

Peeti Securities Ltd.

Manufacturers of

PRIDE

Textiles and Furnishing Fabrics

Survey No. 71, Opp BSNL Office,
Beside M P Hardware Lane,
Old Kumool Road, Kattedan, Hyderabad - 500 077.
Phone: 040-6526 2244, 6526 2234, 2436 1863
Fax: 040-24360380
Sales: 9885288002 Accounts: 9963114257
Email: peetisecurfitsttd@gmail.com

Date: 04th September, 2019

To

Corporate Relationship Department
BSE LIMITED
P J Towers, Dalal Street,
Mumbai-400 001

Dear Sir, *

Sub: - Annual Report for the Financial Year 2018-19

Ref: Scrip code- 531352

With reference to the Above Cited Subject, Please find the enclosed Annual Report for the financial year 2018-19 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations-2015.

The said annual report has also been uploaded on the company website.

This is for the information and necessary records

Yours truly,

For PEETI SECURITIES LIMITED



RAJESH PITY
WHOLE TIME DIRECTOR
(DIN: 00488722)

25TH

ANNUAL REPORT

2018 – 2019

PEETI SECURITIES LIMITED

25th ANNUAL GENERAL MEETING

Monday, 30th September, 2019,
AT 10.00 A.M.at Bhagyanagar Function Hall,
L. B. Nagar, Hyderabad-500074

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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

INTERNAL AUDITORS

MR. SANDEEP CHOWDHURY

CFO

SRI RAJESH PITY

REGISTERED OFFICE & WORKS

DOOR NO: 7-3-81/1,
 BESIDE M.P.HARDWARE LANE,
 OLD KURNOOL ROAD, KATTEDAN
 HYDERABAD - 500077
 CIN: L67190TG1994PLC018779

BANKERS

HDFC BANK LTD,
 SHAMSHABAD,
 HYDERABAD - 501218

LISTED AT

THE BSE LIMITED

**REGISTRARS AND SHARE
TRANSFER AGENTS**

CIL SECURITIES LIMITED
 II FLOOR, 214, RAGHAVARATNA
 TOWERS CHIRAG ALI LANE
 HYDERABAD - 500001

AUDITORS

M/S. MKPS & ASSOCIATES,
 F110, BHANU ENCLAVE, 1ST,
 FLOOR, ABOVE MARUTI
 SHOWROOM, ERRAGADA,
 HYDERABAD - 500038

BOARD COMMITTEES

AUDIT COMMITTEE	REMUNERATION COMMITTEE	INVESTORS & SHAREHOLDERS GRIEVANCES COMMITTEE
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 **25th Annual General Meeting** of the members of the Company will be held on **Monday, 30th September, 2019 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, 2019, the reports of the Board of Directors and Auditors thereon;
2. To appoint a director in place of Mr. Rajesh Pitty (DIN- 00488722), who retires by rotation and being eligible offers himself for re-appointment as a Director in the company;

SPECIAL BUSINESS:

3. **Appointment of Mr. Ajay Garg (DIN: 00241771) as an Independent Director of the Company for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013:**

To Consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 149, 152, 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Ajay Garg (DIN: 00241771), who was appointed as an Independent Director of the Company for a term of five years at the 20th Annual General Meeting, in terms of Section 149 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years upto the conclusion of the 30th Annual General Meeting of the members of the company."

4. **Appointment of Mr. Rajeev Peeti (DIN: 01846071) as an Independent Director of the Company for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013:**

To Consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 149, 152, 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Rajeev Peeti (DIN: 01846071), who was appointed as an Independent Director of the Company for a term of five years at the 20th Annual General Meeting, in terms of Section 149 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years upto the conclusion of the 30th Annual General Meeting of the members of the company."

5. **Appointment of Mr. Rajkumar Agrawal (DIN: 02107735) as an Independent Director of the Company for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013:**

To Consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 149, 152, 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Rajkumar Agrawal (DIN: 02107735), who was appointed as an Independent Director of the Company for a term of five years at the 20th Annual General Meeting, in terms of Section 149 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years upto the conclusion of the 30th Annual General Meeting of the members of the company."

**BY THE ORDER OF THE BOARD OF DIRECTORS
PEETI SECURITIES LIMITED**

**Sd/-
SANDEEP PEETI
CHAIRMAN & MANAGING DIRECTOR
DIN:00751377**

Place: Hyderabad
Date : 14.08.2019

Notes:

1. An Explanatory Statement setting out all material facts as required under Section 102 of the Companies Act, 2013 in respect of special business of the Company is appended and forms part of the Notice.
2. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on poll instead of him/her and such proxy need not be a member of the Company. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Proxies in order to be effective must be delivered at the Registered Office of the Company not less than 48 hours before the commencement of the meeting
5. Corporate members intending to send their authorised 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.
6. The register of Members and share Transfer Books of the Company in respect of Equity shares will remain closed from Tuesday 24th September 2019 to Monday, 30th September, 2019. (both days inclusive)
7. The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched within 20 days from the date of AGM to those members whose names shall appear on Company's Register of Members on 24th day of September, 2019; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
8. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses email id, ECS mandate. In case you are holding Company's shares in physical form, please inform Company's STA viz. M/s. CIL Securities Limited, Raghav Ratna Towers, 214, Chirag Ali Lane, Abids, Hyderabad, Telangana 500001, by enclosing a photocopy of blank cancelled cheque of your bank account.
9. M/s. CIL Securities Limited, Raghav Ratna Towers, 214, Chirag Ali Lane, Abids, Hyderabad, Telangana-500001, Phones:040-23203155 Email:advisors@cilsecurities.com is the Registrar & Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
10. 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.
11. Members holding shares in physical form are informed to furnish their bank account details to the STA to have printed the same on the dividend warrants so as to avoid any possible fraudulent encashment / misuse of dividend warrants by others.

12. Members seeking any information or clarification on the accounts are requested to send queries in writing to the Registered Office of the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
13. 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. upto the date of the meeting.
14. Members/Proxies are requested to bring the attendance slip filled in for attending the Meeting. Members are requested to come to the venue of the meeting well in advance for registration. No registration will be entertained after fifteen minutes from the scheduled time of the commencement of the meeting.
15. The annual report for the financial year 2018-19 is being sent through email to those members who have opted to receive electronic communication or who have registered their email addresses with the Company/depository participants. The annual report is also available on our website, i.e. <http://www.peetisecuritieslimited.com> The physical copy of the annual report has been sent to those members who have either opted for the same or have not registered their email addresses with the Company/depository participant. The members will be entitled to a physical copy of the annual report for the financial year 2018-19, free of cost, upon sending a request to the Company Secretary at Survey No.71,opp: BSNL office, Beside MP hardware lane, Old Kurnool Road, Kattedan, Hyderabad -500077. Telangana.
16. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market for transaction of transfer, transmission/transposition and deletion of name of deceased holder. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agents of the Company i.e., CIL Securities Limited
17. 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. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
18. Section 108 of the Companies Act, 2013, read with rules made thereunder and Sub-regulation (1) of Regulation 44 of SEBI (LODR) Regulations, 2015, requires a listed Company to provide e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at General Meetings. Accordingly, the Company is pleased to offer e-voting facility as an alternate, for all its Members to enable them to cast their vote electronically.
19. In case a Member desires to exercise his/her/its vote by using e-voting facility then he/she/it has to carefully follow the instructions as given for E-Voting. He/she/it can use the facility and log in any number of times till he/she/it has voted on the Resolution or till the end of the voting period whichever is earlier. The detailed instructions for E-Voting are given as part of this Notice.
20. Since E-Voting facility is provided to the Members pursuant to Sub-regulation (1) of Regulation 44 of SEBI (LODR) Regulations, 2015 and pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, as amended, the chairman shall call for voting by poll at the meeting and upon such call being made, the voting by show of hands will not be allowed at the meeting.

21. The results of the e-voting and result of the physical voting at the meeting will be declared within 48 hours of conclusion of the meeting and the results along with the scrutinizer's report shall be placed on the website of the Company.
22. The voting rights of members shall be in proportion to their shareholding in the paid up equity share capital of the Company as on Tuesday, 24th day of September 2019 being the cut-off date.
23. The members of the Company, holding shares either in physical form or in dematerialized form, as on Tuesday, 24th day of September 2019, being the cutoff date, may cast their vote (for or against) electronically.
24. The facility for voting through poll shall be made available at the meeting and the members attending the meeting who have not already cast their vote electronically through e-voting shall be able to exercise their voting right at the Meeting.
25. The members who have cast their vote by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
26. Mr. Anand Kumar C Kasat, Practising Company Secretary has been appointed by the Board as Scrutinizer for the purpose of ascertaining the requisite majority for all the businesses in a fair and transparent manner. The results declared along with the scrutinizer's report shall be placed on the website of the Company.
27. Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015, brief profile of the Directors proposed to be appointed, re-appointed, is annexed to this notice.
28. The Proxy Form and the Attendance slip are enclosed with this notice.
29. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / STA.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3, 4 & 5:

In accordance with the provisions of Section 149 read with schedule IV to the Companies Act, 2013, appointment of an Independent Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. Ajay Garg, Mr. Rajeev Peeti and Mr. Rajkumar Agrawal be appointed as Non-Executive Independent Directors on the Board for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013, whose office is not liable to retire by rotation.

The appointment of Mr. Ajay Garg, Mr. Rajeev Peeti and Mr. Rajkumar Agrawal shall be effective upon approval by the members in the Meeting.

The Company has received notices in writing from members under Section 160 of the Act proposing the candidature of Mr. Ajay Garg, Mr. Rajeev Peeti and Mr. Rajkumar Agrawal for the office of Director of the Company. The Company has received individual declarations from Mr. Ajay Garg, Mr. Rajeev Peeti and Mr. Rajkumar Agrawal stating that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act.

Mr. Ajay Garg, Mr. Rajeev Peeti and Mr. Rajkumar Agrawal are not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given individual consents to act as Director.

ADDITIONAL INFORMATION

Information in respect of directors seeking appointment/re-appointment as required under SEBI(LODR) REGULATIONS,2015

Name of the Directors	RAJESH PITY	AJAY GARG	RAJEEV PEETI	RAJKUMAR AGRAWAL
Date of first appointment	17/11/1994	01/10/2002	01/10/2002	17/01/2008
Date of birth/age	25/09/1969	14/11/1967	08/09/1968	25/05/1950
Expertise in specific functional areas	Trading	Manufacturing	Trading	Finance
Educational qualification	B.Com	B.Com	B.Com	B.Sc And LLB
Chairman/member of the committees of board of Directors of the company	Nil	Audit Committee Member Remuneration Committee Member Investor and Shareholder Grievance Committee Member	Audit Committee Member Remuneration Committee Member Investor and Shareholder Grievance Committee Member	Audit Committee Chairman Remuneration Committee Chairman Investor and Shareholder Grievance Committee Chairman
List of Directorships, Committee Chairmanship, Membership held in other companies as on Date excluding Private limited Companies	Nil	KANHA WOVEN SACKS LIMITED	Nil	Nil

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the **25th ANNUAL REPORT** together with the Audited Accounts of the company for the financial year ended 31st March, 2019.

1. FINANCIAL HIGHLIGHTS**(Rupees in Lakhs)**

PARTICULARS	Year ended (2018-19)	Year ended (2017-18)
Revenue from Operations	2267.04	2039.38
Other Income	9.79	38.76
Total Income	2276.83	2078.14
Expenditure	2163.60	1966.02
Interest expense		
Profit before depreciation and tax	113.23	112.12
Depreciation	3.58	7.55
Net profit before tax	109.65	104.57
Tax	30.48	19.77
Net Profit	79.17	84.8

2. STATE OF COMPANY'S AFFAIR

During the year under review, your company has achieved a total income of Rs. 2276.83 lakhs as against previous year's income of Rs. 2078.14 Lakhs and recorded a net profit of Rs. 79.17 Lakhs for the financial year 2018-19 when compared to a net profit of Rs. 84.8 lakhs during the previous year.

3. DIVIDEND

Your Directors do not recommend any Dividend for the Financial Year 2018-2019 as the profits are planned to be ploughed back into the business operations.

4. 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, four board meetings were held on, 18th May 2018, 14th August, 2018, 14th November 2018, and 13th February, 2019. 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 13th February 2019 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 SEBI (Listing Obligation and Disclosure Requirements) Regulations, 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, Mr. Rajesh Pitty (DIN- 00488722) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Ajay Garg, Mr. Rajeev Peeti and Mr. Rajkumar Agrawal who were appointed as the independent directors of the company at the 20th Annual General Meeting of the company for a period of five years i.e. up to 25th Annual General Meeting of the company have completed their term of appointment. Further, pursuant to the provisions of Section 149 of the Companies Act, 2013, the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company hereby recommends the appointment of Mr. Ajay Garg, Mr. Rajeev Peeti and Mr. Rajkumar Agrawal as the Independent Directors of the company for another period of 5 years

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, 2019; 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, 2019.
- 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, 2019, 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 SEBI(LODR)Regulations,2015 the Risk management is Not applicable to the Company

12. STATUTORY AUDITORS

The Shareholders in their meeting held on 30th November, 2017 approved the appointment M/s. MKPS & Associates, Chartered Accountants, Hyderabad, as the Statutory Auditors of the Company to hold office till the conclusion of 28th Annual General Meeting. The Board of Directors based on the recommendation of Audit Committee considered the appointment of M/s. MKPS & Associates, Chartered Accountants, Secunderabad (Registration No. 302014E) as Statutory Auditors of the Company from the conclusion of 23rd Annual General Meeting till the conclusion of 28th Annual General Meeting.

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. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions

made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All related party transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained as per Regulation 23 of SEBI (Listing Obligations & Disclosure Requirement) 2015, for the transactions which are of a foreseen and repetitive nature. The Company has developed a Policy on Related Party Transactions for the purpose of identification and monitoring of such transactions.

The Policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company. The particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 is referred in Notes to Accounts.

15. 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.

16. 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.

17. 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.)

	2018-19	2017-18
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

18. MANAGEMENT DISCUSSION AND ANALYSIS:

Aspects of Management Discussion and Analysis are enclosed as "**Annexure - I**" to this report.

19. CORPORATE GOVERNANCE:

Since the paid up capital of the Company is less than 10 Crores and the net worth 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.

20. 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.

21. 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. Jineshwar Kumar Sankhala, a Practicing Company Secretary to undertake the secretarial audit of the Company. The secretarial audit report issued by Mr. Jineshwar Kumar Sankhala, Practicing Company Secretary for the financial year ending 31st March, 2019 is given in the FORM NO: MR - 3 is herewith annexed as "Annexure (II)" attached hereto and forms part of this Report.

22. 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

23. 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.

24. 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 THE ORDER OF THE BOARD
PEETI SECURITIES LIMITED**

**Sd/-
SANDEEP PEETI**
Chairman & Managing Director
DIN: 00751377

Place: Hyderabad
Date : 14.08.2019

MANAGEMENT DISCUSSION AND ANALYSIS**1. 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.

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 productive 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 THE ORDER OF THE BOARD OF DIRECTORS
PEETI SECURITIES LIMITED**

**Sd/-
SANDEEP PEETI**
Chairman & Managing Director
DIN: 00751377

Place: Hyderabad
Date : 14.08.2019

SECRETARIAL AUDIT REPORT**For the financial year ended 31st march, 2019****[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

We 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, 2019 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:

We 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, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under, as applicable
- (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, 2015/2018;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (not applicable during the audit period)
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable during the audit period)
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008/2018; (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, 2009/2018; (not applicable during the audit period) and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (not applicable during the audit period) and
- i) The SEBI (Listing Obligations & Disclosure Requirements) 2015, entered into by the Company with Stock Exchange; As Applicable.

Other specifically applicable laws to the Company:

- Textiles Committee Act, 1963
- Textiles (Development and Regulation) Order, 2001
- Textiles (Consumer Protection) Regulations, 1988

We have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India.

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

We 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.

We 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.
- There were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

for P S Rao & Associates
Company Secretaries

Jineshwar Kumar Sankhala
Company Secretary
M No : 21697
C P No : 18365

Place : Hyderabad
Date : 14.08.2019

CHIEF FINANCE OFFICER (CFO) CERTIFICATE:

I Rajesh Pitty, Chief Finance Officer of M/S Peeti Securities Limited, to the best of our knowledge and belief, certify that:

1. I have reviewed the Balance Sheet and Profit and Loss Account and all its schedules and notes on accounts as well as the Cash Flow Statement for the year ended 31.03.2019.
2. To the best of our knowledge and belief:
 - a. These statements do not contain any untrue statement or omit any material fact or contain statements that might be misleading.
 - b. The financial statements and other financial information included in this report present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws and regulations.
3. To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or volatile of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
5. There has not been any significant change in internal control over financial reporting during the year under reference;
 - a) There has not been any significant changes in accounting policies during the year under reference; and
 - b) We are not aware of any instances during the year of significant fraud, with involvement there in of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Rajesh Pitty
Chief Financial Officer

Place: Hyderabad
Date : 14.08.2019

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31/03/2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : L67190TG1994PLC018779
- ii) Registration Date : 17/11/1994
- iii) Name of the Company : PEETI SECURITIES LTD
- iv) Category / Sub-Category of the Company : Company Limited by Shares / Indian Nongovernment Company
- v) Address of the Registered Office and contact details : DOOR NO.7-3-81/1, OLD KURNOOL ROAD, KATTEDAN, HYDERABAD - 500077. CONTACT NO:9849027040
- vi) Whether listed company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : CIL SECURITIES LTD., SECOND FLOOR, 214, RAGHAV RATNA TOWERS, CHIRAG ALI LANE, ABIDS, HYDERABAD-500001

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No	Name and Description of main products and services.	NIC Code of the product/service.	% to total turnover of the Company
1	TEXTILE TRADING	46419	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NIL

Sl. No	Name and Address of the Company	CIN	Holding Subsidiary / Associate	% of Share Holding as an 31.3.2019	Applicable Section
-	-	-	-	-	-

VI. 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 [As on 31 st March, 2019]				No. of Shares held at the end of the Year [As on 31 st March, 2018]				% Change during the Year
	Demat	Physical	Total	% of shares	Demat	Physical	Total	% of shares	
A. Promoters									
1. Indian	-	-	-	-	-	-	-	-	-
a. Individual/HUF	988200	239350	1227550	32.74	988200	245450	1233650	32.89	0.17
b. Central Govt	-	-	-	-	-	-	-	-	-
c. State Govt(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	0	16800	16800	0.45	0	16800	16800	0.45	0
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
Total Share holding of promoter (A)	988200	256150	1244350	33.18	988200	262250	1250450	33.34	0.17
B. Public Share Holding									
1. Institutions									
i) FIs Banks	0	65500	65500	1.75	0	65500	65500	1.75	0
Sub Total (B)(1)	0	65500	65500	1.75	0	65500	65500	1.75	0

2. Non-Institutions									
A) Bodies Corp.	285864	97400	383264	10.22	283325	97500	380825	10.15	0.07
B) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 2 Lakh	523543	1196501	1720044	45.86	493614	1240401	1734015	46.24	(0.38)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 Lakh	152626	184400	337026	8.99	134500	184400	318900	8.50	0.49
C) Others (specify)									
Non Resident Indians (NRI)	200	0	200	0.01					0.01
Clearing Members	16	0	16	0	710	0	710	0.02	-0.02
Sub-total (B)(2):	962249	1478301	2440550	65.08	912149	1522301	2434450	64.91	0.16
Total Public Shareholding (B)=(B)(1)+(B)(2)	962249	1543801	2506050	66.82	912149	1587801	2499950	66.66	0.17
c) Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	1950449	1799951	3750400	100	1900349	1850051	3750400	100	0

(B) Shareholding of Promoters

S.No	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% Change in Share holding during the year.
		No. of Shares	% to Total Shares of the Company	% of Shares pledged / Encumbered to total shares	No. of Shares	% to Total Shares of the Company	% of Shares pledged / Encumbered to total shares	
1	Purushottam Peeti (HUF)	90550	2.41	-	90550	2.41	-	-
2	Purushottam Peeti	19300	0.51	-	19300	0.51	-	-
3	Rajesh Pitty	269700	7.19	-	267800	7.14	-	-0.05
4	Sandeep Peeti	587400	15.66	-	586700	15.64	-	-0.02
5	Nisha Peeti	98100	2.62	-	94600	2.52	-	-0.1
6	Sumitra Peeti	145800	3.89	-	145800	3.89	-	-
7	Sonika Peeti	22800	0.61	-	22800	0.61	-	-
8	Peeti Holdings Pvt Ltd	172900	4.61	-	16800	0.45	-	-

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

Sl. No	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.):	6100 Shares sold by promoters			
3	At the end of the year	1244350	33.18	1244350	33.18

(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	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	SURYA MOHAN REDDY KASU	62000	1.65	62000	1.65
2	DINESH NAGABANDI	51100	1.36	51100	1.36
3	AMRITLAL RANMAL SHAH	50000	1.33	50000	1.33
4	OM PRAKASH MISRA	35631	0.95	35631	0.95
5	M PADMA RAO	25600	0.68	25600	0.68
6	M PRASANNA	25600	0.68	25600	0.68
7	SUHAIL PEETI	21200	0.56	21200	0.56
8	B MUKESH AGARWAL	19500	0.52	19500	0.52
9	SUMITRA BAI PEETI	19400	0.52	19400	0.52
10	D.PRABHAKAR	18400	0.49	18400	0.49

(E) Shareholding of Directors and Key Managerial Personnel

Sl. No	Shareholding of each Directors and each Key Managerial Personnel	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	Rajesh Pitty	269700	7.19	267800	7.14
2	Sandeep Peeti	431300	11.50	586700	15.64
3	Nisha Peeti	98100	2.62	94600	2.52

(F) INDEBTEDNESS - NIL**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Amount in Rs.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
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				
Total (i + ii + iii)				

(G) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i). Remuneration to Managing Director, Whole-time Directors and/or Manager:

SNo	Particulars of Remuneration	Name of MD / WTD		Total Amount
		Sandeep Peeti	Rajesh Pitty	
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	14,40,000	14,40,000	28,80,000
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	3,60,000	3,60,000	7,20,000
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission			
	• As a % of profit			
	• Others, specify			
5.	Others please specify (Performance Pay)			
	Total A	18,00,000	18,00,000	36,00,000

(ii). Remuneration to other directors: Nil

SNo	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors				
	• Fee for attending Board Committee Meetings				
	• Commission				
	• Others please specify				
	Total (1)				
2.	Others Non Executive Directors				
	• Fee for attending Board Committee Meetings				
	• Commission				
	• Others please specify				
	Total (2)				
	Total B= (1) + (2)				
	Total Managerial Remuneration				

(iii). REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SNo	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
					Rs.
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		2,40,000		
	(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				
	• As a % of profit				
	• Others, specify				
5.	Others please specify				
	Total A		2,40,000		

IV. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act.	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal made if any (give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. others officers in default					
Penalty					
Punishment					
Compounding					

Annexure-IV

**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 2018-19 and Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2018-19:

Name of the Director/ Key Managerial Personnel	*Remuneration of Director KMP for the Financial year 2018-19	% increase in Remuneration in the financial year 2018-19	Ratio of the remuneration to the median remuneration of the employees
Sandeep Peeti	18,00,000	NIL	15.10
Rajesh Pitty	18,00,000	NIL	15.10
Venkatesh Achanta	2,40,000	NIL	2.01

Note: The median remuneration of employees of the Company during the financial year was Rs. 1,91,160/-

- ii. In the financial year under review, there was a decrease of 43.57% in the median remuneration of employees.
- iii. The number of permanent employees on the rolls of company: 33
- (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 decrease in the salaries of employees other than the managerial personnel in 2018-19 was (12.31%). The Percentage increase in the managerial remuneration for the same financial year was Nil
- (v) The company affirms that remuneration to the Directors and Key Managerial Personnel is as per the remuneration policy of the Company.

**BY THE ORDER OF THE BOARD
PEETI SECURITIES LIMITED**

Sd/-
SANDEEP PEETI
CHAIRMAN & MANAGING DIRECTOR
DIN:00751377

Place: Hyderabad
Date : 14.08.2019

INDEPENDENT AUDITOR'S REPORT

To
The Members,
Peeti Securities Limited

Report on the Audit of the Financial Statements:**Opinion**

We have audited the accompanying financial statements of Peeti Securities Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (Including other comprehensive income), the Statement of Changes in Equity, and the Statement Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no Key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the Management Discussion and Analysis and Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. The Board's Report including Annexures to Board's Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Board's Report including Annexures to Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under. 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If

we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 section 143(11) of the Act, we give in the Annexure -A a statement on the matters specified in paragraphs 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 including other comprehensive income, the statement of changes in Equity and the statement of Cash flows and dealt with by this Report are in agreement with the relevant books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, relevant rules issued there under.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

(g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is accordance with the provisions of section 197 of the act

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For MKPS & Associates
Chartered Accountants
FRN 302014E

Sd/-
CA S. Modi
Partner
M No. 051361

Place: Hyderabad
Date: 28.05.2019

“Annexure A” to the Independent Auditor’s Report:

The Annexure referred to the Independent auditors' report to the members of the company on the financial statements for the year ended 31 March 2019, we report that:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) A major portion of fixed assets have been physically verified by the management during the year at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) The company does not hold any immovable property
- ii. The inventory has been physically verified by the management during the year at reasonable intervals; no material discrepancies were noticed on such verification and have been properly dealt with in the books of account.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees, and security the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with by the company.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any tribunal.
- vi. In our opinion and according to the information and explanations given to us, maintenance of cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 is not applicable to the company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us the company has been generally regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities and no undisputed amounts payable were outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of Income Tax or Sales Tax or Service Tax or duty of customs or duty of excise or value added tax or cess as at 31st March, 2019 which have not been deposited on account of a dispute.
- viii. The Company did not have any loans from bankers or any financial institutions, Government and outstanding debentures during the year.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For MKPS & Associates
Chartered Accountants
FRN 302014E

Sd/-
CA S. Modi
Partner
M No. 051361

Place: Hyderabad
Date: 28.05.2019

“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 31st March 2019 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 authorizations of management and directors of the company; and (3) provide rea-

sonable assurance regarding prevention or timely detection of unauthorized 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 31st March 2019, 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 MKPS & Associates

Chartered Accountants

FRN 302014E

Sd/-

CA S. Modi

Partner

M No. 051361

Place: Hyderabad

Date: 28.05.2019

BALANCE SHEET AS AT 31st MARCH, 2019

(Rs In Lakhs)

PARTICULARS	Note No.	As on 31.03.2019	As on 31.03.2018
(1) ASSETS:			
(1) Non-current assets			
(a) Property, Plant and Equipment	4	11.38	12.77
(c) Financial assets			
(i) Investments	5	56.42	58.06
(ii) Loans	6	6.23	6.23
(d) Deferred tax assets (net)	7	8.21	7.08
(c) Other non-current assets			
Total non-current assets		82.25	84.14
(2) Current assets			
(a) Inventories	8	355.79	256.68
(b) Financial Assets			
(i) Investments	5	0.10	0.10
(ii) Trade Receivables	9	192.42	213.6
(iii) Cash and cash equivalents	10	145.99	132.53
(iv) Loans	11	33.46	31.60
(v) Other financial assets			
(d) Current Tax assets			
(e) Other current assets	12	23.49	2.42
Total Current Assets:		751.25	636.94
Total Assets:		833.50	721.09
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	13	375.04	375.04
(b) Other Equity	14		
(i) Retained earnings		307.39	228.24
(ii) Other comprehensive income		14.04	14.30
Total equity		696.46	617.58
LIABILITIES			
(1) Non - current liabilities			
(a) Financial Liabilities		-	-
(b) Provisions	15	30.41	26.76
(d) Other non-current liabilities		-	-
Total non-current liabilities		30.41	26.76
(2) Current liabilities			
(a) Financial Liabilities			
(ii) Trade Payables		47.76	33.65
(iii) Other financial liabilities	16	24.11	31.99
(b) Provisions	17	34.74	11.12
(d) Other current liabilities		-	-
Total current liabilities		106.62	76.75
Total liabilities		137.03	103.51
Total equity and liabilities		833.50	721.09

The notes 1 to 28 are an integral part of the financial statements.

In terms of our report attached.

For **MKPS & Associates**

Chartered Accountants

Firm Registration No. 302014E

For and on behalf of the Board

PEETI SECURITIES LIMITED

Sd/-
S.Modi
Partner
M. No. : 051361

Place: Hyderabad
Date: 28.05.2019

Sd/-
Sandeep Peeti
Managing Director
DIN : 00751377

Sd/-
Rajesh Pitty
Executive Director & CFO
DIN : 00488722

Sd/-
Venkatesh Achanta
Company secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2019

(Rs In Lakhs)

PARTICULARS	Note No.	For the year ending 2018-19	For the year ending 2017-18
Revenue			
Revenue from operations	18	2,267.04	2,039.38
Other income	19	9.79	38.76
Total income		2,276.83	2,078.14
Expenses			
Purchase of stock-in-trade		1,550.30	1,393.32
Changes in inventories of Finished goods, WIP and stock-in-Trade	20	(99.10)	(52.95)
Employee benefits expense	21	92.27	96.95
Finance costs		-	-
Depreciation and amortization expense	4	3.58	7.55
Other expenses	22	620.15	528.69
Total expenses		2,167.18	1,973.57
Profit before income tax		109.65	104.57
Current tax		31.62	24.65
Deferred tax		(1.14)	(4.88)
Income tax expense		30.48	19.77
Profit for the year		79.16	84.80
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Gain/loss on fair value of investments		(0.26)	(30.12)
Income tax relating to items that will be reclassified to profit or loss		-	
Other comprehensive income for the year, net of income tax		(0.26)	(30.12)
Total comprehensive income for the year		78.90	54.68
Earnings per share			
Basic earnings per share (INR)	24	2.11	2.26
Diluted earnings per share (INR)	24	2.11	2.26

The notes 1 to 28 are an integral part of the financial statements.
In terms of our report attached.
For **MKPS & Associates**
Chartered Accountants
Firm Registration No. 302014E

For and on behalf of the Board
PEETI SECURITIES LIMITED

Sd/-
S.Modi
Partner
M. No. : 051361

Place: Hyderabad
Date: 28.05.2019

Sd/-
Sandeep Peeti
Managing Director
DIN : 00751377

Sd/-
Rajesh Pitty
Executive Director & CFO
DIN : 00488722

Sd/-
Venkatesh Achanta
Company secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

(Rs In Lakhs)

PARTICULARS	For the year ended 2018-19	For the year ended 2017-18
I CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year (before tax)	109.65	104.57
Adjustments for:		
Depreciation and amortisation	3.58	7.55
Other comprehensive Income	(0.26)	(30.12)
Interest Income	(6.78)	(7.97)
Dividend Income	(0.42)	(0.42)
Profit on sale of shares	(2.58)	(28.33)
Profit on sale of Asset	-	(2.05)
	103.18	43.24
Working capital adjustments:		
(Increase) decrease in inventories	(99.10)	(52.95)
(Increase) decrease in trade receivables and loans	19.33	5.99
(Increase) decrease in other current assets	(21.08)	(1.78)
(Increase) decrease in deferred tax	(1.14)	(4.88)
Increase (decrease) in trade payables	14.11	4.93
Increase (decrease) in other financial liabilities	(7.88)	0.74
Increase (decrease) in provisions	27.28	11.81
Increase (decrease) in other current liabilities	-	
Cash generated from operating activities	34.71	7.10
Income tax paid (net)	(30.48)	(19.77)
Net cash from operating activities (A)	4.22	(12.67)
Cash flows from investing activities		
Additions of property, plant and equipment	(2.19)	(0.63)
(Increase) decrease in value of investments	1.64	14.00
Profit on sale of shares and assets	2.58	30.38
Dividend Received	0.42	0.42
Interest Income	6.78	7.97
Net cash used in investing activities (B)	9.24	52.14
Cash flows from financing activities		
Proceeds from /repayment of long-term borrowings		
Interest expense		
Net cash flow from (used in) financing activities (C)	-	-
Net decrease in cash and cash equivalents (A+B+C)	13.46	39.46
Cash and cash equivalents at 1 April	132.53	93.07
Cash and cash equivalents at 31 March 2019	145.99	132.53

The notes 1 to 28 are an integral part of the financial statements.

In terms of our report attached.

For **MKPS & Associates**

Chartered Accountants

Firm Registration No. 302014E

For and on behalf of the Board

PEETI SECURITIES LIMITED

Sd/-
S.Modi
Partner
Place: Hyderabad
M. No. : 051361
Date: 28.05.2019

Sd/-
Sandeep Peeti
Managing Director
DIN : 00751377

Sd/-
Rajesh Pitty
Executive Director & CFO
DIN : 00488722

Sd/-
Venkatesh Achanta
Company secretary

Statement of changes in equity for the year ended March 31, 2019

A. Equity share capital

(₹ in Lakhs)

Particulars	Amount
Balance as at the 1st April 2018	375.04
Changes in equity share capital during 2018-19	-
Balance at March 31, 2019	375.04

B. Other Equity

(₹ in Lakhs)

	Reserves and surplus	Items of OCI	Total
	Retained earnings	Other Items of OCI	
Balance at 1st April 2018	228.2	14.3	242.5
"Total comprehensive income for the "year ended 31 March 2019"			
Changes during the year	79.2	(0.3)	78.9
Total comprehensive income	79.2	(0.3)	78.9
"Transactions with owners, recorded"directly in equity"	-	-	-
Balance at 31 March 2019	307.4	14.0	321.4

The notes 1 to 28 are an integral part of the financial statements.

In terms of our report attached.

For **MKPS & Associates**

Chartered Accountants

Firm Registration No. 302014E

For and on behalf of the Board

PEETI SECURITIES LIMITED

Sd/-

S.Modi

Partner

M. No. : 051361

Sd/-

Sandeep Peeti

Managing Director

DIN : 00751377

Sd/-

Rajesh Pitty

Executive Director & CFO

DIN : 00488722

Sd/-

Venkatesh Achanta

Company secretary

Place: Hyderabad

Date: 28.05.2019

NOTE. 1: STATEMENT ON ACCOUNTING POLICIES AND OTHER DISCLOSURES**1. Corporate Information:**

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

2. Basis of preparation:**A. Statement of compliance:**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Company's financial statements up to and for the year ended 31 March 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

The financial statements were authorized for issue by the Company's Board of Directors on 28.05.2019

Details of the Company's accounting policies are included in Note 3.

B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakh, unless otherwise indicated.

C. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Amount
Certain financial assets and liabilities	Fair value
Net defined benefit (asset) / liability	Present value of defined benefit obligations

D. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3. Significant accounting policies

a. Financial instruments

Non-derivative financial instruments

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognized on trade date. While, loans and borrowings and payable are recognized net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets at amortized cost; non derivative financial liabilities at amortized cost.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition

Non- derivative financial assets

Financial assets are initially measured at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

The company's financial assets includes cash and cash equivalents, employee and other advances, trade receivables and eligible current and non-current assets.

Non-derivative financial liabilities

Financial liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

The company has the following financial liabilities: loans and borrowings, trade and other payables including deposits collected from various parties.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

b. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its

intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life	Useful life as per Schedule II
Office equipment	5 years	5 years
Computer	3	3
Furniture	10	10
Vehicles	8	8
Plant & Machinery	15	15

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

c. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

d. Investments:

Investments are valued at cost less provision for permanent diminution in value of such investments. Investments are carried at lower of cost and fair value.

- e. 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.

- f. Employee benefits

- i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

- ii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

- g. Income tax

Income tax comprises of current and deferred tax. It is recognized in profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

- i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates

(and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

iii. Minimum Alternate Tax (MAT)

Minimum Alternative Tax ("MAT") under the provisions of the Income-tax Act, 1961 is recognised as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

h. Segment reporting

The Board of Directors assess the financial performance of the Company and make strategic decisions. The Company has only one reportable segment i.e. Trading in Textile

i. Earnings per share

The basic earnings per share ("EPS") for the year is computed by dividing the net profit/ (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The Company has no potentially dilutive equity shares.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

4. Property, plant and equipment
Reconciliation of carrying amount

	Computer	Office Equipment	Furniture	Vehicles	Plant & Machinery
Deemed cost (gross carrying amount)					
Balance at 1st April 2018	1.00	1.82	1.15	20.42	1.20
Additions	-	0.40	-	1.79	-
Disposals	-	-	-	-	-
Balance at 31 March 2019	1.00	2.22	1.15	22.21	1.20
Accumulated depreciation and impairment losses					
Balance at 1st April 2018	0.56	0.53	0.68	10.65	0.40
Additions	0.20	0.36	0.04	2.81	0.16
Disposals	-	-	-	-	-
Balance at 31 March 2019	0.76	0.89	0.72	13.46	0.56
Carrying amounts (net)					
At 1 April 2018	0.44	1.29	0.47	9.77	0.80
At 1 April 2019	0.24	1.33	0.43	8.75	0.64

5. Investments

Current Investments

(Rs in Lakhs)

Particulars	31 March 2019	31 March 2018
Equity Investments (FVOCI)		
Unquoted	-	0.17
Less: Provision for diminution in value of shares	-	0.17
Other investments	0.10	0.10
Total (Equity Instruments)	0.10	0.10

Non- Current Investments

(Rs in Lakhs)

Particulars	31 March 2019	31 March 2018
Investments in equity Instruments (Fully Paid-up)		
Quoted	49.45	50.24
Equity Investments (FVOCI)		
Un-Quoted	6.97	7.82
Total (Equity Instruments)	56.42	58.06

6. Loans

(Rs in Lakhs)

Particulars	31 March 2019	31 March 2018
Secured, considered good		
Power Deposit	0.21	0.21
Rent Deposit	6.00	6.00
Telephone Deposits	0.02	0.02
	6.23	6.23

7. Deferred tax assets/Liabilities, net**Movement in temporary differences**

(Rs in Lakhs)

Particulars	31 March 2019	31 March 2018
Deferred tax assets		
Opening	7.08	2.20
During the year	1.14	4.88
	8.21	7.08

8. Inventories

(Valued at lower or cost or net realisable value)

(Rs in Lakhs)

Particulars	31 March 2019	31 March 2018
Inventories :		
a) stock - in - trade	355.79	256.68
	355.79	256.68

9. Trade Receivables

(Rs in Lakhs)

Particulars	31 March 2019	31 March 2018
Unsecured and Considered Good		
a) Outstanding more than 6 months	4.90	11.20
b) Outstanding less than 6 months	187.52	202.41
	192.42	213.61

10. Cash and cash equivalents

(Rs in Lakhs)

Particulars	31 March 2019	31 March 2018
a) Balances with banks :		
In Deposit Account	75.00	65.00
In Current Account	58.24	63.29
b) Cash on hand	12.75	4.25
	145.99	132.53

11. Loans**(Rs in Lakhs)**

Particulars	31 March 2019	31 March 2018
Unsecured and Considered Good		
a) Loans and advances(Hans Capital & Leasing Pvt Ltd)	31.18	28.14
b) Staff Advances	2.28	3.46
	33.46	31.60

12. Other current assets**(Rs in Lakhs)**

Particulars	31 March 2019	31 March 2018
a) Prepaid Insurance	0.61	0.48
b) TDS / Advance Tax	20.79	0.80
c) Other Current Assets	0.24	0.26
d) Input credit - GST	1.86	0.89
	23.49	2.42

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

13. Share Capital

(Rs in Lakhs)

Particulars	31 March 2019	31 March 2018
Authorised		
Equity shares of ` 10 each	450.00	450.00
Issued, subscribed and paid-up		
Equity shares of ` 10 each	375.04	375.04
	375.04	375.04

A. Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

(Rs in Lakhs)

	31 March 2019		31 March 2018	
	Number	Amount (INR)	Number	Amount (INR)
At the commencement of the period	37.50	375.04	37.50	375.04
Shares issued for cash	-	-	-	-
At the end of the period	37.50	375.04	37.50	375.04

B. Rights, preferences and restrictions attached to equity shares

"The company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity share capital of the company.

On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

C. Shareholders holding more than 5% of equity share capital**(Rs in Lakhs)**

	31 March 2019		31 March 2018	
	Number	% Holding	Number	% Holding
Sandeep Peeti	5.87	15.64%	5.18	13.80%
Rajesh Pitty	2.68	7.14%	2.30	6.13%
Arihants Securities Limited	2.69	7.18%	2.69	7.18%
	11.24	29.97	10.17	27.12%

14. Other Equity**(Rs in Lakhs)**

Particulars	31 March 2019	31 March 2018
Surplus in the statement of profit and loss		
Balance at the beginning of the year	228.2	143.4
Add: Profit for the year	79.2	84.8
Balance at the end of the year	307.4	228.2
Other comprehensive income		
Balance at the beginning of the year	14.3	44.4
Changes during the year	(0.26)	(30.1)
Balance at the end of the year	14.0	14.3
	321.4	242.5

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

15. Provisions

(Rs in Lakhs)

Particulars	31 March 2019	31 March 2018
Provisions for employee benefits		
- Gratuity	30.41	26.76
Other provisions		
	30.41	26.76

16. Other financial liabilities

(Rs in Lakhs)

Particulars	31 March 2019	31 March 2018
Other Payables	24.11	30.66
Advance from customers	-	1.32
	24.11	31.99

Refer note 30 for disclosure of transactions with related parties.

17. Provisions

(Rs in Lakhs)

Particulars	31 March 2019	31 March 2018
Provision for Income Tax	31.62	4.66
Provision for Gratuity	3.02	2.81
Other Provisions	0.11	3.65
	34.74	11.12

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

18. Revenue from operations

(Rs in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of products	2,267.04	2,039.38
	2,267.04	2,039.38

19. Other income

(Rs in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest Income	6.78	7.97
Dividend Income	0.42	0.42
Discounts/Writtenoffs	-	(0.01)
Profit on sale of shares	2.58	28.33
Profit on sale of Asset	-	2.05
	9.79	38.76

20. Changes in inventories of Finished goods, WIP and stock-in-Trade

(Rs in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening stock	256.68	203.74
Closing stock	355.79	256.68
	(99.10)	(52.95)

21. Employee benefits expense

(Rs in Lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries and wages, Others	47.63	42.67
Contribution to ESI & Other Funds	3.81	1.20
Staff welfare expenses	1.05	0.58
Managerial Remuneration	36.00	36.00
Provision for gratuity	3.78	16.48
	92.27	96.95

22. Other expenses**(Rs in Lakhs)**

	For the year ended 31 March 2019	For the year ended 31 March 2018
(a) Power & Fuel	3.73	1.11
(b) Rent	14.40	14.40
(c) Repairs to Building	0.34	1.26
(d) Repairs to Machinery & Vehicles	0.89	1.02
(e) Insurance	0.71	0.76
(f) Rates & Taxes	1.03	0.52
(g) Other Expenses		
1. Job work charges	540.72	457.87
2. Misc Expenditue	6.37	6.37
3. Packing Material	10.04	9.21
4. Postage, Telegrams & Telephone	0.39	0.57
5. Sales Commission	23.73	20.79
6. Traveling & Conveyance	0.21	3.01
7. Professional Fees	2.28	0.42
8. Bad debts	3.24	1.32
9. Other Misc Expenses	10.09	8.58
(h) Audit Fee	2.00	1.48
(i) Prior period items (Income Tax)	-	-
(j) Assets Written off	-	-
	620.15	528.69

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

23. Capital management

The Company's policy is to maintain a strong capital base so as to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and for the future development of the Company. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return on capital to shareholders or issue of new shares.

The Company's adjusted net debt to equity ratio at 31 March 2019 was as follows:

(Rs in Lakhs)

	31 March 2019	31 March 2018
Total liabilities	137.03	103.51
Less: cash and cash equivalents	(145.99)	(132.53)
Adjusted net debt	(8.96)	(29.02)
Total equity	696.46	617.58
Adjustments	-	-
Adjusted equity	696.46	617.58
Adjusted net debt to adjusted equity ratio	(0.01)	(0.05)

24. Earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(Rs in Lakhs)

	31 March 2019	31 March 2018
i. Profit (loss) attributable to equity shareholders(basic)	79.16	84.80
ii. Weighted average number of equity shares (basic)	37.50	37.50
Basic EPS	2.11	2.26

The Company does not have any potentially dilutive equity shares outstanding during the year.

25. Assets and liabilities relating to employee benefits

For details about the related employee benefit expenses, see Note 21

The Company operates the following post-employment defined benefit plan:

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972 (Plan A). Plan A entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. This defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

A. Funding

The Company expects to pay INR 3.02 Lakhs in contributions to its defined benefit plans in 2019-20.

B. Reconciliation of the net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

Plan A

Reconciliation of present value of defined benefit obligation for Gratuity

(Rs in Lakhs)

	31 March 2019	31 March 2018
Balance at the beginning of the year	29.57	13.09
Benefits paid	-	-
Current service cost	1.67	16.48
Interest cost	2.11	-
Past service cost	-	-
Actuarial (gains) losses recognised in other comprehensive income	-	-
- changes in demographic assumptions	-	-
- changes in financial assumptions	(0.28)	-
- experience adjustments	0.35	-
Balance at the end of the year	33.43	29.57

C. Expense recognised in profit or loss**Plan A****(Rs in Lakhs)**

	31 March 2019	31 March 2018
Current service cost	1.67	16.48
Interest cost	2.11	-
Past service gain	-	-
	3.78	16.48

Remeasurements recognised in other comprehensive income**(Rs in Lakhs)**

	31 March 2019	31 March 2018
Actuarial (gain) loss on defined benefit obligation	0.07	-
	0.07	-

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

26. Financial instruments - Fair values and risk management

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

31 March 2019

(Rs in Lakhs)

	Note	Other financial assets - amortised cost	Other financial liabilities - amortised cost	Total carrying amount
Financial assets measured at fair value		-	-	-
		-	-	-
Financial assets not measured at fair value				
Loans to related party		-	-	-
Cash and cash equivalents		145.99	-	145.99
Other financial assets		-	-	-
		145.99	-	145.99
Financial liabilities not measured at fair value				
Secured bank loans		-	-	-
Loans from related parties		-	-	-
Trade payables		-	47.76	47.76
Security deposits received		-	-	-
		-	47.76	47.76

The carrying amounts of financial assets and liabilities recognized in the financial statements approximate their fair values and hence no further details about the fair value measurements are given.

31 March 2018

(Rs in Lakhs)

	Note	Other financial assets - amortised cost	Other financial liabilities - amortised cost	Total carrying amount
Financial assets measured at fair value		-	-	-
		-	-	-
Financial assets not measured at fair value				
Loans to related party		-	-	-
Cash and cash equivalents		132.53	-	132.53
Other financial assets		-	-	-
		132.53	-	132.53
Financial liabilities not measured at fair value				
Secured bank loans		-	-	-
Loans from related parties		-	-	-
Trade payables		-	33.65	33.65
Security deposits received		-	-	-
		-	33.65	33.65

The carrying amounts of financial assets and liabilities recognized in the financial statements approximate their fair values and hence no further details about the fair value measurements are given.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

27. Financial instruments - Fair values and risk management**B. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- a) credit risk
- b) liquidity risk
- c) market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations

The Company's Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments in debt securities

The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables and loans

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry in which customers operate.

Cash and cash equivalents

The Company holds cash and cash equivalents of INR 145.99 Lakhs at 31 March 2019 (31 March 2018: INR 132.53 Lakhs). The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next six months. The Company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements

31 March 2019

(Rs in Lakhs)

	Note	Other financial assets amortised cost	Other financial liabilities - amortised cost	Total carrying amount
Financial assets measured at fair value		-	-	-
		-	-	-
Financial assets not measured at fair value				
Loans to related party		-	-	-
Cash and cash equivalents		145.99	-	145.99
Other financial assets		-	-	-
		145.99	-	145.99
Financial liabilities not measured at fair value				
Secured bank loans		-	-	-
Loans from related parties		-	-	-
Trade payables		-	47.76	47.76
Security deposits received		-	-	-
		-	47.76	47.76

31 March 2018

(Rs in Lakhs)

	Carrying Amount	Contractual Cashflows					
		Total	6 months or less	6-12 months	1-2 Years	2-5 Years	More than 5 years
Non-derivative financial liabilities							
Secured bank loans	-	-	-	-	-	-	-
Unsecured loan from related party	-	-	-	-	-	-	-
Trade payables	33.65	33.65	33.65	-	-	-	-
Other financial liabilities	31.99	31.99	31.99	-	-	-	-
	65.63	65.63	65.63	-	-	-	-

The interest payments on variable interest rate loans in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change.

Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

c) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Company adopts a policy of ensuring that between 80 and 90% of its interest rate risk exposure is at a fixed rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at a floating rate instruments.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to management is as follows:

	(Rs in Lakhs)	
	31 March 2019	31 March 2018
Fixed rate instruments		
Financial assets	33.46	31.60
Financial liabilities	-	-
	33.46	31.60

Fair value sensitivity analysis for fixed-rate instruments

A reasonably possible increase/decrease of 100 basis points in interest rates at the reporting date would not have any significant impact. This analysis assumes that all other variables remains constant.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

28 Related parties

A. List of related parties and nature of relationship

S. No.	Name of the related party	Nature of relationship
1	Sandeep Peeti	Managing Director
2	Rajesh Pitty	Executive Director
3	Nisha Peeti	Relative of Director
4	Sonika Peeti	Relative of Director

B. Transactions with related parties during the year ended

(Rs in Lakhs)

S.No.	Name of the related party	Nature of transactions	31 March 2019	31 March 2018
1	Sandeep Peeti	Salary - Managing Director	18.00	18.00
2	Rajesh Pitty	Salary - Managing Director	18.00	18.00
3	Nisha Peeti	Rent	7.20	7.20
4	Sonika Peeti	Rent	7.20	7.20

C. Balances outstanding

(Rs in Lakhs)

S. No.	Name of the related party	Nature of transactions	31 March 2019	31 March 2018
1	Sandeep Peeti	Salary - Managing Director	-	3.83
2	Rajesh Pitty	Salary - Managing Director	-	0.41
3	Nisha Peeti	Rent	-	1.54
4	Sonika Peeti	Rent	-	0.22

The notes 1 to 28 are an integral part of the financial statements.

For **MKPS & Associates**
Chartered Accountants
Firm Registration No. 302014E

For and on behalf of the Board
PEETI SECURITIES LIMITED

Sd/-
S.Modi
Partner
M. No. : 051361

Sd/-
Sandeep Peeti
Managing Director
DIN : 00751377

Sd/-
Rajesh Pitty
Executive Director & CFO
DIN : 00488722

Sd/-
Venkatesh Achanta
Company secretary

Place: Hyderabad
Date: 28.05.2019

E-VOTING**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 Friday 27th September, 2019 at 09.00 Hrs and ends on , Sunday 29th September, 2019 at 17.00 Hrs. During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 24th September, 2019 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 during the voting period
- (iii) Click on "Shareholders" tab. Now, select the "PEETI SECURITIES LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) 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> <ul style="list-style-type: none"> • 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. • 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
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<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> <ul style="list-style-type: none"> • 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).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 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.
- (xix) 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 under help section or write an email to 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. Anand Kumar C Kasat, Practicing Company secretary, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting

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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 25th Annual General Meeting of the shareholders of Peeti Securities Limited on Monday, 30th September, 2019, At 10.00 AM at Bhagyanagar Function Hall, L.B. Nagar, Hyderabad - 500074.

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
Representative (Please Specify)

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		

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual general meeting of the company, to be held on the Monday 30th September, 2019 At 10.00 AM At Bhagyanagar Function Hall, L.B. Nagar, Hyderabad-500074. and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No	Resolutions	For	Against
1	Consider and adopt audited financial statements as at 31.03.2019 and profit and loss accounts for the year ended and the reports of the board of Directors and Auditors		
2	Re-appointment of Mr. Rajesh Pitty , Director who retires by rotation		
3.	Appointment of Mr. Ajay Garg as an independent Director for a second term of five consecutive year.		
4.	Appointment of Mr. Rajeev Peeti as an independent Director for a second term of five consecutive year.		
5.	Appointment of Mr. Rajkumar Agrawal as an independent Director for a second term of five consecutive year.		

Signed this ____ day of _____.

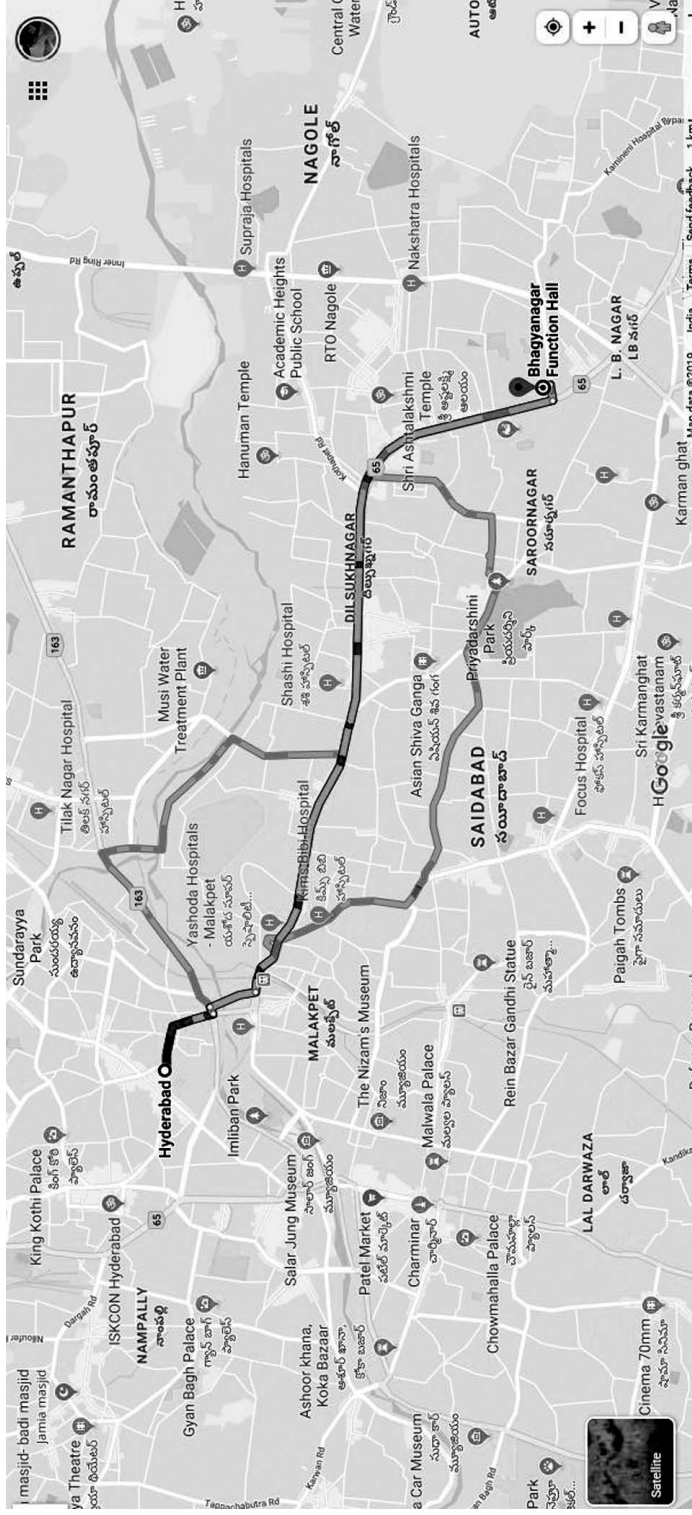
Affix
Revenue
Stamp

Signature of shareholder:

Signature of Proxy holder(s):

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.

ROUTE MAP



If undelivered please return to:

Peeti Securities Limited

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