942	8,942
4028	RDB RTEALTY & INF	96,672	96,672
1477	REFEX REFRI	21,195	21,195
0	RELIANCE INDUSTRIES	475,750	475,750
7	RELIANCE POWER LTD	15,250	15,250
36	REMI METALS	253	253
14900	RISHAB FINANCIAL	35,760	35,760
3183	R SYSTEMS	163,611	163,611
600	SAIL	54,510	54,510
1000	SAKTHI SUGAR	22,800	22,800
1	SATYAM COMPUTERS	100	100
1500	SHASHUN CHEM	18,825	18,825
800	SHREE GANESH FORGING	6,592	6,592
40000	SILICON VALLEY	10,000	10,000
211	SOLAR EXPLOSIVES	293,899	293,899
200	SPANCO TELE	5,570	5,570
1000	SPARC	82,130	82,130
3988	SPARSH BPO	91,325	91,325
5500	SPICEJET	132,465	132,465
500	SPML INFRA LTD.	23,300	23,300
300	SQL STAR	2,205	2,205
1500	SHREE JAYALAKSHMI AUTO	1,500	1,500
9500	STERLING HOLIDAY	267,900	267,900
4400	STL GLOBAL	880	880
1000	STONE INDIA LTD	40,608	40,608
1	SUBHKAM CAPITAL LTD	20	20
160	SUN PHARMA ADV RES CO LTD	6,400	6,400
2308	SUN TV	229,957	229,957
1000	TANTIA CONS	32,500	32,500
300	THAMBI MODERN	1,380	1,380
1200	TINPLATE INDIA LTD	36,000	36,000
25200	TOP TELEMEDIA	25,200	25,200
10000	TOURISM FINANCE	135,500	135,500
1600	TYROON TEA	22,400	22,400
5000	UNIPLY	23,150	23,150
1000	USHAMART	27,400	27,400
500	VIDEOIND	43,625	43,625
500	VIJAY SHANTI	5,980	5,980
9500	WELL PACK PA	89,110	89,110
170	WEB SOLUTION LTD	34,681	34,681
1200	YARN SYNDICATE	3,540	3,540
	OTHERS	179,128	179,128
1,218,488	TOTAL	15,217,952	13,947,228
	Market Value	33,302,975	32,457,782
	UNQUOTED EQUITY SHARES		
130000	ASL CAPITAL HOLDINGS P LIMITED	5,372,000	5,372,000
200000	RAJ FINLEASE LIMITED	2,000,000	2,000,000
330,000	TOTAL	7,372,000	7,372,000
	GRAND TOTAL	22,589,952	21,319,228

Arihant's Securities Limited



Notes to and forming part of Balance Sheet as at 31st March 2014

Note 10 : Trade Receivables (Amount in ₹)

Particulars	31.03.2014	31.03.2013
Unsecured, Considered Good	9,258,857	11,360,457
Total	9,258,857	11,360,457

Note 11 : Cash & Cash Equivalent (Amount in ₹)

Particulars	31.03.2014	31.03.2013
Bank Balance	107,925	(255,160)
Total	107,925	(255,160)

The Company maintains Nil Cash balance

Note 12 : Short Term Loans and Advances (Amount in ₹)

Particulars	31.03.2014	31.03.2013
Others *	63,160	56,317
Total	63,160	56,317

* Others represents current year Tax deducted at Source

Notes to and forming part of Profit and Loss Account as at 31st March 2014

Note 13 : Revenue from Operation (Amount in ₹)

Particulars	31.03.2014	31.03.2013
Interest Income	631,598	563,173
Income from Share Trading - share segment	445,089	(15,420)
Dividend Income	504,168	481,475
Income from Futures, Options	13,254	-
Total	1,594,109	1,029,228

1. Interest income earned by the Loan Segment is recorded on accrual basis.

2. Revenue from purchase and sale of shares by the Share Segment of the company are recorded on cash basis.

3. Dividends are recorded when the right to receive payment is established.

Note 14 : Other Income (Amount in ₹)

Particulars	31.03.2014	31.03.2013
Bad Debts Recovered	-	450,000
Other Income	-	19,900
Total	-	4,69,900

Note 15 : Employment Benefit Expenses (Amount in ₹)

Particulars	31.03.2014	31.03.2013
Salaries Paid	235,944	238,833
Total	235,944	238,833

Arihant's Securities Limited



Notes to and forming part of Profit and Loss Account as at 31st March 2014

Note 16 : Other Operating Expenses

(Amount in ₹)

Particulars	31.03.2014	31.03.2013
Advertisement Expense	28,875	29,175
Audit Fees	35,000	35,000
Printing and Stationery	35,880	27,490
Share Segment Expenses	83,936	57,302
Subscription	33,090	29,216
Miscellaneous Expense	182,440	204,765
Total (A + B)	399,222	382,948
Auditor Remuneration		
Auditor's Fees	30,000	20,000
Out of Pocket Expense	5,000	15,000
Total	35,000	35,000

17. There is no Earning and Expenditure in Foreign Currency during the year

18. Contingencies and Events after the Balance Sheet Date :

According to the information and explanations given to us, there are no Contingencies and Events after the Balance sheet date that require disclosure according to the Accounting Standard 4 on "Contingencies and Events Occurring after the Balance Sheet Date"

19. According to the information and explanations given to us, no impairment of assets is necessary.

20. Related Party Disclosure

According to Accounting Standard 18 on "Related Parties Disclosures", their names, relationship and transactions are as follows;

Name of Party	Nature of Relationship
ASL Capital Holdings Private Limited	Associate
Ravikant Choudhry	Chairman - Key Management Personnel
Nishikant Choudhary	Managing Director - Key Management Personnel

List of related party transactions during the year

(Amount in ₹)

Transactions	Associate	KMP
1. Purchases	70,17,057	-
2. Sales	43,93,818	-
3. Balance as on 31.03.2014 (Dr.)	9,258,857	-
4. Bad Debts	-	-

21. Earnings per Share

(Amount in ₹)

Particulars	31.03.2014	31.03.2013
a. Profit / (Loss) for the year	817,566	749,668
b. No. Of Equity Shares of Face Value of ₹10/- Outstanding	5,000,000	5,000,000
c. Basic and Diluted Earnings per share (a/b)(₹)	0.16	0.15

22. There are no loans and advances / Investments in its own shares by the company , their subsidiaries , associates, etc.,

There are no loans and advances in the nature of loans where there is no repayment schedule or repayment beyond seven years.

Arihant's Securities Limited



Notes to and forming part of Balance Sheet as at 31st March 2014

Note 23 : REPORTING OF SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED AS PER CLAUSE 41 OF THE LISTING AGREEMENT

(Amount in ₹)

Sl. No.	Particulars	Audited	
		Year ended 31.03.14	Year ended 31.03.13
1	Segment Revenue		
	a. Loans	631,598	563,173
	b. Trading of Shares	458,343	466,055
	c. Others	504,168	469,900
	Total	1,594,109	1,499,128
	Less: Intersegment revenue	-	-
	Net Sales / Income from Operations	1,594,109	1,499,128
2	Segment Results		
	Profit(+)/Loss(-) before Tax and Interest from each segment		
	a. Loans	631,598	563,173
	b. Trading of Shares	458,343	466,055
	c. Others	504,168	469,900
	Total	1,594,109	1,499,128
	Less:(i) Interest	-	-
	(ii) Other Unallocable expenditure net of Unallocable Income	636,398	625,005
	Total Profit before Tax	957,711	874,123
3	Capital Employed		
	(Segment Assets - Segment Liabilities)		
	a. Loans	5,246,944	4,678,506
	b. Trading of Shares	22,589,952	21,319,228
	c. Others	-	-
	Total	27,836,896	25,997,734

NOTES:

- The above audited financial results were taken on record at the Board Meeting of the Company held on 30th May 2014
- Status of Investor Complaints for the quarter ended 31.03.2014

Particulars	3 months ended 31/03/2014
Pending As At 01.01.2014	NIL
Received during the quarter	NIL
Disposed of during the quarter	NIL
Pending As At 31.03.2014	NIL

Note 24 : Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Arihant's Securities Limited



Notes to and forming part of Balance Sheet as at 31st March 2014

Note 25 : As required in terms of paragraph 13 of Non Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

SNo. Particulars	Amount outstanding	Amount overdue
<u>Liabilities :</u>	₹	₹
I Loans and Advances availed by the Non-banking financial company inclusive of interest accrued thereon but not paid		
a) Debentures : Secured	-	-
Unsecured	-	-
(Other than falling within the meaning of public deposit)		
b) Deferred Credits	-	-
c) Term Loans	-	-
d) Inter-Corporate loans and borrowings	-	-
e) Commercial Paper	-	-
f) Other loans (specify nature)	-	-
Assets :		
II Break-up of Loans and Advances including bills receivables [Other than those included in (4) below]	Amount outstanding	
	₹	
a) Secured	-	
b) Unsecured	5,246,994	
III Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
i. Lease assets including lease rentals under Debtors:		
(a) Financial Lease	-	
(b) Operating Lease	-	
ii. Stock on hire including hire charges under Debtors:		
(a) Assets on hire	-	
(b) Repossessed Assets	-	
iii. Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	
(b) Loans other than (a) above	-	
IV Break-up of Investments:		
Current Investments		
1. Quoted		
i. Shares (a) Equity	15,217,952	
(b) Preference	-	
ii. Debentures and Bonds	-	
iii. Units of Mutual Fund	-	
iv. Government Securities	-	
v. Others	-	
2. Unquoted		
i. Shares (a) Equity	7,372,000	
(b) Preference	-	
ii. Debentures and Bonds	-	
iii. Units of Mutual Fund	-	
iv. Government Securities	-	
v. Others	-	
Long term investments:		
1. Quoted		
i. Shares (a) Equity	-	
(b) Preference	-	
ii. Debentures and Bonds	-	
iii. Units of Mutual Fund	-	
iv. Government Securities	-	
v. Others	-	

Arihant's Securities Limited



2.	Unquoted	
i.	Shares (a) Equity	-
	(b) Preference	-
ii.	Debentures and Bonds	-
iii.	Units of Mutual Fund	-
iv.	Government Securities	-
v.	Others - Land at Sriperumbudur	900,000

V Borrower group-wise classification of assets financed as in (2) and (3) above :

Category	Secured	Amount net of provisions unsecured	Total
1. Related Parties**			
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other related parties	-	-	-
2. Other than related parties	-	-	-
Total	-	-	-

VI Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Market Value / Fair Value / NAV	Book Value (Net of Prov)
1. Related Parties**		
a) Subsidiaries	-	-
b) Companies in the same group	-	-
c) Other related parties*	5,372,000	5,372,000
2. Other than related parties	33,302,975	17,217,952
Total	38,674,975	22,589,952

* Other Related parties represent the unquoted shares, market value of unquoted share not predicted.

** As per Accounting Standard of ICAI

VII Other Information

	Amount
i) Gross Non-Performing Assets :	
a) Related Parties	-
b) Other than Related Parties	993,199
ii) Net-Non Performing Assets :	
a) Related Parties	-
b) Other than Related Parties	-
iii. Assets acquired in satisfaction of debt	-

Notes

- As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / Net Asset Value in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (4) above.

"As per our Report Attached"

For N.R. KRISHNAMOORTHY & CO.,

Chartered Accountants

FRN : 001492S

Sd/-

N.R. KRISHNAMOORTHY,

Partner

Membership No. : 020638

Chennai, 30.05.2014

For and on behalf of the Board of Directors

Sd/-

Chairman & Director

(RAVIKANT CHOUDHRY)

(DIN : 00831721)

Sd/-

Managing Director

(NISHIKANTH CHOUDHARY)

(DIN : 02142746)

Book - Post

If undelivered Please return to :

Arihant's Securities Limited

**138, Dr. Radhakrishnan Salai,
Mylapore, Chennai - 600 004.
Ph. : (044) 28444555, 43434000**