

**22<sup>nd</sup>**  

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**Annual Report**  

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**2015 - 2016**

**PEETI SECURITIES LIMITED**



**22nd ANNUAL GENERAL MEETING**  
FRIDAY 30th September 2016  
at 10.00 A.M.  
at Bhagyanagar Function Hall,  
L. B. Nagar, Hyderabad

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**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

|                       |   |                              |
|-----------------------|---|------------------------------|
| SRI SANDEEP PEETI     | : | CHAIRMAN & MANAGING DIRECTOR |
| SRI RAJESH PITY       | : | WHOLE- TIME DIRECTOR         |
| SMT NISHA PEETI       | : | DIRECTOR (WOMEN DIRECTOR)    |
| SRI RAJ KUMAR AGRAWAL | : | INDEPENDENT DIRECTOR         |
| SRI AJAY GARG         | : | INDEPENDENT DIRECTOR         |
| SRI RAJEEV PEETI      | : | INDEPENDENT DIRECTOR         |

**TEJAL ANAND RAMAIYA**

Company Secretary Cum Compliance Officer

**Sri. RAJESH PITY**

CFO

**INTERNAL AUDITORS**

Mr.Sandeep Chowdhury

**REGISTERED OFFICE & WORKS**

Door No. : 7-3-81/1,  
OLD KURNOOL ROAD, KATTEDAN  
HYDERABAD – 500077  
CIN: L67190TG1994PLC018779

**BANKERS**

KOTAK MAHINDRA BANK  
SHAMSHABAD,  
HYDERABAD - 501218

**LISTED AT**

THE BSE LIMITED

**REGISTRARS AND SHARE  
TRANSFER AGENTS**

CIL SECURITIES LIMITED  
IIFLOOR, 214, RAGHAVARATNA  
TOWERS CHIRAG ALI LANE  
HYDERABAD – 500 001

**AUDITORS**

M/S. MKA ASSOCIATES, 1 FLOOR  
SURABHI SHARADHA BLOCK  
AHUJA ESTATE, ABIDS  
HYDERABAD – 500 001

**NO GIFTS**  
**Will be Distributed at the AGM**

**BOARD COMMITTEES:**

| <b>Audit Committee:</b>         | <b>Remuneration Committee:</b>  | <b>Stakeholder Relationship Committee:</b> |
|---------------------------------|---------------------------------|--|
| SRI RAJKUMAR AGRAWAL - CHAIRMAN | SRI RAJKUMAR AGRAWAL - CHAIRMAN | SRI RAJKUMAR AGRAWAL - CHAIRMAN            |
| SRI RAJEEV PEETI - MEMBER       | SRI RAJEEV PEETI - MEMBER       | SRI RAJEEV PEETI - MEMBER                  |
| SRI AJAY GARG - MEMBER          | SRI AJAY GARG - MEMBER          | SRI AJAY GARG - MEMBER                     |

**Notice**

Notice is hereby given that the 22nd Annual General Meeting of the members of the Company will be held on FRIDAY 30th September 2016 at 10.00 A.M. at Bhagyanagar Function Hall, L. B. Nagar, Hyderabad to transact the following items of business:

**ORDINARY BUSINESS:**

1. To consider and adopt The audited financial statement of the Company for the financial year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon;
2. To appoint a director in place of Sri Sandeep Peeti (DIN– 00751377) who retires by rotation and being eligible offers himself for re-appointment as a director in the company;
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**

“RESOLVED THAT pursuant to the provisions of Sections 139, 141 and 142 of the Companies Act, 2013, the appointment of M/s.MKA Associates, Chartered Accountant, (Registration No. 005992S), Hyderabad, who were appointed as the Statutory Auditors of the Company till the conclusion of 23rd Annual General Meeting, be and are hereby ratified and confirmed, on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company for the financial year ending 31st March, 2017.”

**SPECIAL BUSINESS:**

**4. APPOINTMENT OF WOMEN DIRECTOR**

To consider and if, thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:-

“RESOLVED THAT pursuant to the provisions of section 149 and 152 read with all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (LODR) Regulations, Smt NISHA PEETI (DIN : 02135532), who was appointed as an Additional Director of the Company by the Board of Directors at their meeting held on 10th December, 2015, pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who hold office up to the date of 22nd Annual General Meeting of the company, be and is hereby appointed as a Director of the Company.”

BY ORDER OF THE BOARD OF DIRECTORS  
PEETI SECURITIES LIMITED

Sd/-  
SANDEEP PEETI  
CHAIRMAN & MANAGING DIRECTOR

Place: Hyderabad  
Date: 12th August 2016

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.
2. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting
4. A Statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/ Company.
6. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday 24th September, 2016 to Friday 30th September, 2016 (both day inclusive)** for the purpose of 22nd Annual General Meeting.
7. Members are requested to quote ledger folio/DP id/client id number in all their correspondence to avoid delay in communication.
8. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the Company on all working days, between 11.00 A.M. to 1.00 P.M. up to the date of the meeting.
9. Members/Proxies are requested to bring duly filled in attendance slips sent herewith for attending the meeting.
10. Members who hold shares in physical form can nominate a person in respect of all the shares Held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility.

**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 member's facility to exercise their right to vote at the 22nd Annual General Meeting (AGM) by

electronic means and the business may be transacted through e-Voting Services provided by Central Depository Service (India) Limited (CDSL):

**COMMENCEMENT OF E - VOTING: From 10.00 A.M. on, Tuesday 27th , September, 2016 to 5.00 P.M. on Thursday 29th, September, 2016**

E-voting shall not be allowed beyond 5.00 P.M. on Tuesday 29th, September, 2016. During the e-voting period, shareholders of the Company, holding shares either in physical form or demat form, as on 23rd September, 2016 may cast their vote electronically

The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs with the Company / their respective Depository Participants along with physical copy of the Notice.

Those members who have registered their e-mail IDs with the Company are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail.

12. The Company has appointed Mr. Yellareddy Vootkuri, Practising chartered Accountant, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.

BY ORDER OF THE BOARD OF DIRECTORS  
PEETI SECURITIES LIMITED

Sd/-  
SANDEEP PEETI  
CHAIRMAN & MANAGING DIRECTOR

Place: Hyderabad  
Date: 12th August 2016

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

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

**ITEM NO. 4:**

Smt Nisha Peeti who was appointed as an Additional Director of the company w.e.f. 10th December, 2015 pursuant to the provisions of Section 161 of the Companies Act, 2013, holds office up to the date of this Annual General Meeting of the company and is eligible for appointment. In terms of Section 160 of the Companies Act, 2013, the company has received a notice in writing along with a deposit of requisite amount from a Member signifying his intention to propose the candidature of Smt Nisha Peeti for the office of Director.

Save and except Smt Nisha Peeti and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

BY ORDER OF THE BOARD OF DIRECTORS  
PEETI SECURITIES LIMITED

Sd/-  
SANDEEP PEETI  
CHAIRMAN & MANAGING DIRECTOR

Place: Hyderabad  
Date: 12th August 2016



**Information in respect of Directors seeking appointment / re-appointment as required  
Under SEBI(LODR)Regulations,2015**

|   |                                  |                                   |
|---|----------------------------------|-----------------------------------|
| Name of the Directors   | Smt Nisha Peeti                  | Sri Sandeep Peeti                 |
| Date of first appointment   | 10/12/2015                       | 28/11/1994                        |
| Date of birth/age   | 28/01/1973                       | 15/07/1969                        |
| Expertise in specific functional areas  | Experience in Administration     | vast experience in Administration |
| Educational qualification   | Graduate                         | graduate                          |
| Chairman/member of the board of directors of the company                                | NIL                              | NIL                               |
| List of Directorships, Committee Chairmanship, Membership held in other companies as on | (Private Companies excluded) NIL | (Private Companies excluded) NIL  |

**DIRECTOR'S REPORT**

To  
The Members

Your Directors have pleasure in presenting the 22nd ANNUAL REPORT together with the Audited Accounts of the company for the financial year ended 31st March, 2016.

**1. FINANCIAL SUMMARY:****FINANCIAL RESULTS**

(₹ in lakhs)

| <b>PARTICULARS</b>                 | <b>YEAR ENDED<br/>31.03.2016</b> | <b>YEAR ENDED<br/>31.03.2015</b> |
|------------------------------------|----------------------------------|----------------------------------|
| Revenue From Operations            | 1804.56                          | 1170.73                          |
| Other Income                       | 12.85                            | 12.64                            |
| Total Income                       | 1817.41                          | 1183.37                          |
| Expenditure                        | 1747.47                          | 1132.70                          |
| Interest                           | 0.12                             | 0.47                             |
| Profit before depreciation and tax | 69.82                            | 50.20                            |
| Depreciation                       | 5.23                             | 10.32                            |
| Net profit before tax              | 64.59                            | 39.88                            |
| Tax                                | 21.00                            | 5.54                             |
| Net Profit                         | 43.59                            | 34.34                            |

**2. STATE OF COMPANY'S AFFAIR:**

During the year under review, your company has achieved a total income of Rs. 1817.41 lakhs as against previous year's income of Rs. 1183.37 lakhs and recorded a net profit of Rs. 43.59 lakhs for the financial year 2015-16 when compared to a net profit of Rs. 34.34 lakhs during the previous year.

**3. DIVIDEND**

Your Directors do not recommend any Dividend for the Financial Year 2015-2016 as the profits are planned to be ploughed back into the business operations.

**4. FIXED DEPOSITS:**

The Company has neither accepted nor renewed any deposits falling within the provisions of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 from the its member and public during the Financial Year.

## **5. MEETINGS**

During the year under review, six board meetings were held on, 30th May 2015, 30th July 2015, 14th August 2015, 30th October, 2015, 10th December 2015, 12th February, 2016. The maximum time-gap between any two consecutive meetings was within the period prescribed under the Companies Act, 2013.

## **6. BOARD EVALUATION**

The Board of Directors evaluated the annual performance of the Board as a whole, its committee's and the directors individually in accordance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 in the following manner:

- i. Structured evaluation forms, as recommended by the Nomination and Remuneration Committee, after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, for evaluation of the performance of the Board, its Committee's and each director were circulated to all the members of the Board along with the Agenda Papers.
- ii. The members of the Board were requested to evaluate by filling the evaluation forms and the duly filled in evaluation forms were required to be sent to the Company Secretary in a sealed envelope or personally submitted to the Chairman at the concerned meeting.
- iii. Based on the individual evaluation of the Directors, the Board initiated a detailed discussion at the concerned meeting on the performance of the Board / Committee/Individual Director, and formulated a final collective evaluation of the Board. The Board also provided an individual feedback to the concerned director on areas of improvement, if any.

A separate meeting of Independent Directors was held on 12th February 2016 to evaluate the performance evaluation of the Chairman, the Non Independent Directors, the Board and flow of information from management.

## **7. VIGIL MECHANISM**

Pursuant to the provisions of section 177 (9) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (meetings of board and its powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirement) 2015, The Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any in the Group. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company

## **8. REMUNERATION POLICY**

The Board of Directors, on recommendation of the Nomination and Remuneration Committee framed a Nomination and Remuneration policy for selection, appointment and remuneration of Directors, KMP and Senior Management and matters covered u/s 178(3) of the Companies Act 2013.

## **9. DIRECTORS:**

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Sri Sandeep Peeti (DIN: 00751377) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, co-opted Smt Nisha Peeti (DIN : 02135532), as an Additional Director of the Company with effect from 10th December, 2015, subject to the approval of the members, at the ensuing Annual General Meeting.

The Company has received requisite notice in writing from the members along with requisite fees proposing Smt Nisha Peeti for appointment as Director liable to retire by rotation.

## **10. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement of Section 134(3) (c) of the Companies Act, 2013, and subject to disclosures in the Annual Accounts, as also on the basis of the discussion with the Statutory Auditors of the Company from time to time, and to the best of their knowledge and information furnished, the Board of Directors states:

- i. That in preparation of the Annual Accounts for the year ended 31st March, 2016; all the applicable Accounting Standards Prescribed by the Institute of Chartered Accountants of India have been followed along with proper explanation relating to material departures, if any.
- ii. That the Directors have adopted such accounting policies, as selected in consultation with Statutory Auditors, and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year ended 31st March, 2016.
- iii. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Annual Accounts for the year ended 31st March, 2016, has been prepared on a going concern basis.

- v. Those proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- vi. That system to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively

#### **11. RISK MANAGEMENT**

Pursuant to the provisions of section 134 (3) (n) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 21 SEBI (LODR) Regulations, 2015 the Risk management is Not applicable to the Company

#### **12. STATUTORY AUDITORS**

The shareholders in their meeting held on Wednesday, 30th September, 2015 At 10.00 AM approved the appointment M/s.MKA Associates, Chartered Accountant, (Registration No. 005992S), Hyderabad, as the Statutory Auditors of the Company to hold office till the conclusion of 22nd Annual General Meeting subject to ratification of shareholders in every Annual General Meeting. Members are requested to ratify the same at the ensuing Annual General Meeting of the company; in accordance with section 139 of the Companies Act 2013.

The Audit Report issued by the Statutory Auditors for the financial year ended 31st March, 2016 form part of this Report. There are no qualifications, reservations or adverse remarks made by the Statutory Auditors which requires explanation or comments from the Board.

#### **13. INTERNAL AUDITORS:**

The Board of Directors based on the recommendation of the Audit Committee has reappointed Mr.Sandeep Chowdhury, Prop., Chowdhury & Associates, Chartered Accountants, Hyderabad as the Internal Auditors of your Company. The Internal Auditors are submitting their Reports on quarterly basis pursuant to the provisions of section 138 and rule 13 of companies (Accounts) rules, 2014.

#### **14. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report

#### **15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not provided any loan to any person or body corporate or given any guarantee or provided security in connection with such loan or made any investment in the securities of anybody corporate pursuant to Section 186 of the Companies Act, 2013. The Company has given advance against salary to some employees in terms of the applicable policies of the Company.

**16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

- A. Conservation of Energy:** The present operation of the Company does not involve High-energy consumption. However steps being taken to minimize energy consumption Where ever possible
- B. Research & Development:** The Research and Development division of Spices oils And Oleoresins department continues to focus on introducing of new brands.
- C. Technology Absorption** - Not Applicable

**D. Foreign Exchange Earnings & Outgo:** (Figures in Rs.)

|                           | 2015-16 | 2014-15 |
|---------------------------|---------|---------|
| Foreign Exchange Earnings | Nil     | Nil     |
| Foreign Exchange Outgo    | Nil     | Nil     |

**17. MANAGEMENT DISCUSSION AND ANALYSIS:**

Aspects of Management Discussion and Analysis are enclosed as “**Annexure – I**” to this report

**18. CORPORATE GOVERNANCE:**

Since the paid up capital of the Company is less than 10 Crores and the networth of the Company is less than ` 25 Crores, the provisions of Regulations 17, 18,19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 and para C, D & E of Schedule V of the Securities Exchange Board of India(Listing Obligations and Disclosure Requirements)Regulations, 2015, are not applicable to the Company

**19. CORPORATE SOCIAL RESPONSIBILITY**

Pursuant to the provisions of section 135 (1) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (Corporate social responsibility policy) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), corporate social responsibility is Not applicable to the Company

**20. SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules framed there under, the Board of Directors, on recommendation of the Audit Committee, appointed Mr.MB Suneel, a Practicing Company Secretary to undertake the secretarial audit of the Company. The secretarial audit report issued by Mr.MB Suneel,, Practicing Company Secretary for the financial year ending 31st March, 2016 is given in the FORM NO: MR - 3 is herewith annexed as “**Annexure (II)**” attached hereto and forms part of this Report.

**21. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed Herewith as “**Annexure( III)**” to this report

**22. PARTICULARS OF EMPLOYEES:**

The information required pursuant to Section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is herewith annexed as **Annexure-IV**. In terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any employee who is employed throughout the financial year and in receipt of remuneration of 102 Lakhs or more, or employees who are employed for part of the year and in receipt of 8.5 Lakhs or more per month.

**23. ACKNOWLEDGEMENTS:**

Your Directors place on record, their appreciation for the co-operation and support from the Bankers, Financial institutions, the Stockiest and distributors, supplier and customers. Your Directors would also like to place on record their sincere appreciation and gratitude to the Shareholders, Central and State Government agencies etc for their support and co-operation. Your Directors express their heartfelt gratitude to the employees for their exceptional commitment and loyalty to the company.

BY ORDER OF THE BOARD OF DIRECTORS  
PEETI SECURITIES LIMITED

Sd/-  
SANDEEP PEETI  
CHAIRMAN & MANAGING DIRECTOR

Place : Hyderabad  
Date : 12th August 2016

**MANAGEMENT DISCUSSION AND ANALYSIS****INDUSTRY STRUCTURE AND DEVELOPMENTS**

India is the one of the world's largest producers of textiles and garments. Abundant availability of raw materials such as cotton, wool, silk and jute as well as skilled workforce have made the country a sourcing hub. It is the world's second largest producer of textiles and garments. The Indian textiles industry accounts for about 24 per cent of the world's spindle capacity and 8 per cent of global rotor capacity. The potential size of the Indian textiles and apparel industry is expected to reach US\$ 223 billion by 2021, according to a report.

The textiles industry has made a major contribution to the national economy in terms of direct and indirect employment generation and net foreign exchange earnings. The sector contributes about 14 per cent to industrial production, 4 per cent to the gross domestic product (GDP), and 27 per cent to the country's foreign exchange inflows. It provides direct employment to over 45 million people. The textiles sector is the second largest provider of employment after agriculture. Thus, the growth and all round development of this industry has a direct bearing on the improvement of the India's economy. The Indian Textile and Apparel industry has been a significant contributor to the Indian economy and continues to play a pivotal role in India's growth story through its contribution to industrial output, employment generation and export earnings. The size of the Indian Textile and Apparel industry is estimated to be ` 5,30,000 Crores. It contributes 14% to industrial production while its share in Indian exports stands at a significant 12%. India is one of the few countries with a complete and integrated textile value chain having production at each level of textile manufacturing with an overall annual growth of 8.9%.

Indian Textile Industry can be divided into several segments, some of which can be listed as below

- Cotton Textiles
- Silk Textiles
- Woolen Textiles
- Readymade Garments
- Hand-crafted Textiles
- Jute and Coir

**2. OPPORTUNITIES AND THREATS:****Opportunities**

- Replacement of the MFA and full integration of textile industry has resulted in huge opportunities for export.
- Increase in consumption pattern across the country along with the rising demand for high quality premium fabrics.
- Large and potential domestic and international market.
- Promising Export Potential.



**Threats**

- Pricing pressure due to opening up of quotas.
- Enhanced competition from other countries.
- Rising production cost from increasing wages, power and interest cost.

**3. SEGMENT –WISE /PRODUCT –WISE:**

The company doesn't have any other segment or products and it is mainly involved in trading of textiles and garments.

**4. RISKS AND CONCERNS:**

Risk is an inherent part of any business. There are various types of risks, that threaten the existence of a company like Strategic Risk, Business Risk, Finance Risk, Environment Risk, Personnel Risk, Operational Risk, Reputation Risk, Regulatory Risk, Technology Risk, Political Risk, etc. Your company aims at enhancing and maximizing shareholders value by achieving appropriate trade-off between risk & returns.

**5. INDUSTRY OUTLOOK:**

Though the company has achieved higher amount of net profit when compared to the last financial year. The board of directors of the company feels that textile sector is fast growing in India, hence due to increasing scope and demand for exports in India, the company at the same parallel will put all the efforts to improve the quality and productivity to get more order at competitive rates and try to maintain high quality and productivity in the manufactured goods. Barring unforeseen circumstances the company is confident of achieving better results in the current year.

**6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has proper and adequate systems of internal controls in order to ensure that all assets are safeguarded against loss from unauthorized use or disposition and that all transactions are authorized recorded and reported correctly.

The Board of Directors has been entrusted with the responsibility of reviewing the findings and to investigate and take necessary actions wherever required

**7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

During the financial year under review the difficulties which were faced in the last year is not effected much in the financial position of the company and the Company is able to achieve high turnover as Compared to last financial year and due to HIGH turnover and high expenditure the Company has recorded reasonable profits in the current financial year

The Company is hopeful that this fiscal the Company will achieve good turnover as the economy will witness upward trend and good business despite of huge competition in wholesale prices and doing trading with fewer margins to sustain in the market.

**8. HUMAN RESOURCES/ INDUSTRIAL RELATIONS:**

The Company firmly believes that motivated and empowered employees are the cornerstone of competitive advantage. The Company's employee value proposition is based on a strong focus on employee development, providing a satisfying work environment, performance appraisal and counseling and appropriate empowerment.

The Company continues to maintain and enjoy a cordial relationship with its employees, providing positive environment to improve efficiency with regular investments in upgrading the knowledge and skills of the employees.

BY ORDER OF THE BOARD OF DIRECTORS  
PEETI SECURITIES LIMITED

Sd/-  
SANDEEP PEETI  
CHAIRMAN & MANAGING DIRECTOR

Place : Hyderabad  
Date : 12th August 2016

**SECRETARIAL AUDIT REPORT**

For the financial year ended 31st march, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and ruleNo.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**M/s PEETI SECURITIES LIMITED**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s PEETI SECURITIES LIMITED (hereinafter called the company) having its registered office Door No. : 7-3-81/1, Old Kurnool Road, Kattedan, Hyderabad, Telangana- 500077. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (not applicable during the audit period)
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (not applicable during the audit period)
  - d) The Securities and Exchange Board of India (Share Based Employee benefit) Regulations 2014 (not applicable during the audit period)

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable during the audit period)
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable during the audit period) and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (not applicable during the audit period)
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 - As Applicable
- (vi) Other specifically applicable laws to the Company.
  - Mines and Minerals ( Development and Regulation) Act. 1957
  - National Textile Policy 2000
  - Sale of Goods Act, 1930

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.  
(Not notified hence not applicable to the Company)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period and information received from the management of the Company there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Place: Hyderabad  
Date: 12.08.2016

**MB SUNEEL**  
Company Secretary  
M No : 31197  
C P No: 14449

**FORM NO. MGT-9  
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31.03.2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]**1. REGISTRATION AND OTHER DETAILS:**

|  |  |
|--|--|
| CIN:-  | L67190TG1994PLC018779  |
| Registration Date  | 17/11/1994   |
| Name of the Company  | PEETI SECURITIES LIMITED   |
| Category / Sub-Category of the Company                                     | Company Limited by Shares/Indian<br>Nongovernment Company  |
| Address of the registered office and contact details:                      | Door No. : 7-3-81/1, Old Kurnool Road,<br>KATTEDAN, HYDERABAD - 500077.<br>CONTACT NO:9849027040           |
| Whether listed company   | Yes  |
| Name, Address and Contact details of Registrar<br>& Transfer Agent, if any | CIL SECURITIES LTD., SECOND FLOOR, 214,<br>RAGHAV RATNA TOWERS, CHIRAG ALI LANE<br>ABIDS, HYDERABAD-500001 |

**2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Name and<br>Description of<br>Main products /<br>Services | NIC Code of<br>The Product/<br>Service | % to total<br>Turnover of the<br>Company |
|---|--|--|
| TEXTILE TRADING   | 46419                                  | 100%                                     |

**3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NIL**

| S.NO | Name and Address of The Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of Shares held | Applicable Section |
|------|---------------------------------|---------|--------------------------------|------------------|--------------------|
|      |                                 |         |                                |                  |                    |
|      |                                 |         |                                |                  |                    |
|      |                                 |         | <b>NIL</b>                     |                  |                    |
|      |                                 |         |                                |                  |                    |
|      |                                 |         |                                |                  |                    |
|      |                                 |         |                                |                  |                    |

**4. SHARE HOLDING PATTERN** (Equity Share Capital Breakup as percentage of Total Equity)

**A. Category-wise Share Holding**

| Category of Shareholders   | No. of Shares held at the beginning of the year<br>[As on 31-March-2015] |                |                |                   | No. of Shares held at the end of the year<br>[As on 31-March-2016] |                |                |                   | % Change during the year |
|--|--|----------------|----------------|-------------------|--|----------------|----------------|-------------------|--------------------------|
|  | Demat  | Physical       | Total          | % of Total Shares | Demat  | Physical       | Total          | % of Total Shares |                          |
| <b>A. Promoters</b>  |  |                |                |                   |  |                |                |                   |                          |
| (1) Indian   |  |                |                |                   |  |                |                |                   |                          |
| a) Individual/ HUF   | 252800   | 654750         | 907550         | 24.20             | 252800   | 654750         | 907550         | 24.20             | 0                        |
| b) Central Govt  |  |                |                |                   |  |                |                |                   |                          |
| c) State Govt(s)   |  |                |                |                   |  |                |                |                   |                          |
| d) Bodies Corp.  | 0  | 342900         | 342900         | 9.14              | 0  | 342900         | 342900         | 9.14              | 0                        |
| e) Banks / FI  |  |                |                |                   |  |                |                |                   |                          |
| f) Any other   |  |                |                |                   |  |                |                |                   |                          |
| <b>Total shareholding of Promoter (A)</b>  | <b>252800</b>  | <b>997650</b>  | <b>1250450</b> | <b>33.34</b>      | <b>252800</b>  | <b>997650</b>  | <b>1250450</b> | <b>33.34</b>      | <b>0</b>                 |
| <b>B. Public Shareholding</b>  |  |                |                |                   |  |                |                |                   |                          |
| <b>1. INSTITUTIONS</b>   |  |                |                |                   |  |                |                |                   |                          |
| i) FIs   | 0  | 65500          | 65500          | 1.75              | 0  | 65500          | 65500          | 1.75              | 0                        |
| <b>Sub-total (B)(1):-</b>  | <b>0</b>   | <b>65500</b>   | <b>65500</b>   | <b>1.75</b>       | <b>0</b>   | <b>65500</b>   | <b>65500</b>   | <b>1.75</b>       | <b>0</b>                 |
| <b>2. Non-Institutions</b>   |  |                |                |                   |  |                |                |                   |                          |
| a) Bodies Corp.  | 299875   | 97500          | 397375         | 10.60             | 298884   | 97500          | 396384         | 10.57             | 0.03                     |
| <b>b) Individuals</b>  |  |                |                |                   |  |                |                |                   |                          |
| i) Individual shareholders holding nominal share capital up to Rs.1 lakh         | 405755   | 1066401        | 1472156        | 39.25             | -  | -              | -              | -                 | -                        |
| up to Rs.2 lakh  | -  | -              | -              | -                 | 464770   | 1260501        | 1725271        | 46                | (6.75)                   |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 179919   | 385000         | 564919         | 15.06             | -  | -              | -              | -                 | -                        |
| excess of Rs 2 lakh  | -  | -              | -              | -                 | 127493   | 184400         | 311893         | 8.32              | 6.74                     |
| <b>c) Others (specify)</b>   |  |                |                |                   |  |                |                |                   |                          |
| Non Resident Indians   |  |                |                |                   |  |                |                |                   |                          |
| Clearing Members   | -  | -              | -              | -                 | 902  | 0              | 902            | 0.02              | (0.02)                   |
| <b>Sub-total (B)(2):</b>   | <b>885549</b>  | <b>1548901</b> | <b>2434450</b> | <b>64.91</b>      | <b>892049</b>  | <b>1542401</b> | <b>2434450</b> | <b>64.91</b>      | <b>0</b>                 |
| <b>Total Public Shareholding</b>   |  |                |                |                   |  |                |                |                   |                          |
| <b>(B)=(B)(1)+ (B)(2)</b>  | <b>885549</b>  | <b>1614401</b> | <b>2499950</b> | <b>66.66</b>      | <b>892049</b>  | <b>1607901</b> | <b>2499950</b> | <b>66.66</b>      | <b>0</b>                 |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                           |  |                |                |                   |  |                |                |                   |                          |
| <b>Grand Total (A+B+C)</b>   | <b>1138349</b>   | <b>2612051</b> | <b>3750400</b> | <b>100</b>        | <b>1144849</b>   | <b>2605551</b> | <b>3750400</b> | <b>100</b>        | <b>0</b>                 |

## Peeti Securities Limited

### B) Shareholding of Promoter

| Sl No. | Shareholders Name       | Shares held at the beginning of the year<br>As on 31-March-2015 |                                 |   | Shares held at the end of the year<br>As on 31-March-2016 |                                 |   | % Change during the year |
|--------|-------------------------|---|---------------------------------|---|---|---------------------------------|---|--------------------------|
|        |                         | No of Shares  | %of total shares of the company | % of Shares Pledged /encumbered to total shares | No of Shares  | %of total Shares of the company | % of Shares Pledge/ /encumbered to total shares |                          |
| 1      | Rajesh Pitty            | 230000  | 6.13                            |   | 269700  | 6.13                            |   |                          |
| 2      | Nirmala Peeti           | 191600  | 5.11                            |   | 191600  | 5.11                            |   |                          |
| 3      | Sumitra Peeti           | 145800  | 3.89                            |   | 145800  | 3.89                            |   |                          |
| 4      | Nisha Peeti             | 98100   | 2.62                            |   | 98100   | 2.62                            |   |                          |
| 5      | Purushottam Peeti (HUF) | 90550   | 2.41                            | <b>NIL</b>                                      | 90550   | 2.41                            | <b>NIL</b>                                      | <b>NIL</b>               |
| 6      | Sandeep Peeti           | 69700   | 1.86                            |   | 69700   | 1.86                            |   |                          |
| 7      | Rajesh Peeti            | 39700   | 1.06                            |   | 269700  | 1.06                            |   |                          |
| 8      | Sonika Peeti            | 22800   | 0.61                            |   | 22800   | 0.61                            |   |                          |
| 9      | Purushottam Peeti       | 19300   | 0.51                            |   | 19300   | 0.51                            |   |                          |
| 10     | Peeti Holdings Pvt Ltd  | 342900  | 9.14                            |   | 342900  | 9.14                            |   |                          |

### C) Change in Promoters' Shareholding (please specify, if there is no change)

| SN | Particulars  | Shareholding at the beginning of the year       |                                  | Cumulative Shareholding during the year |                                  |
|----|--|---|----------------------------------|---|----------------------------------|
|    |  | No. of shares                                   | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1  | At the beginning of the year   | 1250450   | 33.34                            | 1250450                                 | 33.34                            |
| 2  | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer /bonus/ sweat equity etc.): | <b><i>"No change in promoter's holding"</i></b> |                                  |   |                                  |
| 3  | At the end of the year   | 1250450   | 33.34                            | 1250450                                 | 33.34                            |



**D) Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

| Sl No. | For Each of the Top 10 Shareholders     | Shares held at the beginning of the year |                                 | Cumulative Shareholding During the year |                                 |
|--------|---|--|---------------------------------|---|---------------------------------|
|        |   | No of Shares                             | %of total shares of the company | No of Shares                            | %of total Shares of the company |
| 1      | ARIHANT'S SECURITIES LIMITED            | 269450                                   | 7.18                            | 269450                                  | 7.18                            |
| 2      | RAMBHABA HOLDINGS & TRADING CO. PVT LTD | 85000                                    | 2.26                            | 85000                                   | 2.26                            |
| 3      | GLOBAL TRUST BANK LIMITED               | 65500                                    | 1.74                            | 65500                                   | 1.74                            |
| 4      | SURYA MOHAN REDDY KASU                  | 62000                                    | 1.65                            | 62000                                   | 1.65                            |
| 5      | DINESH NAGABANDI                        | 51100                                    | 1.36                            | 51100                                   | 1.36                            |
| 6      | AMRITLAL RANMAL SHAH                    | 50000                                    | 1.33                            | 50000                                   | 1.33                            |
| 7      | OM PRAKASH MISRA                        | 35361                                    | 0.95                            | 30701                                   | 0.82                            |
| 8      | M PADMA RAO                             | 25600                                    | 0.68                            | 25600                                   | 0.68                            |
| 9      | M PRASANNA                              | 25600                                    | 0.68                            | 25600                                   | 0.68                            |
| 10     | SUHAIL PEETI                            | 21200                                    | 0.56                            | 21200                                   | 0.56                            |
| 11     | SUBHASHREDDY MURTHALA*                  | -  | -                               | 45692                                   | 1.22                            |

\*Marked shareholders were not present in the list of top ten shareholders as on 01-04-2015 and are reflecting in the above since they are in the top ten list as on 31-03-2016 in the above top ten shareholder

**E) Shareholding of Directors and Key Managerial Personnel:**

| Sl No. | Shareholding of each Directors and Each Key Managerial Personnel | Shares held at the beginning of the year |                                 | Cumulative Shareholding During the year |                                 |
|--------|--|--|---------------------------------|---|---------------------------------|
|        |  | No of Shares                             | %of total shares of the company | No of Shares                            | %of total Shares of the company |
| 1      | SANDEEP PEETI  | 69700                                    | 1.86                            | 69700                                   | 1.86                            |
| 2      | RAJESH PITYY   | 269700                                   | 7.19                            | 269700                                  | 7.19                            |
| 3      | NISHA PEETI  | 98100                                    | 2.62                            | 98100                                   | 2.62                            |

**V) INDEBTEDNESS - Nil**

Indebtedness of the Company including interest Outstanding/accrued but not due for payment.

|  | Secured Loans<br>excluding deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness |
|--|-------------------------------------|--------------------|----------|-----------------------|
| <b>Indebtedness at the Beginning of the financial year</b> |                                     |                    |          |                       |
| i) Principal Amount  |                                     |                    |          |                       |
| ii) Interest due but not paid                              |                                     |                    |          |                       |
| iii) Interest accrued but not due                          |                                     |                    |          |                       |
| Total (i+ii+iii)   |                                     |                    |          |                       |
| Change in Indebtedness during the financial year           |                                     |                    |          |                       |
| * Addition   |                                     |                    |          |                       |
| * Reduction  |                                     |                    |          |                       |
| Net Change   |                                     |                    |          |                       |
| Indebtedness at the end of the financial year              |                                     |                    |          |                       |
| i) Principal Amount  |                                     |                    |          |                       |
| ii) Interest due but not paid                              |                                     |                    |          |                       |
| iii) Interest accrued but not due                          |                                     |                    |          |                       |
| <b>Total (i+ii+iii)</b>                                    |                                     |                    |          |                       |

**NIL**

**V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| SN. | Particulars of Remuneration   | Name of MD/WTD |                | Total<br>Amount  |
|-----|---|----------------|----------------|------------------|
|     |   | Sandeep Peeti  | Rajesh pitty   |                  |
| 1   | Gross salary  |                |                |                  |
|     | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 960000         | 960000         | 1920000          |
|     | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | 240000         | 240000         | 480000           |
|     | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961             |                |                |                  |
| 2   | Stock Option  |                |                |                  |
| 3   | Sweat Equity  |                |                |                  |
| 4   | Commission<br>- as % of profit<br>- others, specify...                              |                |                |                  |
| 5   | Others, please specify  |                |                |                  |
|     | <b>Total (A)</b>  | <b>1200000</b> | <b>1200000</b> | <b>24,00,000</b> |

## Peeti Securities Limited

### B. Remuneration to other directors = Nil

| SN. | Particulars of Remuneration                | Name of Directors | Total Amount |
|-----|--|-------------------|--------------|
| 1   | Independent Directors                      |                   |              |
|     | Fee for attending board Committee meetings |                   |              |
|     | Commission                                 |                   |              |
|     | Others, please specify                     |                   |              |
|     | Total (1)                                  |                   |              |
| 2   | Other Non-Executive Directors              |                   |              |
|     | Fee for attending board Committee meetings |                   |              |
|     | Commission                                 |                   |              |
|     | Others, please specify                     |                   |              |
|     | Total (2)                                  |                   |              |
|     | Total (B) = (1+2)                          |                   |              |
|     | Total Managerial Remuneration              |                   |              |
|     | Overall Ceiling as per the Act             |                   |              |

NIL

### B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD-NIL

| S.No. | Particulars of Remuneration   | Key Managerial Personnel |               |     |       |
|-------|---|--------------------------|---------------|-----|-------|
|       |   | CEO                      | CS            | CFO | TOTAL |
| 1     | Gross salary  |                          | 80,000        |     |       |
|       | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 |                          |               |     |       |
|       | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             |                          |               |     |       |
|       | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              |                          |               |     |       |
| 2     | Stock Option  |                          |               |     |       |
| 3     | Sweat Equity  |                          |               |     |       |
| 4     | Commission<br>- As % of profit<br>Others specify...                                 |                          |               |     |       |
| 5     | Others, please specify  |                          |               |     |       |
|       | <b>Total</b>  |                          | <b>80,000</b> |     |       |

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

| Type                                | Section Of the Companies Act | Brief Description | Details of Penalty / P<br>Punishment/<br>Compounding<br>Fees imposed | Authority<br>[RD / NCLT<br>/ COURT] | Appeal<br>Made<br>if any<br>(Give Details) |
|-------------------------------------|------------------------------|-------------------|--|-------------------------------------|--|
| <b>A. COMPANY</b>                   |                              |                   |  |                                     |  |
| Penalty                             |                              |                   | <b>NIL</b>   |                                     |  |
| Punishment                          |                              |                   |  |                                     |  |
| Compounding                         |                              |                   |  |                                     |  |
| <b>B. DIRECTORS</b>                 |                              |                   |  |                                     |  |
| Penalty                             |                              |                   | <b>NIL</b>   |                                     |  |
| Punishment                          |                              |                   |  |                                     |  |
| Compounding                         |                              |                   |  |                                     |  |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |  |                                     |  |
| Penalty                             |                              |                   | <b>NIL</b>   |                                     |  |
| Punishment                          |                              |                   |  |                                     |  |
| Compounding                         |                              |                   |  |                                     |  |

**Information pursuant to Section 197 of the Act  
Read with Rule 5(1) of the Companies (Appointment and Remuneration of  
Managerial Personnel) Rules, 2014.**

- i. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary during the financial year 2015-16 and Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2015-16:

| Name of the Director/<br>Key Managerial Personnel | Remuneration of<br>Director KMP for the<br>financial year<br>2015-16 | % increase in<br>Remuneration in<br>the financial year<br>2015-16 | Ratio of the<br>remuneration to<br>the median<br>remuneration of<br>the employees |
|---|--|---|---|
| Sandeep Peeti                                     | 1200000  | 33.33%  | 8.62:1  |
| Rajesh Pitty                                      | 1200000  | 66.66%  | 8.62:1  |
| Tejal Anand Ramaiya                               | 80,000   | 100%  | 0.57:1  |

Note: The median remuneration of employees of the Company during the financial year was Rs.1,39,200/-

- ii. In the financial year under review, there was a increase of 24.13% in the median remuneration of employees.

- iii. The number of permanent employees on the rolls of company: 12

- (iv) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average increase in the salaries of employees other than the managerial personnel in 2015-16 was 35.53%. The Percentage increase in the managerial remuneration for the same financial year was 53.08

- (v) The company affirms that remuneration to the Directors and Key Managerial Personnel is as per the remuneration policy of the Company.

By Order Of the Board of Directors  
**FOR PEETI SECURITIES LIMITED**

SD/-

**SANDEEP PEETI**  
CHAIRMAN & MANAGING DIRECTOR

Place: Hyderabad  
Date: 12.08.2016

**INDEPENDENT AUDITOR'S REPORT**

To the Members,  
Peeti Securities Limited,  
Hyderabad.

**Report on the Financial Statements**

We have audited the accompanying financial statements of Peeti Securities Limited ('the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the 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**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating 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 on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31 March 2016 and its profit and its 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and 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, the statement of profit and loss and the cash flow statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) Our Separate report on adequacy of internal financial control system and operating effectiveness of such control is enclosed in Annexure-B

**for MKA Associates**  
Chartered Accountants  
FRN:005992S

Manoj Kumar Agarwal  
Partner  
M. No: 201740

Date : 25.05.2016  
Place : Hyderabad

**Annexure-A to the Auditors' Report**

**The Annexure referred to in our report to the members of PEETI SECURITIES LIMITED for the year ended 31st March, 2016.**

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
  - (b) These fixed assets have been physically verified by the management at reasonable intervals there was no Material discrepancies were noticed on such verification.
  - (c) The Company doesn't hold any immovable Property.
2. Physical verification of inventory has been conducted at reasonable intervals by the management and there is no material discrepancies were noticed
3. The company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. The Company has complied to the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities.
5. The company has not accepted any deposits from the public with in the meaning of Sections 73 to 76 of the act and the rules framed thereunder to the extent notified.
6. Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
7. (a) The company is regular in depositing undisputed statutory dues including provident fund, Employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities except for the following:

| S No | Name of the Statute      | Nature of the Dues                        | Amount | Period to which the Amount Relates |
|------|--------------------------|---|--------|------------------------------------|
| 1    | The Income Tax Act, 1961 | Income Tax                                | 224/-  | A.Y 2006-2007                      |
| 2    | The Income Tax Act, 1961 | Income Tax                                | 238/-  | A.Y 2015-2016                      |
| 3    | The Income Tax Act, 1961 | TDS- Interest u/s 201 and Short Deduction | 409/-  | A.Y 2016-2017                      |
| 4    | The Income Tax Act, 1961 | TDS- Interest u/s 201                     | 663/-  | A.Y 2015-2016                      |
| 5    | The Income Tax Act, 1961 | TDS-Late filing fees                      | 3600/- | A.Y 2013-2014                      |
| 6    | The Income Tax Act, 1961 | TDS- Interest U/S 201                     | 5397/- | Prior Years                        |



- (b) Dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have been deposited on time there is no dispute is pending on the part of company.
8. The company hasn't made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
  9. Neither any term loan has been obtained during the year nor any money was raised by way of public offer ( including debt instruments) during the year by the company.
  10. No Fraud has been noticed or reported on or by the company during the Year.
  11. Managerial remuneration has been paid or provided in accordance with the requisite approvals Mandated by the provisions of section 197 read with Schedule V to the Companies Act,2013.
  12. Company is not a Nidhi Company hence nothing to be disclosed for any provisions applicable on Nidhi Company.
  13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards;
  14. The company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
  15. The company hasn't entered into any non-cash transactions with directors or persons connected with him.
  16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**for MKA Associates**  
Chartered Accountants  
FRN:005992S

Manoj Kumar Agarwal  
Partner  
M. No: 201740

Date : 25.05.2016  
Place : Hyderabad

**“Annexure B” to the Independent Auditor’s Report**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Peeti Securities Limited (“the Company”) as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control

over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**for MKA Associates**  
Chartered Accountants  
FRN:005992S

Manoj Kumar Agarwal  
Partner  
M. No: 201740

Date : 25.05.2016  
Place : Hyderabad

## Peeti Securities Limited

### BALANCE SHEET AS ON 31ST MARCH, 2016

Amount in ₹

| Particulars                        | Note No. | As At 31.03.2016   | As At 31.03.2015   |
|------------------------------------|----------|--------------------|--------------------|
| <b>EQUITY AND LIABILITIES</b>      |          |                    |                    |
| <b>(1) Shareholder's funds</b>     |          |                    |                    |
| (a) Share Capital                  | 1        | 3,75,04,000        | 3,75,04,000        |
| (b) Reserves and Surplus           | 2        | 86,51,242          | 42,91,776          |
| <b>(2) Non-Current Liabilities</b> |          |                    |                    |
| (a) Long Term Borrowings           | 3        | -                  | -                  |
| (b) Long term provisions           | 4        | 12,40,231          | 10,92,423          |
| <b>(3) Current Liabilities</b>     |          |                    |                    |
| (a) Trade payables                 |          | 50,18,568          | 30,84,206          |
| (b) Other current liabilities      | 5        | 17,94,950          | 9,41,902           |
| (c) Short-term provisions          | 6        | 22,59,308          | 7,14,844           |
| <b>Total</b>                       |          | <b>5,64,68,299</b> | <b>4,76,29,151</b> |
| <b>II.Assets</b>                   |          |                    |                    |
| <b>(1) Non-current assets</b>      |          |                    |                    |
| (a) Fixed assets                   |          |                    |                    |
| (i) Tangible assets                | 7        | 23,59,361          | 27,45,252          |
| (b) Non-current investments        | 8        | 20,74,140          | 17,66,776          |
| (c) Long term deposits             |          | 6,23,733           | 3,23,733           |
| <b>(2) Deferred Tax Assets</b>     |          | <b>1,64,722</b>    | <b>4,539</b>       |
| <b>(3) Current assets</b>          |          |                    |                    |
| (a) Current investments            | 9        | 27,280             | 27,280             |
| (b) Inventories                    | 10       | 2,14,41,817        | 97,11,689          |
| (c) Trade receivables              | 11       | 1,69,71,538        | 1,14,56,899        |
| (d) Cash and Bank Balances         | 12       | 82,54,280          | 2,07,84,620        |
| (e) Short-term loans and advances  | 13       | 33,59,938          | 6,34,500           |
| (f) Other current assets           | 14       | 11,91,490          | 1,73,863           |
| <b>Total</b>                       |          | <b>5,64,68,299</b> | <b>4,76,29,151</b> |

For M.K.A. Associates,  
Chartered Accountants  
ICAI Firm Reg.No.005992S

**For and on behalf of the Board**

Sd/-  
Manoj Kumar Agarwal  
Partner  
M.No:201740

Sd/-  
**Sandeep Peeti**  
Managing Director

Sd/-  
**Rajesh Pitty**  
Executive Director

Place : Hyderabad  
Date : 25.05.2016

Sd/-  
**Tejal Anand Ramaiya**  
Company Secretary

## Peeti Securities Limited

| STATEMENT PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016               |   |   | Amount in ₹                |
|---|---|---|----------------------------|
| Particulars   | Note No   | As at<br>31.03.2016                               | As at<br>31.03.2015        |
| I. Revenue from operations  | 15  | 18,04,55,688                                      | 11,70,72,993               |
| II. Other Income  | 16  | 12,85,245   | 12,64,082                  |
| <b>III. Total Revenue (I +II)</b>   |   | <b><u>18,17,40,932</u></b>                        | <b><u>11,83,37,075</u></b> |
| IV. Expenses:   |   |   |                            |
| Purchase of Stock-in-Trade  |   | 15,27,45,046                                      | 9,39,89,942                |
| Changes in inventories of Finished goods,<br>WIP and Stock-in-Trade         |   | (1,17,30,128)                                     | 26,60,016                  |
| Employee benefit expense  | 17  | 55,42,361   | 41,42,324                  |
| Financial costs   | 18  | 11,776  | 46,734                     |
| Depreciation and amortization expense                                       | 7   | 5,23,111  | 10,32,446                  |
| Other expenses  | 19  | 2,81,90,178                                       | 1,24,77,381                |
| <b>Total Expenses</b>   |   | <b><u>17,52,82,344</u></b>                        | <b><u>11,43,48,843</u></b> |
| V. Profit before Tax ( III - IV)  |   | <b>64,58,589</b>                                  | <b>39,88,232</b>           |
| VI. Tax expense:  |   |   |                            |
| (1) Current tax   |   | (22,59,308)                                       | (7,14,844)                 |
| (2) Deferred tax (Liability)/Assets   |   | 1,60,183  | 1,61,282                   |
| VII. Profit/(Loss) for the period (XI + XIV)                                |   | <b><u>43,59,464</u></b>                           | <b><u>34,34,670</u></b>    |
| VIII. Earning per equity share:   |   |   |                            |
| (1) Basic   |   | 1.16  | 0.92                       |
| (2) Diluted   |   | 1.16  | 0.92                       |
| Significant accounting policies and notes on accounts 20                    |   |   |                            |
| For M.K.A. Associates,<br>Chartered Accountants<br>ICAI Firm Reg.No.005992S |   | <b>For and on behalf of the Board</b>             |                            |
| Sd/-<br>Manoj Kumar Agarwal<br>Partner<br>M.No:201740                       | Sd/-<br><b>Sandeep Peeti</b><br>Managing Director       | Sd/-<br><b>Rajesh Pitty</b><br>Executive Director |                            |
| Place : Hyderabad<br>Date : 25.05.2016                                      | Sd/-<br><b>Tejal Anand Ramaiya</b><br>Company Secretary |   |                            |

## Peeti Securities Limited

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2016

Amount in ₹

| Particulars  | 31.03.2016    |                      | 31.03.2015  |                    |
|--|---------------|----------------------|-------------|--------------------|
|  | Amount        | Amount               | Amount      | Amount             |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                          |               |                      |             |                    |
| Net Profit/(Loss) before Tax & Extraordinary Items                     |               | 64,58,589            |             | 39,88,233          |
| <b>Adjustments for :</b>   |               |                      |             |                    |
| Depreciation   | 5,23,111      |                      | 10,32,446   |                    |
| Provision for Diminution in value of Investment                        | 2,99,364      |                      | 77,000      |                    |
| Provision for gratuity   | 1,47,808      |                      | 98,885      |                    |
| Interest paid  | 11,776        |                      | 46,734      |                    |
| Dividend Earned  | (67,328)      |                      | (68,268)    |                    |
| Interest Received  | (11,87,747)   |                      | (11,95,815) |                    |
| Profit on sale of Assets   | (30,000)      |                      | -           |                    |
|  |               | <u>(3,03,016)</u>    |             | <u>(9,017)</u>     |
| <b>Operating Profit/(Loss) before working capital changes</b>          |               | <b>61,55,573</b>     |             | <b>39,79,216</b>   |
| Adjustments for :  |               |                      |             |                    |
| Trade Receivables & Other Receivables                                  | (92,57,704)   |                      | (34,37,746) |                    |
| Inventory  | (1,17,30,128) |                      | 26,60,016   |                    |
| Trade Payable & other Current Liabilities                              | 30,66,155     | (1,79,21,678)        | 3,88,332    | (3,89,398)         |
| <b>Cash Generated/(outgo) from Operation</b>                           |               | <b>(1,17,66,105)</b> |             | <b>35,89,818</b>   |
| Direct Taxes paid  |               | (7,14,844)           |             | (5,91,622)         |
| Cash Flow before extraordinary Item                                    |               | <u>(1,24,80,949)</u> |             | <u>29,98,196</u>   |
| <b>Net Cash Flow/(used) from/in Operating Activities (A) :</b>         |               | <b>(1,24,80,949)</b> |             | <b>29,98,196</b>   |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>                        |               |                      |             |                    |
| (Increase) /decrease in Investment                                     |               | (6,06,728)           |             | -                  |
| Decrease/ (Increase) in Fixed Assets                                   |               | (1,37,220)           |             | (13,700)           |
| Decrease/ (Increase) in Long Term Deposits                             |               | (3,00,000)           |             | -                  |
| Profit on Sale of Fixed Assets   |               | 30,000               |             |                    |
| Dividend Earned  |               | 67,328               |             | 68,268             |
| Interest Earned  |               | 11,87,747            |             | 11,95,815          |
| Net Cash Flow/(used) from/in Investing Activities (B) :                |               | <u>2,41,127</u>      |             | <u>12,50,382</u>   |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>                        |               |                      |             |                    |
| Secured Loans  |               | (2,78,744)           |             | (3,40,626)         |
| Interest paid  |               | (11,776)             |             | (46,734)           |
| <b>Net Cash Flow/(used) from/in Financing Activities (C) :</b>         |               | <b>(2,90,520)</b>    |             | <b>(3,87,360)</b>  |
| <b>D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b> |               | <b>(1,25,30,342)</b> |             | <b>38,61,218</b>   |
| Cash and Cash equivalent (Opening)                                     |               | 2,07,84,619          |             | 1,69,23,402        |
| Cash and Cash equivalent (Closing)                                     |               | 82,54,280            |             | 2,07,84,620        |
|  |               | <u>82,54,280</u>     |             | <u>2,07,84,620</u> |

For M.K.A. Associates,  
Chartered Accountants  
ICAI Firm Reg.No.005992S

Sd/-  
Manoj Kumar Agarwal  
Partner  
M.No:201740

Place : Hyderabad  
Date : 25.05.2016

**For and on behalf of the Board**

Sd/-  
**Sandeep Peeti**  
Managing Director

Sd/-  
**Rajesh Pitty**  
Executive Director

Sd/-  
**Tejal Anand Ramaiya**  
Company Secretary

**NOTES TO BALANCE SHEET  
NOTE NO : SHARE CAPITAL**

Amount in ₹

| SI No | Particulars   | Number of shares | As on 31.03.2016 | Number of shares | As on 31.03.2015 |
|-------|---|------------------|------------------|------------------|------------------|
| a     | Share Capital ( For each class of capital )   |                  |                  |                  |                  |
|       | (a) Authorised Share Capital  | 45,00,000        | 4,50,00,000      | 45,00,000        | 4,50,00,000      |
|       | (b) Issued , subscribed & fully paid up Equity Shares of Rs 10 Each   | 37,50,400        | 3,75,04,000      | 37,50,400        | 3,75,04,000      |
|       | <b>Total No of Shares at Opening Accounting Period</b>  | 37,50,400        |                  | 37,50,400        |                  |
|       | <b>Add: No Of Shares Issued During the Year</b>   | -                |                  | -                |                  |
|       | Total No of Shares at end of accounting period  | 37,50,400        |                  | 37,50,400        |                  |
| 1     | The Company has only one Class of Equity Shares having a par value of Rs 10/- per share, Each Share Holder is eligible for one Vote per Share |                  |                  |                  |                  |

**2 Details of Shares held by share holder holding more than 5% of the aggregate shares in the Company**

| Name of the Share Holder | As At 31-03-2016 |               | As at 31-03-2015 |               |
|--------------------------|------------------|---------------|------------------|---------------|
|                          | %                | No. of Shares | %                | No. of Shares |
| Rajesh Pitty             | 7.19%            | 2,69,700      | 6.13%            | 2,30,000      |
| Nirmla Peeti             | 5.11%            | 1,91,600      | 5.11%            | 1,91,900      |
| Peeti Holdings Pvt Ltd   | 9.14%            | 3,42,900      | 9.14%            | 3,42,900      |

**NOTE NO. 2 : RESERVES AND SURPLUS**

| SI. No.  | Particulars                       |           | As on 31-03-2016 |           | As on 31-03-2015 |
|----------|-----------------------------------|-----------|------------------|-----------|------------------|
| <b>I</b> | <b>RESERVES AND SURPLUS</b>       |           |                  |           |                  |
|          | a) Reserves                       |           | NIL              |           | NIL              |
|          | b) Surplus                        |           |                  |           |                  |
|          | Opening Balance                   | 42,91,778 |                  | 8,57,105  |                  |
|          | Add: Net Profit for the year      | 43,59,464 | 86,51,242        | 34,34,671 | 42,91,776        |
|          | <b>Total Reserves and Surplus</b> |           | <b>86,51,242</b> |           | <b>42,91,776</b> |

**NOTE NO. 3 : LONG TERM BORROWINGS**

Amount in ₹

| Sl. No. | Particulars                                 | As on<br>31-03-2016 | As on<br>31-03-2015 |
|---------|---|---------------------|---------------------|
| I       | Term Loan from HDFC Bank Ltd                | -                   | 2,78,744            |
|         | Less: Shown under Other Current Liabilities | -                   | 2,78,744            |
|         | <b>Total Short Term Borrowings</b>          | -                   | -                   |

**\*Terms of Borrowings**

| Sno. | Particulars of Lender | Nature of Loan | Terms of Repayment | Interest Type                                      | Nature of Security                      |
|------|-----------------------|----------------|--------------------|--|---|
| a    | HDFC BANK LTD         | Vehicle Loan   | 36-EMI'S           | Rate of interest<br>11.60 % p.a. as at<br>year end | Respective<br>Vehicle under the<br>loan |

**NOTE NO. 4 : LONG TERM PROVISIONS**

| Sl. No. | Particulars                       | As on<br>31-03-2016 | As on<br>31-03-2015 |
|---------|-----------------------------------|---------------------|---------------------|
| I       | Provision for Gratuity            | 12,40,231           | 10,92,423           |
|         | <b>Total Long Term Provisions</b> | <b>12,40,231</b>    | <b>10,92,423</b>    |

**NOTE NO. 5 : OTHER CURRENT LIABILITES**

| Sl. No. | Particulars  | As on<br>31-03-2016 | As on<br>31-03-2015 |
|---------|--|---------------------|---------------------|
| I       | a) Current maturities of Term Loan from Bank<br>(Vehicle Loan Instalments due less than 12 months) | -                   | 2,78,744            |
|         | b) Other Payables  | 17,41,370           | 6,02,936            |
|         | c) Advance From Customer   | 53,580              | 60,222              |
|         | <b>Total Other Current Liabilites</b>  | <b>17,94,950</b>    | <b>9,41,902</b>     |

**NOTE NO. 6 : SHORT TERM PROVISIONS**

| Sl. No. | Particulars                        | As on<br>31-03-2016 | As on<br>31-03-2015 |
|---------|------------------------------------|---------------------|---------------------|
| I       | Provision for Income Tax           | 22,59,308           | 7,14,844            |
|         | <b>Total Short Term Provisions</b> | <b>22,59,308</b>    | <b>7,14,844</b>     |



(Amount ₹)

| PARTICULARS       | GROSS BLOCK         |                           |               | DEPRECIATION     |  |                                      | NET BLOCK     |                                    |                        |
|-------------------|---------------------|---------------------------|---------------|------------------|--|--------------------------------------|---------------|------------------------------------|------------------------|
|                   | Cost As on 01.04.15 | Additions During the year | Deletions     | Total Cost       | Accumulated Depreciation Upto 31-03-2015 | Depreciation For the year 31-03-2016 | Deletions     | Total Depreciation Upto 31-03-2016 | W.D.V as on 31-03-2016 |
| Computer          | 96,120              | 42,650                    | 86,770        | 52,000           | 90,411                                   | 3,368                                | 86,770        | 7,009                              | 44,991                 |
| Office Equipment  | 6,06,559            | 27,600                    |               | 6,34,159         | 5,46,841                                 | 35,921                               |               | 5,82,762                           | 51,397                 |
| Furniture         | 2,69,864            | 28,000                    |               | 2,97,864         | 1,70,817                                 | 26,038                               |               | 1,96,855                           | 1,01,009               |
| Vehicles          | 46,21,402           |                           |               | 46,21,402        | 21,40,514                                | 4,39,033                             |               | 25,79,547                          | 20,41,855              |
| Plant & Machinery | 3,63,490            | 38,970                    |               | 2,21,570         | 2,63,600                                 | 18,751                               |               | 1,01,461                           | 1,20,109               |
| <b>Total</b>      | <b>59,57,435</b>    | <b>1,37,220</b>           | <b>86,770</b> | <b>58,26,995</b> | <b>32,12,183</b>                         | <b>5,23,111</b>                      | <b>86,770</b> | <b>34,67,634</b>                   | <b>23,59,361</b>       |

**NOTE NO. 8 : NON- CURRENT INVESTMENTS**

(Amount ₹)

| Sl. No. | Particulars  | Market Value as on 31.03.2016 | No of Shares  | As on 31-03-2016                    | No of Shares | As on 31-03-2015                    |
|---------|--|-------------------------------|---------------|-------------------------------------|--------------|-------------------------------------|
| 1       | <b>Investment in Equity Shares of:</b><br>Theme Ambience Resorts & Hotels Pvt Ltd<br>(Unquoted)<br>Less: Provision for Diminision Value of Share |                               | 15,000        | 30,00,000<br>17,17,650<br>12,82,350 | 15,000       | 30,00,000<br>14,55,000<br>15,45,000 |
| 2       | BNR Udyog Ltd  | 20,60,215                     | 65,300        | 1,30,600                            | -            | 1,30,600                            |
| 3       | Esther India Ltd   |                               | 100           | 5                                   | -            | 5                                   |
| 4       | JSW Steel Ltd  | 1,78,822                      | 140           | 50,400                              | -            | 50,400                              |
| 5       | Larsen & Toubro Ltd  | 35,487                        | 30            | 25,361                              | -            | 25,361                              |
| 6       | Panasonic Home Appliances India Ltd<br>Less: Provision for Diminision Value of Share   |                               | 100           | 1,175<br>(1,165)                    | -            | 1,175                               |
| 7       | Regaliaa Realty Ltd  | 3,15,945                      | 41,300        | 4,130                               | -            | 4,130                               |
| 8       | Zen Technology Ltd   | 8,14,000                      | 10,000        | 1,000                               | -            | 4,500                               |
| 9       | Top Telemedia Ltd  | 39,130                        | 55,900        | 5,590                               | -            | 5,590                               |
| 10      | CT Cotton Yarn Ltd   | 230                           | 100           | 10                                  | -            | 10                                  |
| 11      | Ispat Profiles India Ltd   | 70                            | 100           | 5                                   | -            | 5                                   |
| 12      | Cheennai Petroleum Corporation Ltd<br>Less: Provision for Diminision Value of Share  | 4,00,700                      | 2,000         | 4,36,249<br>(35,549)                | -            | -                                   |
| 13      | Kirloskar Ferrous Industries Ltd   | 1,97,800                      | 4,000         | 1,73,980                            |              |                                     |
|         | <b>Total Non - Current Assets</b>  | <b>40,42,399</b>              | <b>194070</b> | <b>20,74,140</b>                    |              | <b>17,66,776</b>                    |

## Peeti Securities Limited

### NOTE NO. 9 : CURRENT INVESTMENTS

| Sl. No. | Particulars                               | Market Value<br>as on<br>31-03-2016 | As at 31-03-2016 |               | As at 31-03-2015 |               |
|---------|---|-------------------------------------|------------------|---------------|------------------|---------------|
|         |   |                                     | No's             | Amount        | No's             | Amount        |
| I       | Current investments :                     |                                     |                  |               |                  |               |
|         | <b>a) Investment in equity Shares of:</b> |                                     |                  |               |                  |               |
|         | 01. Adiyaman Investment Limited           | un quoted                           | 10000            | 1,000         | 10000            | 1,000         |
|         | 02. Ambik Protein Limited                 | un quoted                           | 8000             | 800           | 8000             | 800           |
|         | 03. Annapurna Foils Limited               | un quoted                           | 100              | 10            | 100              | 10            |
|         | 04. Aryan Share & Stock Limited           | un quoted                           | 14800            | 1,480         | 14800            | 1,480         |
|         | 05. Janzen Cast Metals Limited            | un quoted                           | 2200             | 220           | 2200             | 220           |
|         | 06. M.K.Securities Ltd                    | un quoted                           | 100              | 10            | 100              | 10            |
|         | 07. Multicolour Offset Limited            | un quoted                           | 1500             | 150           | 1500             | 150           |
|         | 08. Nu-Tech Agro Ltd                      | un quoted                           | 1800             | 180           | 1800             | 180           |
|         | 09. Paramani Replast Limited              | un quoted                           | 5000             | 500           | 5000             | 500           |
|         | 10. Prudential Pharmaceuticals Limited    | un quoted                           | 500              | 50            | 500              | 50            |
|         | 11. Shree Krithika Hold Limited           | un quoted                           | 3500             | 350           | 3500             | 350           |
|         | 12. Snehadhara Industries Limited         | un quoted                           | 200              | 20            | 200              | 20            |
|         | 13. Spring Field Limited                  | un quoted                           | 58900            | 5,890         | 58900            | 5,890         |
|         | 14. Vibrant Investments Limited           | un quoted                           | 53200            | 5,320         | 53200            | 5,320         |
|         | 15. Weld Flux Limited                     | un quoted                           | 10000            | 1,000         | 10000            | 1,000         |
|         | b) Other investments -Silver Coins        |                                     |                  | 10,300        |                  | 10,300        |
|         | <b>Total Current Investments</b>          | -                                   |                  | <b>27,280</b> |                  | <b>27,280</b> |

### NOTE NO. 10 : INVENTORIES

| Sl. No. | Particulars              | As on<br>31-03-2016 | As on<br>31-03-2015 |
|---------|--------------------------|---------------------|---------------------|
| I       | Inventories :            |                     |                     |
|         | a) stock - in - trade    | 2,14,41,817         | 97,11,689           |
|         | <b>Total Inventories</b> | <b>2,14,41,817</b>  | <b>97,11,689</b>    |

### NOTE NO. 11 : TRADE RECEIVABLES

| Sl. No. | Particulars                       | As on<br>31-03-2016 | As on<br>31-03-2015 |
|---------|-----------------------------------|---------------------|---------------------|
| I       | Unsecured and Considered Good     |                     |                     |
|         | a) Outstanding more than 6 months | 93,695              | 2,54,417            |
|         | b) Outstanding less than 6 months | 1,68,77,843         | 1,12,02,482         |
|         | <b>Total Trade Receivables</b>    | <b>1,69,71,538</b>  | <b>1,14,56,899</b>  |

**NOTE NO. 12 : CASH AND CASH EQUIVALENTS**

(Amount ₹)

| Sl. No. | Particulars                            | As on<br>31-03-2016 | As on<br>31-03-2015 |
|---------|--|---------------------|---------------------|
| I       | Cash and cash equivalents :            |                     |                     |
|         | a) Balances with banks :               |                     |                     |
|         | In Deposit Account                     | 70,56,709           | 1,42,73,396         |
|         | In Current Account                     | 10,63,240           | 53,74,616           |
|         | b) Cash on hand                        | 1,34,331            | 11,36,607           |
|         | <b>Total Cash and Cash Equivalents</b> | <b>82,54,280</b>    | <b>2,07,84,619</b>  |

**NOTE NO. 13 : SHORT TERM LOANS AND ADVANCES**

| Sl. No. | Particulars   | As on<br>31-03-2016 | As on<br>31-03-2015 |
|---------|---|---------------------|---------------------|
| I       | Unsecured and Considered Good                         |                     |                     |
|         | a) Loans and advances(Hans Capital & Leasing Pvt Ltd) | 26,66,438           | -                   |
|         | b) Staff Advances                                     | 6,93,500            | 6,34,500            |
|         | <b>Total Short Term Loans and Advances</b>            | <b>33,59,938</b>    | <b>6,34,500</b>     |

**NOTE NO. 14 : OTHER CURRENT ASSETS**

| Sl. No. | Particulars                       | As on<br>31-03-2016 | As on<br>31-03-2015 |
|---------|-----------------------------------|---------------------|---------------------|
| I       | a)Prepaid Insurance               | 59,339              | 53,686              |
|         | b) TDS / Advance Tax              | 11,18,776           | 1,20,177            |
|         | c) Other Current Assets           | 13,375              |                     |
|         | <b>Total Other Aurrent Assets</b> | <b>11,91,490</b>    | <b>1,73,863</b>     |

**NOTES TO STATEMENT OF PROFIT & LOSS**

(Amount ₹)

**NOTE NO. 15 : REVENUE FROM OPERATIONS**

| Sl. No. | Particulars                          | As on<br>31-03-2016 | As on<br>31-03-2015 |
|---------|--------------------------------------|---------------------|---------------------|
| I       | Sale of Products                     | 18,04,55,688        | 11,70,72,993        |
|         | <b>Total Revenue from Operations</b> | <b>18,04,55,688</b> | <b>11,70,72,993</b> |

**NOTE NO. 16 : OTHER INCOME**

| Sl. No. | Particulars                    | As on<br>31-03-2016 | As on<br>31-03-2015 |
|---------|--------------------------------|---------------------|---------------------|
| I       | (a) Interest income            | 11,87,747           | 11,95,815           |
|         | (b) Dividend Income            | 67,328              | 68,268              |
|         | (c) Discounts/Writtenoffs      | 170                 | -                   |
|         | (c) Profit from Sale of assets | 30,000              | -                   |
|         | <b>Total Other Income</b>      | <b>12,85,245</b>    | <b>12,64,082</b>    |

**NOTE NO. 17 : EMPLOYEE BENEFIT EXPENSES**

| Sl. No. | Particulars                            | As on<br>31-03-2016 | As on<br>31-03-2015 |
|---------|--|---------------------|---------------------|
| I       | (a) Salaries & Wages, Others           | 28,51,340           | 23,17,682           |
|         | (b) Contribution to ESI & Other Funds  | 82,694              | 68,645              |
|         | (c) Staff Welfare Expenses             | 60,519              | 37,112              |
|         | (d) Managerial Remmuration             | 24,00,000           | 16,20,000           |
|         | (e) Provision for Gratuity             | 1,47,808            | 98,885              |
|         | <b>Total Employee Benefit Expenses</b> | <b>55,42,361</b>    | <b>41,42,324</b>    |

**NOTE NO. 18 : FINANCIAL COSTS**

| Sl. No. | Particulars               | As on<br>31-03-2016 | As on<br>31-03-2015 |
|---------|---------------------------|---------------------|---------------------|
| I       | Interest Expenses         | 11,776              | 46,734              |
|         | <b>Total Finance Cost</b> | <b>11,776</b>       | <b>46,734</b>       |

**NOTE NO. 19 : OTHER EXPENSES**

(Amount ₹)

| SI. No. | Particulars                                | As on<br>31-03-2016 | As on<br>31-03-2015 |
|---------|--|---------------------|---------------------|
| I       | (a) Power & Fuel                           | 1,07,961            | 1,26,767            |
|         | (b) Rent                                   | 9,60,000            | 4,80,000            |
|         | (c) Repairs to Building                    | 47,710              | 25,208              |
|         | (d) Repairs to Machinery, Vehicles         | 1,07,274            | 76,407              |
|         | (e) Insurance                              | 81,274              | 81,959              |
|         | (f) Rates & Taxes                          | 59,670              | 28,982              |
|         | (g) Other Expenses :                       | 8,39,857            | 3,68,688            |
|         | (1) Job Work Charges                       | 2,17,85,913         | 92,43,782           |
|         | (2) Miscellaneous Expenditure              | 5,56,636            | 3,77,187            |
|         | (3) Packing Material                       | 7,85,456            | 8,01,213            |
|         | (4) Postage, Telegrams & Telephone         | 72,942              | 57,859              |
|         | (5) Sales Commission                       | 11,83,604           | 1,31,406            |
|         | (6) Travelling & Conveyance                | 3,16,967            | 2,85,464            |
|         | (7) Professional fees                      | 1,14,490            | 1,12,869            |
|         | (8) Provision for Diminution in Investment | 2,99,364            | 77,000              |
|         | (9) Bad Debts                              | 6,68,683            | -                   |
|         | (h) Audit Fees                             | 58,320              | 56,180              |
|         | (i) Prior Peiod Items(Income Tax)          | 1,44,057            | 1,46,410            |
|         | <b>Total Other Expenses</b>                | <b>2,81,90,178</b>  | <b>1,24,77,381</b>  |

**Notes to Financial Statements**

**NOTE NO-20-SIGNIFICANT ACCOUNTING POLICIES :**

a] Corporate Information:

The Company is a Public Company domiciled in India and Incorporated under the Provision of Companies Act, 1956. Its Equity Share are Listed on BSE. The Company is engaged in Trading of Textile [ mainly used as Furnishing Fabrics]

b] Accounting Assumption :

These Financial Statements have been prepared to comply with the Generally Accounting Principles in India [Indian GAAP], including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The Financial Statements are Prepared on accrual basis under the Historical Cost Convention. The Financial Statements are presented in Indian Rupees rounded off to the Nearest Rupees.

c) **Fixed Assets and Depreciation :**

- i) Fixed Assets are stated at historical cost less accumulated depreciation. The cost of the Assets includes Purchase price, freight, installation cost, duties, taxes and other direct incidental expenses for bringing the assets to working condition.
- ii) Depreciation has been provided on straight-line method on pro-rata basis at the rates prescribed in Companies Act, 2013.

c) **Inventories.**

Finished goods are valued at lower of Cost or Estimated Net realizable Value. The Cost is based on the 'First in First out method'.

d) **Revenue Recognition :**

- i) Revenue is recognized on sale of grey cloth and finished cloth on dispatch of goods from the factory. Sales are recorded net of rebate, trade discounts and returns.
- ii) Dividend is accounted on an accrual basis when the right to receive the dividend is established.
- iii) Interest income on loans & advances is recognized in the profit & loss account as it accrues.

e) **Retirement Benefits :**

Gratuity: Provision is made towards retirement gratuity for the Employees who have completed 5 years of service and those in the opinion of the board are expected to complete 5 years of service in the future.

f) **Income Tax:**

Provision for current tax is made on the basis of Estimated Taxable Income of the Current Accounting Year in accordance with Income Tax Act, 1961. The Deferred Tax liability/asset for timing difference between the book and tax profits for the year is accounted for, based on current tax Rates. Deferred Tax assets are recognized and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such asset items can be realized

g) **Investments:**

Long term investments are carried at cost less provision for permanent diminution in value of such investments. Current investments are carried at lower of cost and fair value. Unit of mutual funds though held as current investments and are valued at cost.

**NOTES TO ACCOUNTS**

Amounts in '000 (Rs.)  
31-03-2016                      31-03-2015

**22. Estimated amount of Contracts to be**  
executed on capital account and not provided for

NIL                                      NIL

**23. Contingent liabilities and commitments**

(to the extent not provided for)

(i) Contingent Liabilities

(a) Claims against the Company not  
acknowledged as debts

NIL                                      NIL

(b) Guarantees

NIL                                      NIL

(c) Other money for which the company  
is contingently liable

NIL                                      NIL

(ii) Commitments

(a) Estimated amount of contracts remaining  
to be executed on capital amount and  
not provided for

NIL                                      NIL

(b) Uncalled liability on shares and other  
investments partly paid

NIL                                      NIL

(c) Other Commitments

NIL                                      NIL

**24. EARNING PER SHARE:**

|  |            |            |
|--|------------|------------|
| (1) Profit / (Loss) after Tax: (Rs. in '000) | 4359       | 3435       |
| (2) Number of Equity Shares Outstanding      | 37, 50,400 | 37, 50,400 |
| (3) E.P.S.                                   | 1.16       | 0.92       |

**25. Additional information pursuant to the provision of Part-II of Schedule-VI to the Companies Act,2013 to the extent applicable**

31-03-2016                                      31-03-2015

a) Details of Closing Stock: (Figures in Lacs)

| Particulars    | Qty in Mtrs | Value in Rs. | Qty in Mtrs | Value in Rs. |
|----------------|-------------|--------------|-------------|--------------|
| Finished Goods | 4.21        | 148.86       | 1.96        | 69.32        |
| Grey Cloth     | 2.82        | 61.83        | 1.02        | 27.64        |

b) Details of Turnover: (Figures in Lacs)

| Particulars                   | Qty in Mtrs | Value in Rs. | Qty in Mtrs | Value in Rs. |
|-------------------------------|-------------|--------------|-------------|--------------|
| Finished Fabrics & Grey cloth | 82.79       | 1804.56      | 27.72       | 1170.73      |

**28. Related party Transactions:**

**1. Related Persons:**

- a) Mrs. Nisha Peeti (wife of Managing Director)
- b) Mrs. Sonika Pitty(wife of Executive Director)

**2. Key Management Persons:**

- a) Mr. Sandeep Peeti (Managing Director)
- b) Mr. Rajesh Pitty (Executive Director)



**3. Related Party Transactions during the Year:**

(Amounts In '000)

| Particulars       | Nature of Payment  | Amount | Amount Outstanding as on 31-03-2016 |
|-------------------|--------------------|--------|-------------------------------------|
| Mr.Sandeep Pittie | Remuneration & HRA | 1,200  | 387                                 |
| Mr.Rajesh Pitty   | Remuneration & HRA | 1,200  | -                                   |
| Nisha Pittie      | Rent               | 480    | -                                   |
| Sonika Peeti      | Rent               | 480    | 10                                  |

29. Segment Reporting: Disclosures requirements of Accounting Standard - 17 are not applicable for the Company for the current financial year 2015-16. As the Company has been operating in a single Segment i.e., Trading in Textiles.

30. Disclosure in accordance with Section 22 of Micro Small and Medium Enterprises Development Act 2006.

(in Rs.)

| SI.No | PARTICULARS   | As at March 31, 2016 | As at March 31, 2015 |
|-------|---|----------------------|----------------------|
| a.    | Principal amount remaining unpaid and interest due thereon  | NIL                  | NIL                  |
| b.    | Interest paid in term of Section 16                         | NIL                  | NIL                  |
| c.    | Interest due and payable for the period of delay in payment | NIL                  | NIL                  |
| d.    | Interest accrued and remaining unpaid                       | NIL                  | NIL                  |
| e.    | Interest due and payable even in succeeding                 | NIL                  | NIL                  |

i) No amount is due to Small Scale Industrial Undertaking to whom the company owes a sum exceeding Rs.1,00,000/- for more than 30-days

ii) This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

For M.K.A. Associates,  
Chartered Accountants  
ICAI Firm Reg.No.005992S

**For and on behalf of the Board**

Sd/-  
Manoj Kumar Agarwal  
Partner  
M.No:201740

Sd/-  
**Sandeep Peeti**  
Managing Director

Sd/-  
**Rajesh Pitty**  
Executive Director

Place : Hyderabad  
Date : 25.05.2016

Sd/-  
**Tejal Anand Ramaiya**  
Company Secretary

**LEFT BLANK INTENTIONALLY**

**E-Voting Process**

Process and manner for members opting for e-voting are as under:

The Company is offering e-voting facility to its members enabling them to cast their votes electronically. The Company has signed an agreement with M/s Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the shareholders to cast their votes electronically pursuant to Rule 20 of Companies (Management and Administration) Rules, 2014. The instructions for e-voting are as under:

- (i) The voting period begins on Tuesday 27th September, 2016 at 10.00 AM and ends on Thursday, 29th September, 2016 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "PEETI SECURITIES LIMITED" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
- (vi) For CDSL: 16 digits beneficiary ID,
- (vii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- (viii) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (ix) Next enter the Image Verification as displayed and Click on Login.
- (x) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (xi) If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

|          |  |
|----------|--|
| PAN      | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field</p> |
| DOB      | <p>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.</p>   |
| Dividend | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>   |

- (xii) After entering these details appropriately, click on “SUBMIT” tab.
- (xiii) Members holding shares in physical form will then directly reach 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.
- (xiv) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xv) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xvi) 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.
- (xvii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xviii) 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.
- (xix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xx) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xxi) If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xxii) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - 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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - Kindly note that the shareholders can opt only one mode of voting i.e. either by e-voting or physical mode. If you are opting for e-voting, then do not vote by physically also and vice versa. However, in case shareholders cast their vote physically and e-voting, then voting done through e-voting will prevail and voting done physically will be treated as invalid.
  - The Company has appointed Mr. Yellareddy Vootkuri, a Practicing chartered accountant, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting

**ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING**

(To be surrendered at the venue of the meeting)

I certify that I am a registered shareholder / proxy / representative for the registered shareholder(s) of PEETI SECURITIES LIMITED.

I hereby record my presence at the 22nd Annual General Meeting of the shareholders of PEETI SECURITIES LIMITED on Friday, 30th September, 2016 At 10.00 AM at Bhagyanagar Function Hall, L. B. Nagar, Hyderabad, Telengana.

|            |                |
|------------|----------------|
| DP ID*     | Reg. Folio No. |
| Client ID* | No of Shares   |

\*Applicable if shares are held in electronic form

Name and Address of Member

\_\_\_\_\_  
Signature of Shareholder / Proxy /  
Representative (Please Specify)



**Peeti Securities Limited**

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]

|                     |   |  |  |
|---------------------|---|--|--|
| CIN                 | : | L67190TG1994PLC018779  |  |
| Name of the Company | : | PEETI SECURITIES LIMITED   |  |
| Registered Office   | : | DOOR NO. : 7-3-81/1, OLD KURNOOL ROAD, KATTEDAN, HYDERABAD - 500077. CONTACT NO:9849027040 |  |
| Name of the Member  | : |  |  |
| Registered Address  | : |  |  |
| Email ID            | : |  |  |
| Folio No/ Client ID | : | DP ID.:  |  |

I/We, being the member(s) of \_\_\_\_\_ 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 |  |
|   | Or failing him |           |  |

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual general meeting of the company, to be held on the Friday, 30th September, 2016 At 10.00 AM at Bhagyanagar Function Hall, L. B. Nagar, Hyderabad, Telangana. and at any adjournment thereof in respect of such resolutions as are indicated below:

**Peeti Securities Limited**

|    | <b>Resolutions</b>  | <b>For</b> | <b>Against</b> |
|----|---|------------|----------------|
| 1. | Consider and adopt audited financial statements as at 31.03.2016 and profit and loss accounts for the year ended and the reports of the board of Directors and Auditors |            |                |
| 2. | Re-appointment of Mr.Sandeep Peeti ,Director who retires by rotation  |            |                |
| 3. | Ratification of statutory auditor and fix their remuneration  |            |                |
| 4. | Appointment of Smt Nisha Peeti as a women director  |            |                |

Signed this ..... day of ..... 2016.

Affix  
Revenue  
Stamp

Signature of shareholder:  
holder(s):

Signature of Proxy

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.





If undelivered please return to:

**Peeti Securities Limited**

DOOR NO. : 7-3-81/1, OLD KURNOOL ROAD, KATTEDAN  
HYDERABAD – 500077