

**BOARD OF DIRECTORS**

Mr. SHRIGOPAL INANI	<i>Chairman</i>
Mr. LAKSHMIKANTH INANI	<i>Managing Director</i>
Mr. RAMAKANTH INANI	<i>Whole Time Director</i>
Mr. VISHNUKANTH INANI	<i>Whole Time Director</i>
Mr. SURESH JANAKIRAM KABRA	<i>Director</i>
Mr. RAMESH ATHASNIYA	<i>Director</i>
Mr. ANAND RAMESHCHANDRA CHANDAK	<i>Director</i>

**AUDITORS**

**M/s. G.D. UPADHYAY & CO.**  
Chartered Accountants  
15-1-53, II<sup>nd</sup> Floor,  
Opp. Goshamahal High School,  
Siddiamber Bazar,  
Hyderabad - 500 012.

**DEMAT & PHYSICAL SHARE REGISTRARS :**  
**Venture Capital & Corporate Investments Pvt Limited**  
MIG - 167, Bharat Nagar Colony  
Hyderabad - 500 018.  
SEBI Regn. No. INR 00001203

**PRINCIPAL BANKERS**

HDFC Bank Limited  
Lakdi-ka-pool,  
Hyderabad - 500 004.

**LEGAL ADVISOR :**

**Mr. Shyamsunder Lahoti**, Advocate  
# 15-9-49, Maharajgunj,  
Hyderabad - 500 012.

TAMILAND MERCANTILE  
BANK LIMITED  
Siddiamber Bazar,  
Hyderabad - 500 012.

**REGISTERED OFFICE**

G-15, Raghava Ratna Towers,  
5-8-352/14 & 15,  
Chirag Ali Lane,  
Hyderabad - 500 001.  
E-mail : info@inanisec.in

**CORPORATE OFFICE**

B/23, 2nd Floor, Plot No. 13,  
Wadala Sriram Industrial Estate,  
G.D. Ambekar Marg, Wadala (W)  
Mumbai - 400 031.  
E-mail : bby@inanisec.in

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**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE 16<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF **INANI SECURITIES LTD** WILL BE HELD ON **FRIDAY, THE 27<sup>TH</sup> DAY OF AUGUST, 2010** AT 4.00 P.M, AT THE PREMISES OF THE COMPANY SITUATED AT 901 & 902, 9<sup>th</sup> FLOOR, RAGHAVA RATNA TOWERS, CHIRAG ALI LANE, ABIDS, HYDERABAD - 500 001 TO TRANSACT THE FOLLOWING BUSINESS:

**ORDINARY BUSINESS:**

- To receive, consider and adopt
  - The Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2010,
  - The Profit & Loss Account for the year ended as on that date,
  - The auditor's report there on: and
  - The directors report.
- To appoint a Director in place of Mr. Shrigopal Inani, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Mr. Anand Rameshchandra Chandak, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint auditors and fix their remuneration.

**SPECIAL BUSINESS:****Item No.5 To Re-appoint Mr. Lakshmikanth Inani as Managing Director of the Company**

To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

"Resolved that pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 ("Act"), as re-enacted from time to time, read with Schedule XIII to the Act, the Company hereby approves of the re- appointment and terms of remuneration of Mr. Lakshmikanth Inani as Managing Director of the Company for a period of five years with effect from 1<sup>st</sup> April, 2010 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re - appointment in such manner as may be agreed to between the Board of Directors and Mr. Lakshmikanth Inani."

**Item No.6 To Re - Appoint Mr. Ramakanth Inani as Whole Time Director of the Company**

To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

"Resolved that pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 ("Act"), as re-enacted from time to time, read with Schedule XIII to the Act, the Company hereby approves of the re - appointment and terms of remuneration of Mr. Ramakanth Inani as Whole Time Director of the Company for a period of five years with effect from 1<sup>st</sup> April, 2010 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re - appointment in such manner as may be agreed to between the Board of Directors and Mr. Ramakanth Inani."

**Item No.7 To Re - Appoint Mr. Vishnukanth Inani as Whole Time Director of the Company**

To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

“Resolved that pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 (“Act”), as re-enacted from time to time, read with Schedule XIII to the Act, the Company hereby approves of the re - appointment and terms of remuneration of Mr. Vishnukanth Inani as Whole Time Director of the Company for a period of five years with effect from 1<sup>st</sup> April, 2010 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re - appointment in such manner as may be agreed to between the Board of Directors and Mr. Vishnukanth Inani.”

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Instruments of Proxy/ Proxies in order to be effective, must be deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting.
3. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **24<sup>th</sup> August, 2010 to 27<sup>th</sup> August, 2010 (both days inclusive)**.
5. The Members holding shares in physical form, may write to the Company's share transfer agents for any change in their address and bank mandates. Members holding shares in electronic form may intimate the same to their respective Depository Participants to enable the Company to dispatch the communications at their correct addresses.
6. Members who hold their shares in dematerialised form are requested to bring their client ID and DP numbers for easy identification of attendance at the meeting.

Place : Hyderabad

Date : 31<sup>st</sup> July, 2010

By Order of the Board

Sd/-  
**SHRIGOPAL INANI**  
Chairman

**Explanatory Statement**

Pursuant to Section 173(2) of the Companies Act, 1956

As required by Section 173 of the Companies Act, 1956 (“Act”), the following explanatory statements set out all material facts relating to the business mentioned under Item Nos. 5 to 7 of the accompanying Notice dated 31<sup>st</sup> August 2010

**Item Nos. 5 to 7**

The Board has re-appointed Mr. Lakshmikanth Inani as Managing Director and Mr. Ramakanth Inani and Mr. Vishnukanth Inani as Whole Time Directors with effect from 1<sup>st</sup> April, 2010 subject to the approval of the Members. The re - appointments are for a period of five years each.

The main terms and conditions of the re - appointment of Mr. Lakshmikanth Inani, Mr. Ramakanth Inani and Mr. Vishnukanth Inani (hereinafter referred to as “Appointee(s)”) are as follows:

A. Tenure of Agreement:

The re - appointment of Mr. Lakshmikanth Inani, Mr. Ramakanth Inani and Mr. Vishnukanth Inani are effective from 1<sup>st</sup> April, 2010. The re - appointments are for a period of five years in each case.

B. Nature of Duties:

The appointees shall devote their whole time and attention to the business of the Company and carry out such duties as may be entrusted to them by the Managing Director and/or the Board from time to time, and exercise such powers as may be assigned to them, subject to the superintendence, control and directions of the board in connection with and in the best interests of the business of the company and the business of any one or more of its associated companies and/or subsidiaries, including performing duties as assigned by the Managing Directors and/or the Board from time to time, by serving on the Board of such associated companies and/or subsidiaries or any other executive body or any committee of such a company.

C. Remuneration:

(i) Remuneration – (a) Basic Salary upto a maximum of Rs. 25000/- per month, H.R.A of Rs.10,000 per month and Commission of 3% (Three Percent) on net profit calculated in accordance with Section 309 of the Companies Act with annual increments effective April 1, every year, as may be decided by the Board, based on merit and taking into account the Company's performance; (b) Benefits, perquisites and allowances as may be determined by the Board from time to time.

(ii) Minimum Remuneration : Notwithstanding anything to the contrary here in contained, where in any financial year during the currency of the tenure of the Appointees, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of basic salary, benefits, perquisites and allowances and incentive remuneration, as specified above.

D. Other terms of Appointment:

The terms and conditions of the appointment of the Appointee(s) may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule XIII to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the concerned Appointee, subject to such approvals as may be required.

The Directors are of the View that the appointment of Mr. Lakshmikanth Inani as Managing Director, Mr. Ramakanth Inani and Mr. Vishnukanth Inani as Whole Time Directors will be beneficial to the operations of the Company and the remuneration payable to them is commensurate.

In compliance with the provision of Section 269 and 309 read with Schedule XIII of the Act, the terms of remuneration of the Appointees specified above, are now placed before the Members in the Annual General Meeting for their approval.

The Resolutions at Item Nos. 5 to 7 of the Notice is commended for approval by the Members.

Mr. Mr. Lakshmikanth Inani, Mr. Ramakanth Inani and Mr. Vishnukanth Inani are concerned or interested in the Resolutions at Item Nos. 5 to 7 of the accompanying Notice relating to their own appointment.

**Details of Directors Seeking Appointment / Re-appointment at the Annual General Meeting (Pursuant to Details As Required Under Clause 49 of the Listing Agreement)**

Particulars	Mr. Shrigopal Inani	Mr. Anand Rameshchandra Chandak	Mr. Lakshmikanth Inani	Mr. Ramakanth Inani	Mr. Vishnukanth Inani
Date of Birth	17.03.1943	02.03.1972	22.02.1958	26.11.1962	05.09.1971
Date of Appointment	31/08/1995	29/08/2005	03/10/1998	19/05/1994	07/08/1995
Qualifications	Bachelor's degree in Commerce	MBA Finance from Pune University	Bachelor's degree in Commerce	Bachelor's degree in CIVIL Engineering	Bachelor's degree in Commerce
Expertise in specific functional area	Vast Experience in fields of Textiles, Banking and Finance.	Wide Experience in fields of Accounts and Finance	Vast Experience in fields of Stock Broking and Finance.	Vast Experience in fields of all segments of Broking.	Vast Experience in fields of all segments of Broking and handling institutional clients.

**DIRECTORS' REPORT**

To

The Members,

Your Directors have pleasure in presenting the 16<sup>th</sup> Annual Report of your company on the business operations together with the audited financial accounts for the financial year ended 31<sup>st</sup> March, 2010.

**FINANCIAL RESULTS:**

A snapshot of the Financial performance of the Company for the year 2009-10 is as under:

Particulars	Year ended 31st March 2010 (Rs.in Lakhs)	Year ended 31st March, 2009 (Rs.in Lakhs)
Total Revenue	252.60	232.82
Profit before Interest, Depreciation & Tax	113.01	99.00
Profit before Depreciation & Tax	93.58	73.34
Profit before Tax & Exceptional Item	75.72	56.07
Less: Prior year Adjustment & Exceptional Items	1.51	0.06
Net Profit Before taxation	74.21	56.01
<b>Less : Provision for Tax</b>		
- Current tax	22.89	16.56
- Deferred Tax	(0.20)	1.64
- Fringe Benefit Tax	-	1.18
Tax Adjustment of earlier years (Net)	1.01	-
Less : Adjustment for employee benefits	-	2.26
Net Profit	50.51	34.37
Add : Balance brought forward from the last year	729.50	695.13
Profit available for appropriation	780.01	729.50
Proposed Dividend	-	-
Balance carried to Balance Sheet	780.01	729.50

**REVIEW OF PERFORMANCE:**

During the year under review the profit before tax increased to Rs.50.51 lacs from Rs. 34.37 lacs in previous year. The return of confidence in Economy and Stock Markets added to the financial performance of your company and overall growth of the company was satisfactory.

**DIVIDEND:**

Your Directors do not recommend any dividend for the year 2009-10.

**DIRECTORS:**

In accordance with the provisions of section 255 of the Company act, 1956 and article 113 of the Articles of Association of the Company, Mr. Shrigopal Inani and Mr. Anand Rameshchandra Chandak Director(s) retires by rotation at the ensuing Annual General meeting and being eligible, offer themselves for the re-appointment.

**STATUTORY AUDITORS:**

M/s. G.D. Upadhyay & Co., Chartered Accountants Auditors of the Company hold office till conclusion of the ensuing Annual General Meeting of the company and are eligible for the re-appointment. The Company is in receipt of confirmation from M/s. G.D. Upadhyay & Co., that in the event of their re-appointment as statutory auditors of the Company, such re-appointment will be within the prescribed limits specified U/s 224(1B) of the companies Act, 1956. The Board of Directors proposes to re-appoint them for another term and will hold office till the conclusion of the next Annual General Meeting.

**LISTING ARRANGEMENT:**

Your Company's shares are listed on

- 1) Bombay Stock Exchange Ltd., (B S E)

The listing fees for the year 2010-11 have been paid.

**PUBLIC DEPOSITS:**

During the year under review, your company has not accepted any Public Deposits pursuant to section 58A of the Companies Act, 1956.

**STATUTORY INFORMATION:****A. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :****a). CONSERVATION OF ENERGY**

The company is engaged in providing financial services and as such its operations do not account for substantial energy consumption. However, the company is taking all possible measures to conserve energy. Several environment friendly measures have been adopted by the company such as :

- Installation of TFT monitors that save power
- Automatic power shutdown of idle monitors.
- Creating environmental awareness by way of distributing information in electronic form.
- Minimising air-conditioning usage
- Shutting off all the lights when not in use
- Education and awareness programmes for employees.

**b) TECHNOLOGY ABSORPTION**

The management understands the importance of technology in the business segments it operates and lays utmost emphasis on system development and the use of best technology available in the industry. The management keeps itself abreast with technological advancements in the industry and ensures continued and sustained efforts towards absorption of technology, adaptation as well as development of the same to meet business needs and objectives.

**c) FOREIGN EXCHANGE EARNINGS/OUTGO**

There was a Foreign Exchange outflow of Rs.3.34 Lacs during the year under review.

**PARTICULARS OF EMPLOYEES :**

No employee of your company is in receipt of remuneration of Rs. 24 lakhs p.a. or part thereof pursuant to Section 217 (2A) of the Companies Act, 1956 and the companies (Particulars of Employees), Rules 1975 as amended.

**CORPORATE GOVERNANCE :**

Your company has complied with all the mandatory provisions of the revised clause 49 of the Listing Agreement. As part of the Company's efforts towards better corporate practice and transparency, a separate report on Corporate Governance compliances is included as a part of the Annual Report.

A certificate from the Statutory Auditors, regarding compliance with the conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement is attached to this report on Corporate Governance.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuance to provisions of Section 217(2AA) of the Companies Act, 1956 the Directors of your Company confirm that :

- i. in preparation of the annual accounts for the financial year ended 31st March, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any, there from;
- ii. appropriate accounting policies have been selected and applied them consistently. The Judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2010 and of the profit of company for the said period.
- iii. proper and sufficient care has been taken for the maintenance of accounting records in accordance with the provisions of this Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities: and
- iv. the annual accounts have been prepared on a going concern basis.

**ACKNOWLEDGEMENTS:**

The Directors place on record their gratitude to the Government, regulators, stock exchanges, other statutory bodies and the company's bankers for the assistance, co-operation and encouragement extended to the Company.

The Directors would like to take this opportunity to express sincere thanks to its valued clients for their continued patronage. The Directors express their deep sense of appreciation of all the employees, whose continuing support, commitment and initiatives has made the organisation's growth. Finally, the Directors wish to express their gratitude to the shareholders for their trust and support in the future.

for and on behalf of the Board

Place : Hyderabad

Date : 31<sup>st</sup> July, 2010

Sd/-  
**SHRIGOPAL INANI**  
Chairman

## CORPORATE GOVERNANCE REPORT

## I. CORPORATE PHILOSOPHY:

At your company, Corporate Governance is viewed as a moral duty. We believe that corporate Governance is a system of structuring, operating and controlling a company to achieve long-term strategic goals and ensuring interest of all the stakeholders, including shareholders, creditors, employees, customers and suppliers, complying with the legal and regulatory requirements, apart from meeting the environmental and local community needs. It is about commitment to values, ethical conduct of business and responsibility towards the society at large.

The company has adopted the best corporate governance practices, based on following principles.

- A strong, professional and independent Board with rich and varied experience
- Accountability for functioning and transparency in conduct
- Systemic and timely disclosure of all material information
- Adequate risk management and internal control systems
- Compliance with the applicable rules and regulations
- Independent verification of financial reporting
- Value creation for stakeholders

Your company understands that the customer is purpose of our business and every customer is an important stakeholder of the Company, performing ethically and efficiently to generate long-term value and wealth for all its stakeholders.

The report on corporate governance, as per the applicable provisions of Clause 49 of the listing agreement is all under:

## II. BOARD OF DIRECTORS :

The routine affairs of the Company are managed by the Managing Director and assisted by the Whole Time Director(s) of the Company.

Your Company is committed for adoption of best governance practices, their adherence in true spirit and conduct of its affairs in a manner, which is transparent, clear and evident to those having dealing with or having a stake in the company. Company lays strong emphasis on business ethics in all its dealings. In line with the vision and long term business objectives, all major corporate decisions are taken by the company's professional Board in conjunction with a competent management team, keeping in view the best interest of all its stakeholders.

The company presently has seven Directors, including Whole-Time Directors. The brief profile of your company's Board of Directors is as Under :

During the year under review Five Board Meetings were held on 30<sup>th</sup> April, 2009, 31<sup>st</sup> July, 2009, 24<sup>th</sup> August, 2009, 31<sup>st</sup> October, 2009 and 30<sup>th</sup> January, 2010. The composition of the Board and attendance of the Directors at the Board Meetings held during the financial year under review and the last Annual General Meeting (AGM), number of Directorships and memberships/ chairmanships in public companies (including the Company) are given below:

Name of the Director	Category	Financial Year 2009-10 Attendance at BM Last AGM		Financial Year 2009-10 No of Committee Positions	
		Member	Chairman	Member	Chairman
Mr. Shrigopal Inani	Non-Executive Chairman	4	Yes	1	-
Mr. Lakshmikanth Inani	Executive	5	Yes	-	-
Mr. Ramakanth Inani	Executive	5	Yes	-	-
Mr. Vishnukanth Inani	Executive	4	No	-	-
Mr. Suresh J Kabra	Non-Executive Independent	4	Yes	2	1
Mr. Anand Rameshchandra Chandak	Non-Executive Independent	4	No	2	1
Mr. Ramesh Athasniya	Non-Executive Independent	4	Yes	1	1

As may be seen from the above, the Non-Executive Directors constitute 50% of the total number of Directors. The Company has Non-Executive Chairman and one third of the total strength of the Board comprises of Independent Directors.

## III. BOARD PROCEDURE

A detailed Agenda is sent to each Director at least a week in advance of the Board and Committee meetings. A detailed functional report is also placed at every Board Meeting. The Board reviews :

- Strategic and Business plans
- Annual operating and capital expenditure plans
- Investment and exposure limits
- The information on financial obligation and disciplinary action.
- Compliance with statutory/regulatory or Listing requirements and review of major legal issues.
- The unaudited quarterly / half yearly / annual results and audited annual accounts of the Company for consideration and adoption.
- Transactions pertaining to purchase and sale of assets, which are undertaken other than in the normal course of business.

- Major accounting provisions and write-offs.
- Minutes of meeting of the Audit and other committees of the Board
- Share transfers, Dematerialisation and Investor Grievances.

#### IV. AUDIT COMMITTEE :

The Audit Committee of Directors comprised of Mr. Anand Rameshchandra Chandak (Chairman), Mr. Suresh Jankiram Kabra & Mr. Ramesh Athasniya. The scope of the committee includes:-

- Reviewing the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment / removal of external auditors, fixing audit fees and approving payments for any other service.
- Reviewing the periodic financial statements before submission to the board, focussing primarily on :
  - Any changes in accounting policies and practices:
  - Significant adjustments arising out of audit.
  - Compliance with Accounting standards.
  - Compliance with legal requirements concerning financial statements;
  - Any related party transactions i.e. transactions of the company of material nature with promoters or the management or their subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large.
- Reviewing with the management, reports furnished by internal and external auditors, and the adequacy of internal control system and recommending improvements to the management.

During the period under review, five meetings of Audit Committee which were held on 30<sup>th</sup> April 2009, 31<sup>st</sup> July, 2009, 24<sup>th</sup> August 2009, 31<sup>st</sup> October 2009 and 30<sup>th</sup> January 2010. In these meetings, inter alia, the committee considered the audit reports covering operational, financial and other business risk related areas. The Audit Committee meetings were held at the registered office of the Company.

#### V. CODE OF CONDUCT

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) regulations, 1992 (as amended), the board has approved the 'Code of Conduct for Prevention of Insider Trading' and authorized the Audit Committee to implement and monitor the various requirements as set out in the Code.

#### VI. WHISTLE BLOWER POLICY

Pursuant to clause 49 of the listing agreement, the Company has put in place the 'Whistle Blower Policy' duly approved by the Board. Further, it is hereby affirmed that the Company has not denied any personnel, access to the audit committee of the Company (in respect of matters involving alleged misconduct) and that the Company has provided protection to 'Whistle Blower' from unfair termination and other unfair or prejudicial employment practices.

#### VII. MANAGERIAL REMUNERATION

- Remuneration Committee** : The Remuneration Committee of the Company is empowered to review, assess and recommend the appointment of Whole time Directors, to periodically review the remuneration package of Whole Time Directors and recommend suitable revision to the Board. The Remuneration Committee comprised of Mr. Suresh Janakiram Kabra (Chairman), Mr. Anand Rameshchandra Chandak and Mr. Srigopal Inani. During the year under review one meeting of remuneration committee was held on 30<sup>th</sup> April 2009.
- Remuneration Policy** : The remuneration of the whole-time Directors(s)/ appointee(s) is decided by the Remuneration Committee is based on criteria such as industry benchmark, the Company's performance vis-a-vis the industry, performance/track record of the whole time Director(s)appointee(s). The Company pays remuneration by way of salary, perquisites and allowances (fixed component), incentive, remuneration and commission (variable component) to its whole time directors. Annual increments are decided by the Remuneration Committee within the salary scale approved by the Members and are effective from 1<sup>st</sup> April, annually. A sitting fee of Rs. 1,000/- per meeting of the Board is paid for attendance at the said Board to its members. Sitting Fees is separately paid @ Rs.500/- per meeting for attending the Committee Meetings to Directors other than whole time Directors.
- Remuneration to Directors** : In respect of the financial year 2009 - 10, a sum of Rs. 8,10,000/- was paid as remuneration to the Managing Director and Whole time directors.
- Independent Directors** :

Name	Sitting fees paid during FY 09-10 Amount in Rupees
Sri. Shrigopal Inani	Rs. 4,500/-
Sri. Suresh Jankiram Kabra	Rs. 6,500/-
Sri. Anand Rameshchandra Chandak	Rs. 6,500/-
Sri. Ramesh Athasniya	Rs. 6,500/-

#### VIII. INVESTORS' GRIEVANCES COMMITTEE :

The Investors' Grievance Committee of the Board is empowered to address/attend to/redress the investor's complaints pertaining to share transfers, non-receipt of annual reports, issue of duplicate certificates, transmission (with and without legal representation) of shares. Its scope also includes delegation of powers to the executives of the Company's share transfer agents to process share transfers and other investor allied matters. During the Year 2009-10 Investors' Grievance Committee Comprised of Mr. Ramesh Athasniya (Chairman), Mr. Anand Rameshchandra Chandak & Mr. Suresh Jankiram Kabra. During the year under review two Investors' Grievance Committee meetings were held on 30<sup>th</sup> April 2009 & 30<sup>th</sup> January 2010.

#### IX. NAME AND DESIGNATION OF COMPLIANCE OFFICER:

Mr.Vijay Kumar Pathak, Officer Secrerterial Department.

**X. GENERAL BODY MEETINGS :**

- Location and time of General Meetings held in last 3 years :

Year	Type	Date	Venue	Time
2008 - 2009	AGM	29 <sup>th</sup> September, 2009	Rajasthani Graduates Association Hall, 5-4-790/1, First Floor, Lane Opp to G. Pulla Reddy Sweets, Hyderabad - 500 001.	4.00 P.M.
2007 - 2008	AGM	30 <sup>th</sup> September, 2008	Rajasthani Graduates Association Hall, 5-4-790/1, First Floor, Lane Opp to G. Pulla Reddy Sweets, Hyderabad - 500 001.	10.00 A.M.
2006 - 2007	AGM	29 <sup>th</sup> September, 2007	Rajasthani Graduates Association Hall, 5-4-790/1, First Floor, Lane Opp to G. Pulla Reddy Sweets, Hyderabad - 500 001.	4.00 P.M.

**XI. CEO / CFO CERTIFICATION**

Mr.Lakshmikanth Inani, Managing Director, appointed in terms of the Companies Act, 1956 is heading the finance functions, certify to the Board that :

- i) He has reviewed the financial statements and the cash flow statements for the year ended 31st March, 2010, and to the best of the knowledge and belief state that :
  - a) These statements do not contain any materially untrue statement or any material fact has been omitted or contain statements that might be misleading;
  - b) These statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- ii) To the best of his knowledge and belief, no transactions entered are fraudulent, illegal or violate the Company's Code of Conduct.
- iii) He accepts the responsibility for establishing and maintaining internal controls evaluating the effectiveness, disclosing the deficiencies to the Auditors and the Audit Committee and take steps or propose to take steps to rectify these deficiencies.
- iv) He indicates to the Auditors and Audit Committee that there is :
  - a) No significant change in internal control Processes during the year,
  - b) No significant change in Accounting Policies : and
  - c) No instance of fraud have taken place.

**CERTIFICATE OF COMPLIANCE WITH CODE OF CONDUCT**

As provided under Clause 49 of the Listing Agreement relating to Corporate Governance with the Stock Exchanges, all the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct during the financial year 2009 - 10.

for and on behalf of the Board

Place : Hyderabad  
Date : 31<sup>st</sup> July, 2010

for **INANI SECURITIES LIMITED**  
**LAKSHMIKANTH INANI**  
Managing Director

**XII. OTHER DISCLOSURES :****A. RELATING TO TRANSACTIONS**

During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related party transactions with its promoters, directors, Management and Subsidiaries that had a potential conflict with the interest of the Company at large.

**B. NON - COMPLIANCE BY THE COMPANY**

The Company has complied with various rules and regulations prescribed by Stock Exchanges, SEBI or any other statutory authority relating to the capital markets during the last three years.

**XIII. MEANS OF COMMUNICATION :**

The Company regularly submits quarterly financial results to the Stock Exchanges immediately after they are taken on record by the Board. Further, coverage is given by publication of the financial results in the leading economic and vernacular daily newspapers. The quarterly financial results and other shareholder related information are also posted on SEBI EDIFAR website.

Management Discussion and Analysis is covered in the Directors' Report to the shareholders which forms a part of the Annual Report.

**XIV. GENERAL SHAREHOLDERS INFORMATION:****Annual General Meeting**

**Date and time** : 27<sup>th</sup> August, 2010 at 4.00 P.M  
**Venue** : The Premises of the Company  
Situated At 901 & 902, 9<sup>th</sup> Floor, Raghava Ratna Towers,  
Chiraj Ali Lane, Abids, Hyderabad - 500 001.

**Date of Book closure** : 24<sup>th</sup> August, 2010 to 27<sup>th</sup> August, 2010  
(both days inclusive)

**XV. Financial Calender :**

Financial Reporting for the quarter ending 30th June, 2009	Last week of July, 2009
Financial Reporting for the quarter ending 30th September, 2009	Last week of October, 2009
Financial Reporting for the quarter ending 31st December, 2009	Last week of January, 2010
Financial Reporting for the quarter ending 31st March, 2010	Last week of April, 2010

**XVI. Listing on Stock Exchanges and stock code:****Stock Codes :**

The Bombay Stock Exchange Limited	.....	531672
ISIN No. NSDL/CDSL	.....	INE224C01014

**XVII. STOCK MARKET DATA :**

Monthly closing high and low prices of your companies shares traded on BSE for the Financial Year 2009 - 10

Months	High	Low
April 2009	19.70	19.70
May 2009	22.70	17.55
June 2009	19.40	15.05
July 2009	14.50	13.35
August 2009	16.17	12.64
September 2009	16.00	14.90
October 2009	16.50	13.80
November 2009	14.49	12.85
December 2009	18.00	13.50
January 2010	17.30	14.15
February 2010	15.75	12.45
March 2010	17.95	12.40

**XVIII. REGISTRAR AND TRANSFER AGENTS:****Venture Capital & Corporate Investments Pvt Limited**

H.NO. 12-10-167,  
BHARAT NAGAR,  
HYDERABAD – 500018  
Andhra Pradesh.

E-mail : pv\_srinu@hotmail.com  
Tel No. : 040-23868023/23868024

**Share Transfer System:**

The turn around time for completion of transfer of shares in physical form is generally 15 days from the date of receipt, if the documents are clear and complete in all respect.

Details of queries / complaints received and resolved during the year 2009-10. The total number of complaints received and resolved during the year was :

Total Complaints Received - NIL

Total Complaints Resolved - NIL

As confirmed by M/s. Venture Capital & Corporate Investments Limited (RTA of the Company) the complaints are generally attended within 15 days from the date of receipt.

**XIX. DISTRIBUTION OF SHARE HOLDING AS ON 31.03.2010 :-**

Range of Ordinary Shares	No of Holders	% to Holders	No of Shares	% of Capital
Up to 500	374	47.34	78,969	1.73
501 to 1000	312	39.49	2,24,879	4.93
1001 to 2000	28	3.54	43,142	0.94
2001 to 3000	5	0.63	12,000	0.26
3001 to 4000	4	0.50	13,582	0.29
4001 to 5000	3	0.38	13,500	0.29
5001 to 10000	6	0.75	44,368	0.97
10001 above	58	7.34	41,27,260	90.55
<b>Total</b>	<b>790</b>	<b>100.00</b>	<b>45,57,700</b>	<b>100.00</b>

**XX. SHARE HOLDING PATTERN AS ON 31ST MARCH, 2010 :-**

Sl. No.	Type of Shareholder	No. of Shares held	% of Total
1	Promoter		
	Indian	2520782	55.31
	Foreign	-	-
2	Financial Institutions & Banks	-	-
3	FII's & OCB's	-	-
4	Mutual Fund/s	-	-
5	Non Resident Indians	-	-
6	Domestic Companies	37242	0.81
7	Individuals	1999676	43.87
	<b>Total</b>	<b>4557700</b>	<b>100.00</b>

**XXI. DEMATERIALISATION OF SHARES :-**

The Company's shares are available for trading compulsorily in Demat form. Your company has entered into agreements with both Depository viz. National Securities Depositories Limited (NSDL) and Central Depositories Services (India) Limited (CSDL) for dematerialization of shares. The ISIN code allotted to the companies Equity Shares is INE224C01014. As on 31-03-2010, the shares held by Members in electronic form comprises 85.37% of the paid up ordinary share capital of the Company held through the National Securities Depositories Limited 16.70% and held through Central Depository Services (India) Limited 68.67%.

**XXII. ADDRESS FOR CORRESPONDENCE :-****Venture Capital & Corporate Investments Pvt Ltd**

H.NO. 12-10-167,  
BHARAT NAGAR,  
HYDERABAD – 500018  
Andhra Pradesh

E-mail : pv\_srinu@hotmail.com  
Tel No. : 040-23868023/23868024



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### a) Industry Structure and developments :

The financial year 2009-10 under review showing recovery in the Indian Economy along with other Emerging Market (EM) economies, has been driving global economic recovery. FY10 GDP growth came in at 7.4% on the back of very strong second and fourth quarter performances and posted growth rates of 6% and 6.5% respectively.

Though the overall GDP growth rates are encouraging, food price inflation has been a major cause of worry for over a year.

The financial markets in India continue to be attractive and have grown during the year under review. In the context of the global slowdown, the Indian market have become even more attractive. At the same time, the increased levels of inflation have had a somewhat dampening impact on the market growth of some of the categories, particularly in the second half of the year.

The securities markets rebounded in financial year 2009-10 after a steep decline in financial year 2008-09. The BSE Sensex closed at a twelve month high of 17,711 on 29<sup>th</sup> March 2010 rising from a level of 9,902 on 1<sup>st</sup> April 2009, an increase of almost 80%. A large part of the above movement is attributable to net FII inflows and simultaneous renewed optimism in the domestic sentiment.

Your Directors have been able to meet the challenges posed by these developments due to its strong leadership and vast experience strengths of its Directors.

Recently your company has acquired the membership in Currency Derivatives segment of National Stock Exchange of India Ltd in the month of October, 2009.

### b) Opportunities and Threats :

#### Opportunities

- The Indian economy is among the fastest growing economies in the world
- Demographic dividend continues to provide immense opportunities for growth
- India's emerging middle class continues to drive demand for new goods and services
- Increasing awareness about investing in financial services and products
- Growing penetration of the Financial Services industry
- Alert Regulatory network and swift response to changing dynamics provides great comfort to all classes of investors
- Greater use of technology to enable best practices and processes
- Increased opportunities for consolidation/acquisitions/restructuring opens out further expansion

### Threats

- Unfavorable change in the economic conditions could severely hamper investor sentiment
- Continued dependence on global liquidity flows which have remained volatile
- Shortage of talent in the market
- Increased intensity of market competition
- Fluctuations in interest and foreign exchange rates
- Transactions systems related risk
- Adverse changes in Government policies and regulations

### c) Outlook:

The year under review i.e. the financial year 2009-10 has been a challenging year. Looking ahead, we see favourable prospects for the Indian economy. Our strong leadership will continue to support rates of growth over the medium-term. India has weathered the global storm with a high degree of resilience and we expect the Indian economy to return to a robust growth path ahead of other economies that are experiencing recessionary conditions.

We believe that the strategy that we have followed and strong leadership and vast experience strengths of directors that we have built, provide a strong foundation for our growth in the years to come. We look forward to the continued support and goodwill of all our clients and stakeholders in our endeavour.

### d) Risk and Concerns:

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risks in the stock broking are managed through a comprehensive internal control framework. The control framework is designed based on categorization of all functions into front-office, comprising business groups, comprising credit, back office, comprising operations and corporate and support functions. Your company is in a business where fortunes and realities change every minute. Your company has developed a comprehensive and integrated risk management framework, comprising a clear understanding of strategy, policies initiatives, norms, structured reporting and control. This approach ensures that the risk management discipline is centrally initiated by the senior management but progressively decentralized, extending to managers at various organizational levels, helping them mitigate risks at the transactional level. Stock broker Indemnity policy taken by the company, indemnifies company to some extent against such potential risks.

The major risks include the effect of economic and political conditions in India and overseas, volatility in interest rates and in securities market, new regulations and Government policies that might impact the business of the company.

- e) **Internal Control system and their adequacy:** The Company has a proper and adequate system of internal control which is proportionate to its size and volume of business. The internal control system of the Company are designed to ensure that the financial and other records are reliable for preparing financial statements and other data for maintaining accountability of assets.
- f) **Discussion on Financial Performance with respect to Operational Performance:** The Financial Statements are prepared under the historical cost convention in accordance with Indian generally accepted accounting principles (GAAP) and the provisions of the Companies Act, 1956. All Income and Expenditure having a material bearing on the Financial Statements are recognised on accrual basis. The Management has taken utmost care for the integrity and the objectivity of these Financial Statements, as well as for various estimates and Judgments used therein.
- g) **Material developments in Human Resources/ Industrial Relations front, including number of people involved:** The Company continues to maintain excellent relationship with the clients and the industry in which it is operating. Relationship with the staff is quite cordial and also supportive for continuous human resource development. During the year under review there has not been any material change in human resource.
- h) **Cautionary Statement:** Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand /supply, price conditions in the domestic markets in which the Company operates, changes in Government regulations, tax laws and other statutes.

for and on behalf of the Board

Place : Hyderabad  
Date : 31<sup>st</sup> July, 2010

Sd/-  
**SHRIGOPAL INANI**  
Chairman

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
INANI SECURITIES LIMITED

We have examined the compliance of the conditions of Corporate Governance by Inani Securities Limited during the year ended on 31<sup>st</sup> March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **G.D. UPADHYAY & CO**  
Chartered Accountants,  
Firm Registration No. 05834S

Place : Hyderabad  
Date : 31<sup>st</sup> July, 2010

**G.D. Upadhyay**  
Partner  
Membership No. 27187

**AUDITORS' REPORT**

To  
The Members of  
INANI SECURITIES LIMITED

- 1) We have audited the attached Balance Sheet of INANI SECURITIES LIMITED as at 31<sup>st</sup> March, 2010 and also the Profit and Loss Account for the year ended as on that date annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditors' Report) (Amendment) Order, 2004 (hereinafter referred to as "the Order") issued by the Government of India in terms of section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4) Further to our comments in the Annexure referred to in Para 3 above, we report that:
  - i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - iv) in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - v) on the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

- vi) in our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Significant Accounting Policies, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2010;
  - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
  - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **G.D. UPADHYAY & CO**  
Chartered Accountants,  
Firm Registration No. 05834S

Place : Hyderabad  
Date : 31<sup>st</sup> July, 2010

**G.D. Upadhay**  
Partner  
Membership No. 027187

**ANNEXURE TO THE AUDITORS' REPORT**

Annexure referred to in paragraph 3 of our report dated : 31<sup>st</sup> July, 2010 to the members of Inani Securities Limited on the financial statements for the year ended 31<sup>st</sup> March, 2010.

1.
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed Assets.
  - b) The Company has phased programme of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with such programme, the management has physically verified fixed assets during the year and no material discrepancies were noticed on such verification.
  - c) In our opinion, a substantial part of fixed assets has not been disposed off by the Company during the year.
- 2)
  - a) The stock of securities held by the Company in dematerialised form in demat accounts with NSDL/CDSL is verified with the confirmation certificate received from them. The stock of securities held in physical form is physically verified with respective share certificates.
  - b) The existing procedures of reconciliation of stock followed by the management at periodical interval are reasonable and adequate in relation to the size of the Company and nature of its business.
  - c) The Company is maintaining proper records of its inventory and no material discrepancies were noticed on the reconciliation as mentioned above, as compared with book records.
- 3)
 

In respect of loans, secured or unsecured granted/taken by Company to/from Companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.

  - (a) The Company has granted unsecured loans to 2 parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.454.90 Lacs and outstanding balance at the year end is Rs. 349.22 Lacs.
  - (b) In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the Company.
  - (c) In respect of the aforesaid loans, the party is repaying the principal amounts as stipulated and is also regular in payment of interest, where applicable.
  - (d) In respect of the aforesaid loans granted, there is no overdue amount more than Rupees One Lakh
  - (e) The Company has not taken any loans from the Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. As the company has not taken any loans, the provisions of the sub clause (e), (f) and (g) of clause (iii) of paragraph 4 of the Order are not applicable to the Company.
- 4)
 

In our opinion, and according to the information and explanations given to us the internal control procedure for purchase of fixed assets, shares and securities, units and corporate bonds and company's money market operations are commensurate with the size of the company and its nature of business.

- 5)
  - a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
  - b) In our opinion and according to the information and explanations given to us, having regard to the comments in (a) above, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices, which are reasonable having regard to the prevailing market prices at the relevant time.
- 6)
 

The Company has not accepted any deposits from the public and consequently, the directive issued by the Reserve Bank of India, the provisions of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under are not applicable.
- 7)
 

In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.
- 8)
 

According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 in respect of services carried out by the Company.
- 9)
  - a) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Service Tax, Investor Education and Protection Fund, Wealth Tax and any other material Statutory dues applicable to it. As per information and explanations given to us, the Employees State Insurance Act is not applicable to the company. However, pending adjustments of refunds of earlier Assessment years and rectification of the Assessment Orders the Company has not paid undisputed Income Tax Liability of the Assessment year 2003-04 amounting to Rs 408360 /-
  - b) According to the information and explanations given to us, no undisputed dues payable in respect of Income Tax, Service Tax, Wealth Tax, Customs Duty and Cess were outstanding at 31<sup>st</sup> March, 2010 for a period of more than six months from the date they became payable.
- 10)
 

The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year or in the immediately preceding financial year.
- 11)
 

In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution/bank and the Company has not obtained any borrowings by way of debentures.

- 12) According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) The Company is not a chit fund, nidhi, mutual benefit fund or a society. Accordingly, clause 4(xiii) of the Order is not applicable.
- 14) The Company has maintained proper records of transactions and contracts in respect of trading in shares, debentures, and other securities and timely entries have been made therein. The investments are held by the company in its own name.
- 15) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, clause 4(xv) of the Order is not applicable.
- 16) In our opinion and according to the information and explanations given to us, during the year company has not obtained any term loan from banks or financial institutions. Accordingly clause 4 (XVI) of the order is not applicable.
- 17) On the basis of an overall examination of the Balance Sheet and Cash Flow Statement of the Company, no funds raised on short- term basis have been used for long term investment.
- 18) The company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- 19) The Company has not issued any debentures. Accordingly clause 4(xix) of the Order is not applicable.
- 20) The Company has not raised any money through a public issue during the year.
- 21) Based upon the audit procedures performed and on the basis of information and explanations provided by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **G.D. UPADHYAY & CO**  
Chartered Accountants,  
Firm Registration No. 05834S

Place : Hyderabad  
Date : 31<sup>st</sup> July, 2010

**G.D. Upadhyay**  
Partner  
Membership No. 027187

Schedule		As at 31-03-2010 Amount in Rs.	As at 31-03-2009 Amount in Rs.
<b>SOURCES OF FUNDS :</b>			
<b>1) SHARE HOLDERS' FUNDS</b>			
a) Share Capital	1	47,166,056	47,166,056
b) Reserves and Surplus	2	78,001,044	72,950,192
<b>2) LOAN FUNDS</b>			
a) Secured Loans	3	4,945,158	6,232,860
<b>3) DEFERRED TAX LIABILITY (NET)</b>		640	20,781
<b>4) TOTAL FUNDS EMPLOYED :</b>		<b>130,112,898</b>	<b>126,369,889</b>
<b>APPLICATION OF FUNDS :</b>			
<b>5) FIXED ASSETS (INCLUDING INTANGIBLES)</b>			
a) Gross Block	4	28,709,520	27,421,120
b) Less Depreciation & Amortisation		9,281,721	7,495,879
		19,427,799	19,925,241
Capital Work in Progress		670,479	0
c) Net Block		20,098,278	19,925,241
<b>6) INVESTMENTS</b>		<b>23,738,123</b>	<b>23,738,123</b>
<b>7) CURRENT ASSETS, LOANS AND ADVANCES</b>			
a) Inventories	6	1,052,158	1,047,958
b) Sundry Debtors	7	20,439,687	30,374,466
c) Cash and Bank Balances	8	47,938,133	59,767,792
d) Loans and Advances	9	58,733,436	33,365,765
		<b>128,163,413</b>	<b>124,555,981</b>
<b>8) CURRENT LIABILITIES AND PROVISIONS</b>			
a) Current Liabilities	10	41,269,134	41,206,874
b) Provisions	11	617,783	642,582
<b>9) NET CURRENT ASSETS</b>		86,276,497	82,706,525
<b>10) TOTAL ASSETS (NET)</b>		<b>130,112,898</b>	<b>126,369,889</b>
<b>11) SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>			
	17		

As per our Report attached.

For G.D. UPADHYAY & CO  
Chartered Accountants  
G.D. UPADHYAY  
Partner  
Membership No. 27187

Place : Hyderabad

Date : 31<sup>st</sup> July, 2010.

For and on Behalf of the Board

**LAKSHMIKANTH INANI**  
Managing Director

**RAMAKANTH INANI**  
Whole Time Director

		For the year ended	
Schedule		31-03-2010 Amount in Rs.	31-03-2009 Amount in Rs.
<b>INCOME</b>			
1. Income from Stock Market Operations	12	17,794,464	13,042,585
2. Other Income	13	7,465,549	10,239,416
		<b>25,260,013</b>	<b>23,282,001</b>
<b>EXPENDITURE</b>			
3. Personnel Expenses	14	5,713,250	4,448,279
4. Operating & Administration Expenses	15	8,245,592	8,934,041
5. Financial Expenses	16	1,943,174	2,566,238
6. Depreciation & amortisation	4	1,785,842	1,726,679
		<b>17,687,858</b>	<b>17,675,236</b>
<b>PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS</b>			
		7,572,155	5,606,764
7. Prior period adjustments (Net)		150,985	5,571
Net Profit before Taxation		7,421,170	5,601,193
8. Provision for Current Tax		2,289,191	1,656,466
Deferred Tax		(20,140)	163,596
Fringe Benefits Tax		0	118,201
Tax Adjustments of earlier years (net)		101,268	0
9. <b>Net Profit after Taxation</b>		5,050,852	3,662,930
Balance Brought forward from Previous Year		72,950,192	69,513,392
Profit available for distribution		78,001,044	73,176,322
Less : Adjustment for employee benefits as per transitional provision		0	226,130
10. Balance Carried to Balance Sheet		78,001,044	72,950,192
Earning per Share, of par value Rs. 10/- each including exceptional items - Basic and Diluted (See Note No. 17 on Page No.40)		1.11	0.75
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	17		

As per our Report attached.

For G.D. UPADHYAY & CO  
Chartered Accountants  
G.D. UPADHYAY  
Partner

Place : Hyderabad  
Date : 31<sup>st</sup> July, 2010.

Membership No. 27187

For and on Behalf of the Board

**LAKSHMIKANTH INANI**  
Managing Director

**RAMAKANTH INANI**  
Whole Time Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010			
		Year Ended 31-03-2010 Rs. in Lakhs	Year Ended 31-03-2009 Rs. in Lakhs
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
a	<b>Net Profit/(Loss) before Tax and Extraordinary Items</b>	75.72	56.07
	<b>Adjustments for :</b>		
	Depreciation & Amortisation	17.86	17.27
	Interest	19.43	25.66
	Interest received	(64.41)	(82.67)
	Dividend Income	(1.59)	(0.59)
	Rent Received	(3.60)	(3.65)
b	<b>Operating Profit/(Loss) before working capital changes</b>	43.42	12.09
	<b>Adjustments for :</b>		
	Trade & Other Receivables	99.35	725.86
	Inventory	(0.04)	3.76
	Trade Payable and other payable	0.62	(818.16)
	Loans & Advances	(253.68)	59.62
	Provisions	(0.25)	(63.66)
c	<b>Cash Generated/(outgo) from Operation</b>	(110.58)	(80.48)
	Interest paid	(19.43)	(25.66)
	Direct Taxes paid	(23.90)	(17.75)
d	<b>Cash Flow before extraordinary Item</b>	(153.91)	123.89
	Prior Year Adjustments	(1.51)	(2.21)
	<b>Net Cash Flow from Operating Activities (A) :</b>	(155.42)	(126.10)
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	Purchase of Fixed Assets	(19.59)	(17.59)
	Interest received	64.41	82.67
	Dividend received	1.59	0.59
	Rent	3.60	3.65
	<b>Net Cash Flow/(used) in Investing Activities (B) :</b>	50.00	69.31
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
	Borrowings/(Repayment of loan)	(12.76)	24.91
	<b>Net Cash Flow from Financing Activities (C) :</b>	(12.76)	24.91
<b>D</b>	<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	(118.29)	(31.99)
	Cash and Cash equivalent at the beginning of the year	597.68	629.67
	Cash and Cash equivalent at the end of the year	479.39	597.68

This is the cash flow statement referred to in our report of even date.

We have verified the above Cash Flow Statement of Inani Securities Limited derived from the Audited Financial Statement for the year ended 31<sup>st</sup> March, 2010 and found the same to be drawn in accordance and also with the requirements of Clause 32 of the Listing Agreement with the Stock Exchanges.

For G.D. UPADHYAY & CO  
Chartered Accountants  
G.D. UPADHYAY  
Partner

Place : Hyderabad  
Date : 31<sup>st</sup> July, 2010.

Membership No. 27187

For and on Behalf of the Board

**LAKSHMIKANTH INANI**  
Managing Director

**RAMAKANTH INANI**  
Whole Time Director

	As at 31-03-2010 Amount in Rs.	As at 31-03-2009 Amount in Rs.
<b>SCHEDULE - 1 SHARE CAPITAL Authorised</b> 53,50,000 (Previous year 53,50,000) Equity Shares of Rs. 10/- each	53,500,000	53,500,000
<b>Issued and Subscribed</b> 50,21,900 (Previous year 50,21,900)Equity Shares of RS.10/- each	50,219,000	50,219,000
	<b>50,219,000</b>	<b>50,219,000</b>
<b>Paid up</b> 4557700 Equity Shares of RS.10/- each Add : Forefited Shares (4,64,200 Equity Shares Forefited and not reissued)	45,577,000 1,589,056	45,577,000 1,589,056
	<b>47,166,056</b>	<b>47,166,056</b>
<b>SCHEDULE - 2 RESERVES AND SURPLUS</b> Surplus in Profit and Loss Account	78,001,044	72,950,192
	<b>78,001,044</b>	<b>72,950,192</b>
<b>SCHEDULE - 3 SECURED LOANS</b> HDFC BANK LTD (Secured against pledge of Shares belonging to Directors, relatives & group Company) TMB Ltd. -HYD (Secured by Pledge of FDR worth Rs.50 Lacs) HDFC BANK LTD (Secured by Pledge of FDR worth Rs.1 Crore)	2,882,282 2,062,876 0	1,221,954 4,995,540 15,367
	<b>4,945,158</b>	<b>6,232,860</b>

Description of the Assets	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	As at 1-4-2009	As at 31-03-2010 (Deletions)	As at 1-4-2009	Upto 31-03-2010 Deletions for the year	As at 31-3-2010	As at 31-3-2009
Premises	12,037,510	-	514,152	196,211	11,327,147	11,523,358
Computer Equipment	5,332,681	24,400	4,143,183	866,316	347,582	1,189,498
Office Equipment	2,560,167	394,537	422,265	125,656	2,406,783	2,137,902
Vehicles	3,480,683	331,200	1,437,009	342,388	2,032,486	2,043,674
Furniture and Fixtures	3,949,279	538,263	973,845	254,657	3,259,040	2,975,434
Sterling Holiday Resort	55,800	0.00	5,075	564	50,161	50,725
Classic Club Resorts	5,000	0.00	350	50	4,600	4,650
<b>Total</b>	<b>27,421,120</b>	<b>1,288,400</b>	<b>7,495,879</b>	<b>1,785,842</b>	<b>19,427,799</b>	<b>19,925,241</b>
Capital work-in-progress	0	670,479	0	0	670,479	0
Previous Year	24,971,658	2,449,462	5,769,200	1,726,679	19,925,241	19,202,458

SCHEDULE - 5 INVESTMENTS	No. of Shares	As at	
		31-03-2010	31-03-2009
<b>UNQUOTED EQUITY SHARES IN :</b>			
Inani Commodities and Finance Ltd.	426,150	23,261,500	23,261,500
The Hyderabad Stock Exchange Limited	10,000	10,000	10,000
Equity Shares of Bombay Stock Exchange Ltd. (includes written down Value of the Membership Card)	23,257	466,623	466,623
		<u>23,738,123</u>	<u>23,738,123</u>

	As at 31-03-2010 Amount in Rs.	As at 31-03-2009 Amount in Rs.
<b>SCHEDULE - 6 INVENTORIES</b> (At lower of Cost or Net Estimated realisable Value and as per Inventory taken, Valued and certified by Management)	<u>1,052,158</u>	<u>1,047,958</u>
<b>SCHEDULE - 7 SUNDRY DEBTORS</b> (Unsecured but considered good)		
Outstanding for More than Six Months	14,964,635	10,950,492
Outstanding for Less than Six Months	5,475,052	19,423,973
	<u>20,439,687</u>	<u>30,374,466</u>
<b>SCHEDULE - 8 CASH AND BANK BALANCES</b>		
Cash on hand	630,621	680,502
Stamps on hand	14,789	12,006
In Current Accounts	1,108,288	5,623,442
In Deposit Accounts (Includes Rs. 451 lacs (Previous year Rs. 428 lacs) kept as margin Money with Stock Exchanges and banks for guarantees issued by them)	46,184,435	53,451,842
	<u>47,938,133</u>	<u>59,767,792</u>
<b>SCHEDULE - 9 LOANS AND ADVANCES</b> (Unsecured but Considered Good)		
Advances Recoverable in Cash or kind or for value to be received	35,218,701	524,420
Deposits and Margins with Stock Exchanges	11,822,853	8,723,175
Rent Deposit with Others	39,302	234,302
Telephone and Cell Deposit	107,896	107,896
Electricity Deposit	59,692	59,692
Other Deposits	3,000	3,000
Prepaid Expenses	582,276	313,565
Advance to Y.Aswin (Akshada Constructions)	10,899,715	23,399,715
	<u>58,733,436</u>	<u>33,365,765</u>



	As at 31-03-2010 Amount in Rs.	As at 31-03-2009 Amount in Rs.
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>SCHEDULE - 10</b>		
<b>CURRENT LIABILITIES</b>		
Sundry Creditors	33,560,349	33,975,476
Security Deposit from Customers	3,653,088	1,248,829
Other Current Liabilities	4,055,697	5,982,569
	<b>41,269,134</b>	<b>41,206,874</b>
<b>SCHEDULE - 11</b>		
<b>PROVISIONS</b>		
Provision for Income Tax	341,274	269,275
Provision for Fringe Benefit Tax	0	118,201
Provision for Gratuity	276,509	255,106
	<b>617,783</b>	<b>642,582</b>
	For the year ended	
	31-03-2010 Amount in Rs.	31-03-2009 Amount in Rs.
<b>SCHEDULE - 12</b>		
<b>INCOME FROM OPERATIONS</b>		
Income from Stock Broking and related income (Net)	17,794,464	13,042,585
	<b>17,794,464</b>	<b>13,042,585</b>
<b>SCHEDULE - 13</b>		
<b>OTHER INCOME</b>		
Interest	6,440,609	8,266,530
Rent	360,000	365,000
Miscellaneous Income	664,941	1,607,886
	<b>7,465,549</b>	<b>10,239,416</b>

<b>SCHEDULE - 14</b>		
<b>PERSONNEL EXPENSES</b>		
Salaries & allowances	5,111,551	3,284,760
Bonus	300,370	252,260
Staff Welfare Expenses	200,950	236,950
Incentive	0	263,333
Gratuity	100,379	28,976
	<b>5,713,250</b>	<b>44,48,279</b>
<b>SCHEDULE - 15</b>		
<b>OPERATING AND ADMINISTRATION EXPENSES:</b>		
Rent	865,500	1,313,800
Rates and Taxes	433,862	368,710
Insurance	57,129	89,854
Travelling and conveyance	328,075	207,107
Tele Communication Charges	1,603,384	1,869,707
Printing and Stationery	232,443	183,592
Electricity Charges	539,933	686,612
Computer Repairs and Maintenance	335,188	458,379
Directors Sitting Fee	24,000	24,000
Remuneration to Auditors	115,000	88,000
Computer Software	484,779	631,577
Directors Remuneration	810,000	810,000
Legal Expenses	90,200	9,000
Professional Charges	17,000	15,000
News Papers, Periodicals and Subscriptions	5,178	6,856
Vehicle Maintenance	371,194	324,602
Business Promotion Expenses	0	69,288
Stock Exchange Expenses	494,756	529,448
Debts written off	719,335	644,637
AGM Expenses	10,750	35,750
Office and General Expenses	707,887	568,123
	<b>8,245,592</b>	<b>8,934,041</b>
<b>SCHEDULE - 16</b>		
<b>INTEREST AND FINANCE CHARGES</b>		
Bank Charges	2,618	1,287
Bank Guarantee Charges	886,191	1,218,367
Interest and other Charges	1,054,365	1,346,584
	<b>1,943,174</b>	<b>2,566,238</b>

**SCHEDULE - 17**

Significant Accounting Policies and Notes forming part of the Balance Sheet as at 31<sup>st</sup> March, 2010 and Profit and Loss Account for the year ended 31<sup>st</sup> March, 2010

**1. SIGNIFICANT ACCOUNTING POLICIES :****1) Basis of preparation of financial statements :**

The accompanying financial statements are prepared under the historical cost convention in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") comprising the mandatory accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, on accrual basis. These accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted by the company.

**2) Use of Estimates :**

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/materialised.

**3) Fixed Assets :**

All Fixed Assets are stated at cost of acquisition, less accumulated depreciation. Cost is inclusive of freight, installation cost, duties, taxes and other direct incidental expenses.

**4) Capital Work-in-progress**

Capital Work-in-progress is carried at cost, comprising direct cost and related incidental expenses.

**5) Impairment :**

The carrying amount of assets is reviewed at each balance sheet date for any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset materially exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

**6) Depreciation :**

Depreciation has been provided on straight line method on pro-rata basis at the rates prescribed in Schedule XIV of the Companies Act, 1956.

**7) Inventories :**

Stock of Shares is valued at lower of Cost or Estimated Net realisable Value.

Estimated Net Realisable Value: In case realisable value is not ascertainable due to non-availability of Quotation in the Stock Markets, the value of such Shares are adopted at Rs.1.00 per Share.

Cost : In case, Cost is not ascertainable due to non availability of lot details and its cost, the cost of such shares are adopted at previous year value.

**8) Investments :** Unquoted Investments: In the opinion of the management Investment in the Unquoted Investment in Associates and other Companies are of Long Term nature meant to be held permanently and any diminution in the latest available book value as compared to the cost of such shares is considered temporary by the management and hence not provided (not ascertained).

**9) Revenue Recognition :**

Brokerage income earned on Secondary market operations is accounted (inclusive method) on trade dates. Depository & related income is accounted (inclusive method) on accrual basis.

**10) Employee Benefits :****a) Short term employee benefits :**

Employee Benefits such as salaries, allowances, and non-monetary benefits which fall due for payment within a period of twelve months after rendering of services, are charged as expense to the profit and loss account in the period in which the service is rendered.

**b) Post-employment benefits :**

Employee Benefits under defined benefit plans, such as gratuity which falls due for payment after a period of twelve months from rendering services or after completion of employment, are measured by projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each balance sheet date. The Company's obligation recognized in the balance sheet represents the present value of obligation recognized in the balance sheet represents the present value of obligations as reduced by the fair value of plan assets where applicable.

Actuarial Gains and losses are recognized immediately in the Profit and Loss Account.

**11) Taxation :**

Tax expenses comprises of current and deferred. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Provision for current tax is made on the basis of Taxable Income of the Current Accounting Year in accordance with Income Tax Act, 1961. The Company is providing and recognizing deferred tax on timing differences between taxable income and accounting income subject to consideration of prudence.

**12) Provisions and Contingent Liabilities :**

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**13) Earnings per share :**

In determining Earnings per share, the company considers the net profit after tax and includes the post tax effect of any extra ordinary items. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

**2. NOTES ON ACCOUNTS :**

	31/03/2010	31/03/2009
1) Estimated amount of contracts remaining to be Executed on capital account and not provided for (Net of advances)	Rs.2.50 Lacs	NIL
2) Contingent Liabilities not provided for in respect of : Bank Guarantees issued by the Banks	Rs.451.00 Lacs	Rs. 428.00 Lacs
3) Managerial Remuneration Managerial Remuneration paid to Directors is set out below:		
Salary	Rs.810000	Rs. 810000
Contribution to Provident fund	NIL	NIL
Perquisites	NIL	NIL
Others/Allowances	NIL	NIL
4) Auditors Remuneration (excluding Service Tax)		
Audit Fees	Rs.35000	Rs35000
Tax Audit Fees	Rs.15000	Rs15000
Other Services	0	Rs15000
5) Secured Loans:		
a) Loan from HDFC Bank is secured against pledge of equity shares belonging to the Directors, Relatives & Group Company.		

**6) Employee Benefits :**

As per Accounting Standard 15"Employee Benefits", the disclosures as defined in Accounting Standard are given below:

Particulars	2009-10
a) Changes in the Present Value of Obligation	
Present value of obligations as at beginning of year	2,39,040
Interest cost	19,123
Current Service cost	27,174
Benefits paid	0
Actuarial (gain)/loss on obligations	(8,828)
Present value of obligations as at end of year	2,76,509
b) Changes in Fair value of plan assets	
Fair value of plan assets at beginning of year	0
Expected return of plan assets	4,554
Contributions	75,075
Benefits paid	0
Actuarial (gain)/loss on plan assets	0
Fair value of plan assets at the end of year	79,629
c) Assets recognized in the Balance Sheet	
Present value of obligations as at the end of year	2,76,509
Fair value of plan assets as at the end of the year	16,03,691
Funded status	13,27,182
Net asset/(liability) recognized in balance sheet	13,27,182
d) Expenses recognized in the Statement of Profit & Loss	
Current service cost	27,174
Interest cost	19,123
Expected return on plan assets	4,554
Net Actuarial (gain)/loss recognized in the year	(8,828)
Expenses recognized in statement of profit and loss	32,915
e) Assumptions	
Discount Rate	8% P.A
Salary Escalation	4 %

7) Sundry Debtors, Loans and Advances and Creditors are subject to Confirmation and reconciliation.

- 8) In the opinion of the Board of Directors, Current Assets and loans and Advances have the value at which these are stated in the Balance Sheet, if, realized in the ordinary course of business, unless otherwise stated and adequate provisions of all known liabilities have been made and are not in excess of the amount reasonably required.
- 9) As confirmed by the management, there are no dues above Rs. 1.00 Lakh outstanding for more than 45 days to Micro and Small Scale Undertakings.
- 10) Cash and Bank balance includes Rs.66,012/- for unclaimed dividend declared in the year 2007-08
- 11) The Company is engaged in 'Stock broking' & Depository Participant Segments. The other activities such as Trading in Securities, Investment banking are incidental to Stock Broking activity.
- 12) The turnover of Depository Participant Segment is less than 10% of total turnover: hence there is no reportable segment as per Accounting Standard - 17 issued by the Institute of Chartered Accountants of India.
- 13) The company operates in only one segment i.e. 'India',. Hence separate information on geographical segment is not required. The accounting policies adopted for segment reporting are in line with the accounting policies adopted for reparation of financial information of the Company.
- 14) Deferred Tax comprises of the following:

Particulars	2009-10	2008-09
Deferred Tax Liability / (Asset)		
Opening Balance	20,780	(1,42,816)
Timing Difference on account of Depreciation	(12,865)	1,63,596
Timing Difference due to Provision for Retirement Benefits	(7,275)	0
Closing Balance	(640)	20,780

- 15) Related Party Disclosure as per Accounting Standard - 18:  
(The information is given as compiled and certified by the management).

Sl.No	Associate Concerns
1	M/s. INANI COMMODITIES & FINANCE LIMITED
	Directors/Key Management Personnel
1	Sri. LAKSHMIKANTH INANI
2	Sri. RAMKANTH INANI
3	Sri. VISHNUKANTH INANI
	Relatives of Key Management Personnel
1	ANITA INANI
2	CHAMPA DEVI INANI

- 16) Related party Transactions (Amount in Rs.)

Particulars	Keyperson/Relatives	Associates
Directors Sitting Fees	24000	-
Remuneration	8,10000	-
Rent paid	2,53,500	-
Interest received	11,74,511	-
Advances given	-	347.22 Lakhs

- 17) Basic and Diluted Earnings per Share {"EPS"} computed in accordance with Accounting Standard (AS) 20 'Earnings per Share'

Particulars		2009-10	2008-09
Basic			
Profit after tax as per Profit and Loss account	A	50,50,488	34,36,800
Number of Shares subscribed	B	45,57,700	45,57,700
Basic EPS (Rupees)	A/B	1.11	0.75
Diluted			
Profit after tax as per Profit and Loss account	A	50,50,488	34,36,800
Number of Shares subscribed	B	45,57,700	45,57,700
Diluted EPS (Rupees)	A/B	1.11	0.75

18. Value of Imports on CIF Basis NIL NIL
19. Expenditure in Foreign Currency 3.34 Lacs NIL
20. Earnings in Foreign Currency NIL NIL
21. Figures in brackets in these notes are in respect of previous year.
22. Figures of previous have been regrouped/rearranged/reclassified, wherever considered necessary to confirm to current years presentation.

for **G.D. UPADHYAY & CO**  
Chartered Accountants  
Firm Registration No. 05834S

for and on Behalf of the Board

**LAKSHMIKANTH INANI**  
Managing Director

**G.D. UPADHYAY**  
Partner

**RAMAKANTH INANI**  
Whole Time Director

Place : Hyderabad (A.P.)  
Dated : 31<sup>st</sup> July, 2010

**ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956.**
**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**
**I. Registration Details**

 Registration No.      State Code No.  

 Balance Sheet Date        
**II. Capital raised during the year (Rupees)**

Public Issue	Bonus Issue	Rights Issue	Private Issue
<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

**III. Position of Mobilisation and Deployment of Funds (Rupees)**

Total Liabilities

Total Assets

        
        
**Sources of Funds**

Paid up Capital

Reserves &amp; Surplus

Secured Loans

       
       
      

Unsecured Loans

Deferred Tax Liability

  
   
**Application of Funds**

Fixed Assets

Investments

Net Current Assets

       
       
       

Misc. Expenditure

Deffered Tax Asset

  
  
**IV. Performance of the Company**

Total Income

Total Expenditure

Profit/(Loss) before Tax

       
       
      

Profit/(Loss) After Tax

Earning per Share

Dividend Rate

      
   
  
**V. Generic Names of the Principal Products/Service of the Company**

 Item Code No. (ITC Code No.) : Not Applicable  
 Product : Stock Broking

FOR AND ON BEHALF OF THE BOARD

 Place : Hyderabad  
 Date : 31<sup>st</sup> July, 2010

**LAKSHMIKANTH INANI**  
 Managing Director

**RAMAKANTH INANI**  
 Whole Time Director

**INANI SECURITIES LIMITED**

 Regd. Office : G-15, Raghava Ratna Towers,  
 Chirag Ali Lane, Abids, Hyderabad - 500 001.

**ATTENDANCE CARD**

 (To be handed over at the entrance of the meeting hall)  
 16<sup>th</sup> Annual General Meeting - 27<sup>th</sup> August, 2010

I/We hereby record my/our presence at 16<sup>th</sup> Annual General Meeting of the Company to be held on Friday, the 27<sup>th</sup> day of August, 2010 at 4.00 P.M. at the premises of the Company situated at 901 & 902, 9<sup>th</sup> Floor, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad - 500 001.

 Name of Shareholders : .....  
 (In Block Letter)

Reg. Folio No. .... No. of Shares held ..... or

DP ID No. .... Client ID No. ....

 Name of Proxy .....  
 (In Block Letters)

Signature(s) of the member(s) or proxy / proxies

**PROXY FORM**


Reg. Folio No. .... No. of Shares held ..... or

DP ID No. .... Client ID No. .... No. of Shares held .....

I/We ..... of .....

in the district of ..... being

a member/members of INANI SECURITIES LIMITED hereby appoint .....

in the district of ..... failing him/her .....

of ..... in the district of

..... as my/our proxy to attend and vote for me/us and on my/our behalf at the 16<sup>th</sup> Annual General Meeting of the Company to be held on Friday, the 27<sup>th</sup> day of August, 2010 at 4.00 P.M. at the premises of the Company situated at 901 & 902, 9<sup>th</sup> Floor, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad - 500 001.

As Witness my hand/our hand this ..... day of ..... 2010

Signature .....

 Affix  
 1/- Rupee  
 Revenue  
 Stamp

**Note :** This proxy form in order to be effective should be duly completed, stamped and signed, must be deposited at the Registered Office of the Company, 48 hours before the meeting.



INANI SECURITIES LIMITED



INANI SECURITIES LIMITED

NSE (CM+F&O+CDS)/ BSE /  
MCX - SX / DP / MCX\*



## INANI SECURITIES LIMITED

G-15, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad - 1.

Email : [info@inanisec.in](mailto:info@inanisec.in) website : [www.inanisec.in](http://www.inanisec.in)

B/23, 2nd Floor, Plot No : 13, Wadala Shri Ram Industrial Estate,  
G.D. Ambekar Marg, Wadala (W), Mumbai -31.

E-mail : [bby@inanisec.in](mailto:bby@inanisec.in)

NSE : INB/INF/INE 230857131 CDSL : DP ID-036200

BSE : INB 010857135 MCX : 12310\*

MCX-SX : INE 260857131

\*Group Company

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# 5-8-352/14 & 15, Chirag Ali Lane,  
Hyderabad - 500 001. A.P.  
Website : [www.inaniseq.in](http://www.inaniseq.in)

**16<sup>th</sup>**  
**Annual Report**  
**2009 - 10**



**INANI SECURITIES LIMITED**