

**PRINTED MATTER  
BOOK - POST**

*If undelivered please return to :*

**INANI SECURITIES LIMITED**  
G-15, Raghava Ratna Towers,  
# 5-8-352/14 & 15, Chirag Ali Lane,  
Hyderabad - 500 001. A.P.  
Website : [www.inaniseq.in](http://www.inaniseq.in)

**20<sup>th</sup>**

**Annual Report  
2013-14**



**INANI SECURITIES LIMITED**

## **CONTENTS**

1. Company Information	<b>2</b>
2. Notice of Annual General Meeting	<b>3</b>
3. Directors Report	<b>8</b>
4. Corporate Governance Report	<b>11</b>
5. Management Discussion And Analysis	<b>19</b>
6. Auditors' Certificate on Corporate Governance	<b>22</b>
7. Auditors' Report	<b>23</b>
8. Annexure to the Auditors Report	<b>25</b>
9. Balance Sheet	<b>28</b>
10. Statement of Profit And Loss	<b>29</b>
11. Cash Flow Statement	<b>30</b>
12. Significant Accounting Policies	<b>32</b>
13. Notes on Financial Statements	<b>35</b>
14. Attendance Slip and Proxy Form	<b>48</b>



## INANI SECURITIES LIMITED

### Company Information

#### BOARD OF DIRECTORS

Mr. SHRIGOPAL INANI	<i>Chairman (DIN No. 00885322)</i>
Mr. LAKSHMIKANTH INANI	<i>Managing Director (DIN No. 00461829)</i>
Mr. RAMAKANTH INANI	<i>Whole Time Director (DIN No. 00458875)</i>
Mr. VISHNUKANTH INANI	<i>Whole Time Director (DIN No. 00571377)</i>
Mr. ANAND RAMESHCHANDRA CHANDAK	<i>Director (DIN No. 01190924)</i>
Mr. SURESH JANAKIRAM KABRA (upto 29-12-2013)	<i>Director (DIN No. 02395419)</i>
Mr. DHANRAJ SONI ( w.e.f. 30-09-2013)	<i>Director (DIN No. 08159486)</i>
Mrs. RAMA KABRA ( w.e.f. 25-03-2014)	<i>Director (DIN No. 06843396)</i>
Mr. RAMESH ATHASNIYA (upto 30-09-2013)	<i>Director (DIN No. 01677815)</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

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

, 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

1408, 14th Floor, 'B' Wing, Naman Midtown,  
Senapati Bapat Marg, Elphinstone Road,  
Mumbai - 400 013.  
E-mail : bby@inanisec.in



## INANI SECURITIES LIMITED

NOTICE IS HEREBY GIVEN THAT THE 20<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF  
OF \_\_\_\_\_ WILL BE HELD \_\_\_\_\_<sup>TH</sup> DAY OF SEPTEMBER,  
**2014** AT 10.30 A.M, AT RAJASTHANI GRADUATES ASSOCIATION HALL, SITUATED AT, 5-4-  
790/1, FIRST FLOOR, LANE OPP. TO G.PULLA REDDY SWEETS, ABIDS, HYDERABAD - 500  
001 TO TRANSACT THE FOLLOWING BUSINESS:

- 1 To receive, consider and adopt
  - a) The Audited Balance Sheet of the Company as at 31<sup>st</sup> March 2014;
  - b) Statement of Profit & Loss for the year ended as on that date;
  - c) The auditor's report thereon; and
  - d) The directors report.
2. To appoint a Director in place of Mr. Dhanraj Soni, who retires by rotation and being eligible offers himself for re-appointment.
3. Appointment of Auditor

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

“RESOLVED that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/ s G D Upadhyay & Co, Chartered Accountants (Firm Registration No. 05834S), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the twenty-third AGM of the Company to be held in the year 2017(subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

Place : Hyderabad  
Date : 31.07.2014

By Order of the Board  
Sd/-

Chairman

\_\_\_\_\_  
G-15, Raghava Ratna Towers,  
5-8-352/14 & 15,  
Chirag Ali Lane,  
Hyderabad - 500 001.  
**CIN No : L67120AP1994PLC017583**



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 23<sup>rd</sup> September, 2014 to 30<sup>th</sup> September, 2014 (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.
  - a. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
  - b. The instructions for e-voting are as under:

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

In case of members receiving e-mail:

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



## INANI SECURITIES LIMITED

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

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

\*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of your name and the Folio Number in the PAN field. Eg. If your name is Ramesh Kumar with Folio Number 1 then enter RA00000001 in the PAN field.

# Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on <Company Name> on which you choose to vote.

(xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.

(xvii) 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 Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

(B) The voting period begins on 25<sup>th</sup> September, 2014 at 9.00 A.M. and ends on 26<sup>th</sup> September, 2014 at 6.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

The e-voting period commences on 25<sup>th</sup> September, 2014 at 9.00 A.M. and ends on 26<sup>th</sup> September, 2014 at 6.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 22<sup>nd</sup> August, 2014.

Mr. Ajay Kishen, Practicing Company Secretary (Membership No. FCS 6298) and has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared in the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.inanisecl.in](http://www.inanisecl.in) in and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.





Particulars	Mr.Dhanraj Soni
Date of Birth	23-07-1965
Date of Appointment	30-09-2013
Qualifications	B.com
Expertise in Specific Functional Area	Vast Experience in Accounts & Finance

Important Communication to Members

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository Participants. Members who hold shares in physical form are requested to register their email address with company’s registrar and transfer agents i.e M/s. Venture Capital & Corporate Investments Private Limited H.NO. 12-10-167, BHARAT NAGAR, HYDERABAD – 500018 in the below mentioned format.

Name:..... e-mail id: .....

Address: .....

Folio No. :.....

No. of equity shares held: .....

Signature of member



## INANI SECURITIES LIMITED

To

The Members,

Directors have pleasure in presenting the 20<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, 2014.

A snapshot of the Financial performance of the company for the year 2013-14 is as under:

Particulars	Year ended 31st March 2014 (Rs.in Lakhs)	Year ended 31st March 2013 (Rs.in Lakhs)
Total Revenue	177.83	198.93
Profit before Interest, Depreciation&Tax	69.26	70.00
Profit before Depreciation & Tax	31.27	23.37
Profit Before Tax & Exceptional Items	16.98	10.77
Prior year Adjustment & Exceptional Items	27.87	15.74
Net Profit Before taxation	44.85	26.51
Less : Provision for Tax		
- Current tax	8.55	5.05
- Deferred Tax	1.23	2.39
Net Profit	35.08	19.07
Add : Balance brought forward from the last year	873.99	850.69
(Earlier Year Tax)/Refund	(1.30)	4.23
Profit available for appropriation	907.77	873.99
Proposed Dividend	-	-
Balance carried to Balance Sheet	907.77	873.99

During the year under review the financial year 2013-14 was marked by a fairly tough financial environment due to slowdown in some of the major economies of the world. Reflecting the subdued scenario, the Net profit after tax of your company stood at Rs. 35.08 Lacs.

Keeping in view the future expansion plans and capital requirements of the company, the Board of Directors believe it is necessary to conserve cash flow and thereby do not recommend any dividend for the year 2013-14.

Mr. Dhanraj Soni retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Mr. Suresh Jankiram Kabra has been ceased to be a Director of the Company w.e.f. 29.12.2013 due to his death which has been taken on record in the Board Meeting held on 31.01.2014. The Board of Directors condolence the untimely demise of Mr. Suresh Jankiram Kabra and took on record the invaluable contributions made by him towards the progress of the Company.

The Board in its meeting held on 25<sup>th</sup> March 2014 had appointed Mrs Rama Kabra to fill the casual vacancy caused due to death of Mr Suresh Jankiram Kabra.

M/s. G.D. Upadhyay & Co., Chartered Accountants(Firm Registration No. 05834S), Auditors of the Company hold office till conclusion of the ensuing Annual General Meeting of the company and are eligible for 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 141(3)(g) of the Companies Act, 2013. 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.

The Equity shares of the Company are listed on Bombay Stock Exchange Ltd., (B S E). The company has paid upto date annual listing fees of the Stock Exchange.

Your company has neither invited nor accepted any deposits from public during the year under review.

The company 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.

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 are no FOREX transactions during the year under review.

No employee of your company is in receipt of remuneration of Rs. 60 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.

The company is committed to uphold the highest standards of Corporate Governance and adhere to the requirements set out by Securities and Exchange Board of India and stock Exchanges, 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 M/s. G.D. Upadhyay & Co., Chartered Accountants, 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.

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

- i. in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any, therefrom;
- ii. appropriate Accounting policies have been selected and applied them consistently. The Judgments 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 31<sup>st</sup> March, 2014 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 the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. the annual Accounts have been prepared on a going concern basis.

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Bankers, Regulatory bodies, stake holders and other business associates who have extended their valuable sustained support and encouragement during the year under review.

Your Directors take this opportunity to recognize and place on record their gratitude and appreciation for the commitment displayed by all employees at all levels of the company. We look forward to their continued support in the future.

By order of the Board

Sd/-

Place : Hyderabad  
Date : 31.07.2014

Chairman  
Registered Office  
G-15, Raghava Ratna Towers,  
5-8-352/14 & 15, Chirag Ali Lane, Hyderabad - 1.  
CIN No : L67120AP1994PLC017583

At your company, Corporate Governance is viewed as an ethical and 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 and customers, 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 stakeholders and 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
- Systematic 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:

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 its affairs in a manner, which is transparent, clear and evident to those having dealings 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.

During the year under review Five Board Meetings were held on 30<sup>th</sup> May 2013, 31<sup>st</sup> July 2013, 31<sup>st</sup> October 2013, 31<sup>st</sup> January 2014 and 25<sup>th</sup> March, 2014 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:



## INANI SECURITIES LIMITED

Name of the Director	Category	Finacial Year 2013-14 Attendance at		Finacial Year 2013-14 No.of Committee Position	
		BM	Last AGM	Member	Chairman
Mr. Shrigopal Inani	Non-Executive Chairman	4	No	1	-
Mr. Lakshmikanth Inani	Executive	5	Yes	-	-
Mr. Ramakanth Inani	Executive	5	Yes	-	-
Mr. Vishnukanth Inani	Executive	4	No	-	-
Mr. Suresh J Kabra (upto 29-12-2013)	Non-Executive Independent	3	Yes	3	1
Mrs. Rama Kabra ( w.e.f. 25-03-2014)	Non-Executive Independent	-	No	-	-
Mr. Anand Rameshchandra Chandak	Non-Executive Independent	4	No	3	1
Mr. Ramesh Athasniya (upto 30-09-2013)	Non-Executive Independent	2	Yes	1	1
Mr. Dhanraj Soni (w.e.f. 30-09-2013)	Non-Executive Independent	3	No	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.

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

- 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 of 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.

The Audit Committee of Directors comprises Mr. Anand Rameshchandra Chandak (Chairman), Mr. Suresh Janakiram Kabra (upto 29.12.2013) and Mr. Ramesh Athasniya (upto 30.09.2013), Mr. Dhanraj Soni (w.e.f 30.09.2013) , Mrs. Rama Kabra (w.e.f 30.05.2014). The scope of the committee includes:-

- a) 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.
- b) Recommending the appointment /removal of external auditors, fixing audit fees and approving payments for any other service.
- c) Reviewing the periodic financial statements before submission to the board, focusing 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, their subsidiaries or relatives etc. that may have a potential conflict with the interest of the Company at large.
- d) 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, Four Audit Committee meetings were held on 30<sup>th</sup> May 2013, 31<sup>st</sup> July 2013, 31<sup>st</sup> October 2013 and 31<sup>st</sup> January 2014. 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.

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.

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 Policy' from unfair termination and other unfair or prejudicial employment practices.

- a) 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 comprises Mr. Suresh Janakiram Kabra (Chairman) (upto 29.12.2013), Mrs. Rama Kabra (w.e.f 30.05.2014), Mr. Anand Rameshchandra Chandak and Mr. Srigopal Inani. During the year under review one remuneration Committee meeting was held on 30<sup>th</sup> May 2013.

- b) Remuneration Policy: The remuneration of the whole-time Directors(s)/ appointee(s) is decided by the Remuneration Committee based on criteria such as industry benchmark, the Company's performance vis-a-vis the industry, 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 of Directors other than whole time Directors.
- c) Remuneration to Directors: In respect of the financial year 2013-14 a sum of Rs. 5,40,000/- was paid as remuneration to the Managing Director and Whole time directors.

Name	Sitting fees paid during FY 2013-14
Sri. Shrigopal Inani	Rs. 4,500/-
Sri. Suresh Jankiram Kabra	Rs. 5,500/-
Sri. Anand Rameshchandra Chandak	Rs. 7,500/-
Sri. Ramesh Athasniya	Rs. 3,500/-
Sri. Dhanraj Soni	Rs. 4,500/-

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 share transfer agents to process share transfers and other investor allied matters. Investors' Grievance Committee Comprises Mr. Ramesh Athasniya (Chairman)(upto 30.09.2013), Mr. Suresh Janakiram Kabra (upto 29.12.2013) and Mr.Dhanraj Soni (w.e.f 30.09.2013) , Mrs.Rama Kabra (w.e.f 30.05.2014). Mr. Anand Rameshchandra Chandak . During the year under review two Investors' Grievance Committee meetings were held on 30<sup>th</sup> May, 2013 and 31<sup>st</sup> January, 2014.

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





## INANI SECURITIES LIMITED

Year	Type	Date	Venue	Time
2012- 2013	AGM	30 <sup>th</sup> Sept, 2013	RAJASTHANI GRADUATES ASSOCIATION HALL, 5-4-790/1, FIRST FLOOR, LANE OPP. TO G.PULLA REDDY SWEETS, ABIDS, HYDERABAD- 500 001	10.30 A.M
2011- 2012	AGM	14 <sup>th</sup> July, 2012	RAJASTHANI GRADUATES ASSOCIATION HALL, 5-4-790/1, FIRST FLOOR, LANE OPP. TO G.PULLA REDDY SWEETS, ABIDS, HYDERABAD- 500 001	10.30 A.M
2010- 2011	AGM	23 <sup>rd</sup> July, 2011	RAJASTHANI GRADUATES ASSOCIATION HALL, 5-4-790/1, FIRST FLOOR, LANE OPP. TO G.PULLA REDDY SWEETS, ABIDS, HYDERABAD- 500 001	4.00 P.M

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 31<sup>st</sup> March, 2014, and to the best of his knowledge and belief state that.
  - a) These statements do not contain any materially untrue statements or any material facts 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.

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 2013 – 14.

Place : Hyderabad  
Date : 31.07.2014

for

Managing Director

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

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.

The Company regularly submits quarterly financial results to the Stock Exchanges immediately after they are taken on record by the Board. Further, coverage in vernacular daily newspapers.

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

**Venue** : **th September, 2014 at 10.30 A.M**

: 23rd September, 2014 to 30th September, 2014 (both days inclusive)

Financial Year	1st April, 2014 to 31st March 2015
Results for the quarter ending 30 <sup>th</sup> June, 2014	Last week of July, 2014
Results for the quarter/half ending 30 <sup>th</sup> September, 2014	Last week of October, 2014
Results for the quarter ending 31 <sup>st</sup> December, 2014	Last week of January, 2015
Results for the year ending 31st March, 2015	Last week of May, 2015

Name of Stock Exchange	Address	Stock Code	ISIN No.
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001	531672	INE224C01014



## INANI SECURITIES LIMITED

Monthly closing high and low prices of your company's shares traded on BSE for the Financial Year 2013 - 14

Months	High	Low
April 2013	11.30	8.17
May,2013	11.25	11.00
June, 2013	11.25	11.00
July, 2013	-	-
August, 2013	11.00	11.00
September, 2013	11.10	11.10
October, 2013	10.55	10.55
November, 2013	-	-
December, 2013	-	-
January, 2014	-	-
February, 2014	-	-
March, 2014	-	-

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

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

The turnaround 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 respects.

Details of queries / complaints received and resolved during the year 2013-14 The total number of complaints received and resolved during the year was :

Total Complaints Received - 1

Total Complaints Resolved - 1

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



## INANI SECURITIES LIMITED

-

Range of Ordinary Shares	No of Holders	% to Holders	No of Shares	% of Capital
Up to 500	386	49.49	70,189	1.54
501 to 1000	307	39.36	2,21,440	4.86
1001 to 2000	24	3.08	35,471	0.78
2001 to 3000	2	0.25	5,084	0.11
3001 to 4000	4	0.51	13,483	0.30
4001 to 5000	5	0.64	22,600	0.50
5001 to 10000	5	0.64	35,300	0.77
10001 above	47	6.03	41,54,133	91.14
<b>Total</b>	<b>780</b>	<b>100.00</b>	<b>45,57,700</b>	<b>100.00</b>

<sup>st</sup> March, 2014 :-

Sl. No.	Type of Shareholder	No. of Shares held	% of Total
1	Promoter		
	Indian	2540814	55.75
	Foreign	-	-
2	Financial Institutions & Banks	-	-
3	FII's & OCB's	-	-
4	Mutual Fund/s	-	-
5	Non Resident Indians	-	-
6	Domestic Companies	28998	0.63
7	Individuals	1987888	43.62
	Total	4557700	100.00

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 (CDSL) for dematerialization of shares and custody fees as applicable is paid for the period 2013-14. The ISIN code allotted to the companies Equity Shares is INE224C01014.

As on 31-03-2014 dematerialisation of shares

Sl. No.	Electronic/Physical	Mode of Holding %
1	NSDL	5.51
2	CDSL	84.77
3	Physical	9.73
	TOTAL	100.00

90.28% of company's paid up ordinary Equity share capital has been dematerialized up to 31<sup>st</sup> March, 2014 (90.27% up to 31<sup>st</sup> March, 2013).



: -

H.NO. 12-10-167,  
BHARAT NAGAR,  
HYDERABAD – 500018  
TELANGANA.  
Tel No. : 040-23868023/23868024

E-mail : info@vccilindia.com  
pv\_srinu@hotmail.com

The global economic environment has broadly strengthened and is likely to improve further with much of the growth impetus emanating from advanced economies. The outlook for world economy is positive with 3.5% growth forecast for 2014.

The Financial Year 2013-14 remained extremely challenging for the entire Financial/Capital markets. Coming as it did, after already two bad years in a row this one took a rather heavier toll on the market players. The process of recovery has been regularly interrupted by several factors from both External sources as well our own Domestic issues. Thus, on a net basis the overall market condition remains quite challenging at this point.

The recovery process in the second half is driven largely by the developments on the Political front and now with the strong emergence of what is seen as a stable, pro-Reforms Government things are expected to improve significantly. It is also known fact that over the last three Financial years our Economy has slumped from high growth zones of >8% GDP to the current levels of barely 4.5% besides high levels of Inflation wherein the CPI Inflation hit levels of up to 12% & the Food prices Inflation hit unheard levels of 18-20%.

If stock indices are a true reflection of the sentiments if not the actual status of the Economic affairs, the fact that both the leading Indices the NIFTY & the SENSEX hitting new All time Highs, with the SENSEX topping the 23000 mark & the NIFTY hitting levels of 7000 do indicate that the market sentiments' have certainly improved in the recent times. With the formation of a new look Government the hopes are indeed high that the Reforms agenda will be placed on a fast-track once again & the high growth days of 7-8% will be re-visited in the near future. The Financial Year 2013-14 remained extremely challenging for the entire Financial/Capital markets. Coming as it did, after already two bad years in a row this one took a rather heavier toll on the market players. The process of recovery has been regularly interrupted by several factors from both External sources as well our own Domestic issues. Thus, on a net basis the overall market condition remains quite challenging at this point.

The Indian economy is now on the threshold of a major transformation, with expectations of policy initiatives by the newly elected Government.

- Growing financial services industry
- Huge market opportunity for wealth management services.
- Regulatory reforms would aid greater participation by all class of investors.
  
- Execution risk
- Slowdown in global liquidity flows
- Increased intensity of competition from players
- Unfavorable economic conditions
- Price of crude oil in the international markets
- Weakness in value of Rupee.

Company is having fully computerized environment in all its branches with interconnectivity through internet.

Regulatory and Monetary Policy of the SEBI and the Government of India largely affects the operational viability of the company.

The year under review i.e. the financial year 2013-14 has also been a challenging year. Looking ahead, we see favourable prospects for the Indian economy. Our strong emphasis is laid on clientele expansion with strategy of lining up a series of campaigns. Our 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.

Your company is been able to meet the challenges posed by developments in the capital market due to the top management team comprises qualified and experienced Professionals, with a successful track record. The company believes that its management's entrepreneurial sprits, strong leadership skills, insight into the market and customer needs provide it with a competitive strength, which will help to implement its business strategies.

We believe that the strategy that we have followed upgraded RMS policy 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.

The steps taken by the Regulators/Exchanges have increased the investor protection and improvement in transparency, corporate governance and monitoring which will be necessary to enhance investors' confidence in the capital market..

The company is primarily exposed to credit risk, interest risk, liquidity risk and operational risks. Internally, it has constituted a team to manage these risks. This team identifies and monitors all principal risks in accordance with defined policies and procedures.

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, back office, operations consisting of corporate and support functions.

The major risks is the continued rise in price of crude oil in the international markets coupled with alarming high inflation rates in both domestic and other economies, which is a indirect threat to stock broking as the high cost of manufacturing and periodic rise in interest rates to counter balance inflationary pressure directly effect the earning capacity of the company.

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.

The Financial Statements are prepared under the historical cost convention in accordance with Indian generally accepted accounting principles 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.

The Company continues to maintain excellent relationship with the clients and the industry in which it is operating. Relationship with the staffs 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.

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 and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes.

Place : Hyderabad  
Date : 31.07.2014

By Order of the Board

Sd/-

Chairman



## INANI SECURITIES LIMITED

To  
The Members of  
Inani Securities Limited

We have examined the compliance of conditions of Corporate Governance by Inani Securities Limited during the year ended on 31<sup>st</sup> March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange 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 the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, 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  
Chartered Accountants  
Firm Registration No:05834S

Place: Hyderabad  
Date: 30.05.2014

Partner  
Membership No: 027187



To,  
The Members,  
INANI SECURITIES LIMITED

We have audited the accompanying financial statements of Inani Securities Limited, which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section 211(3C) of the Companies Act, 1956 ("the Act") except regarding provision of gratuity accounted on actual basis instead of actuarial valuation as per AS 15 "Employee Benefits" and non-accounting of leave encashment as per actuarial valuation as per AS 15 "Employee Benefits issued by ICAI. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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



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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, 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.

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) 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.
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of Act *except regarding provision of gratuity accounted on actual basis instead of actuarial valuation as per AS 15 "Employee Benefits" and non-accounting of leave encashment as per actuarial valuation as per AS 15 "Employee Benefits issued by ICAI*;
- e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of section 274(1)(g) of the Act.

For  
Chartered Accountants  
Firm Registration No:05834S

Place: Hyderabad  
Date: 30.05.2014

Partner  
Membership No: 027187

Annexure referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report dated 30/05/2014 to the members of Inani Securities Limited on the financial statements for the year ended 31<sup>st</sup> March, 2014

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 dematerialized form in 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 1 party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 404.98 Lacs and balance at the year end is Rs. 3.90 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 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, corporate bonds, payment for expenses 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 the size and the 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 generally depositing with appropriate authorities undisputed statutory dues including Income Tax, Sales Tax, Service Tax, Provident fund and 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, the Company has not paid undisputed Income Tax Liability of the Assessment year 2003-04 amounting to Rs. 4,08,360 /- was outstanding for more than six months as at the Balance Sheet date.
- b) According to the information and explanations given to us, no disputed dues payable in respect of Sales Tax, Income Tax, Service Tax, Wealth Tax, Customs Duty and Cess were outstanding at 31<sup>st</sup> March, 2014 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.



## INANI SECURITIES LIMITED

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) The Company has raised new term loans during the year and have applied for the purpose for which they were raised.

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  
Chartered Accountants  
Firm Registration No: 05834S

Place: Hyderabad  
Date: 30.05.2014

Partner  
Membership No: 027187

**INANI SECURITIES LIMITED**31<sup>ST</sup> MARCH, 2014

		Current Year (Amount in Rs.)	Previous Year (Amount in Rs.)
<b>I</b>			
<b><u>Shareholders' Funds</u></b>			
a) Share Capital	3	4,71,66,056	4,71,66,056
b) Reserves and Surplus	4	9,07,77,262	8,73,99,434
<hr/>			
a) Long-Term Borrowings	5	1,61,32,941	30,72,478
b) Deferred Tax Liability (Net)	6	5,60,124	4,37,110
<hr/>			
a) Short-Term Borrowings	7	1,63,44,534	2,83,87,726
b) Trade Payables	8	1,50,80,710	91,37,027
c) Other Current Liabilities	9	59,31,566	2,76,00,400
d) Short-Term Provisions	10	7,65,212	12,70,462
<hr/>			
<b>II.</b>			
<hr/>			
i) Tangible Assets	11	3,23,34,213	4,20,20,457
ii) Intangible Assets	11	52,305	52,919
b) Non-current investments	12	2,37,38,123	2,87,38,123
c) Long term loans and advances	13	4,05,07,923	3,73,47,435
<hr/>			
2) _____			
a) Inventories	14	5,89,541	5,89,541
b) Trade receivables	15	71,86,830	1,85,07,132
c) Cash and Cash equivalents	16	7,48,99,438	5,89,32,415
d) Short-Term Loans and Advances	17	1,34,50,034	1,82,82,669
<hr/>			
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS		1 to 25	

Notes referred to above attached there to form an integral part of Balance Sheet

As per our Report of even date .

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

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

Place : Hyderabad  
Date : 30.05.2014

For and on Behalf of the Board

**LAKSHMIKANTH INANI**  
Managing Director

**VISHNUKANTH INANI**  
Director

**INANI SECURITIES LIMITED**

ST MARCH, 2014

			Current Year (Amount in Rs.)	Previous Year (Amount in Rs.)
<b>I</b>	Revenue from Stock Market Operations	18	1,17,82,353	1,25,80,808
<b>II</b>	Other Income	19	60,01,006	73,11,823
<b>III</b>	Total Revenue (I+II)			
<b>IV</b>	Changes in inventories of Stock-in-Trade	20	(0)	(0)
	Employee Benefits Expenses	21	56,92,579	59,21,106
	Financial Costs	22	37,99,454	46,62,918
	Depreciation & Amortization Expense	23	14,28,921	12,60,264
	Other Administrative Expenses	24	51,64,276	69,71,303
	Total Expenditure (IV)		1,60,85,230	1,88,15,590
<b>V</b>	Profit before exceptional and extraordinary Items and tax	(III-IV)		
<b>VI</b>	Exceptional Items			
a	Prior Period Adjustments (Net)		17,530	1,00,353
b	(Profit) / Loss on Sale of Fixed Assets		(28,04,749)	(16,74,845)
<b>VII</b>				
<b>VIII</b>	1)Current tax		8,54,683	5,05,250
	2)Deferred tax		1,23,014	2,39,273
<b>IX</b>				
<b>X</b>	Earnings per equity Share of face value of Rs.10/-each:			
	1. Basic		0.77	0.42
	2. Diluted		0.77	0.42
	SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS		1 to 25	

Notes referred to above attached there to form an integral part of Balance Sheet  
This is the Profit & Loss Statement referred to in our Report of even date.

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

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

Place : Hyderabad  
Date : 30.05.2014

For and on Behalf of the Board

**LAKSHMIKANTH INANI**  
Managing Director

**VISHNUKANTH INANI**  
Director



# INANI SECURITIES LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

		Current Year (Rs.in Lacs)	Previous Year (Rs.in Lacs)
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
a	Net Profit/(Loss) before Tax & Extraordinary Items	16.98	10.77
	Adjustments for:		
	Depreciation & Amortisation	14.29	12.60
	Interest Paid	37.99	46.63
	Interest Received	(51.86)	(57.48)
	Dividend Income	(2.05)	(6.84)
	Rent Received	(6.10)	(8.80)
<b>b</b>	<b>Operating Profit/(Loss) before working capital changes</b>	<b>9.25</b>	<b>(3.17)</b>
	Adjustments for :		
	Increase/ (Decrease) in Trade & Other Receivables	113.20	56.51
	Increase/ (Decrease) in Trade Payable and other payable	59.44	(7.29)
	Increase/ (Decrease) in Other Current Liabilities	(216.69)	(45.65)
<b>c</b>	<b>Cash Generated/(outgo) from Operations</b>	<b>(34.79)</b>	<b>0.45</b>
	Direct Taxes (paid)/Refund	(9.83)	4.23
<b>d</b>	<b>Cash Flow before extraordinary item</b>	<b>(44.62)</b>	<b>80.93</b>
	Profit/(Loss) on Sale of Fixed Assets	28.05	16.75
	Prior Year Adjustments	(0.18)	(1.00)
	<b>Net Cash Flow from Operating Activities (A) :</b>	<b>(16.75)</b>	<b>20.43</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	Purchase of Fixed Assets	(25.67)	(225.95)
	Proceeds from Sale of Fixed Assets	136.30	0.00
	(Increase) / Decrease in Investment	50.00	15.00
	Movement in Loans & Advances	(16.72)	31.33
	Interest received	51.86	57.48
	Dividend received	2.05	6.84
	Rent	6.10	8.80
	<b>Net Cash Flow/(used) in Investing Activities (B) :</b>	<b>203.92</b>	<b>(106.50)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
	Proceeds/ (Repayment) from Long Term Borrowings	130.60	(71.43)
	Proceeds/ (Repayment) Short Term Borrowings	(120.43)	265.50
	Interest paid	(37.99)	(46.63)
	<b>Net Cash Flow from Financing Activities (C) :</b>	<b>(27.82)</b>	<b>147.44</b>
<b>D</b>	<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>159.34</b>	<b>61.37</b>
	Cash and Cash equivalent at the beginning of the year	589.32	527.97
	Cash and equivalent at the end of the year	748.66	589.32

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





## INANI SECURITIES LIMITED

We have verified the above Cash Flow Statement of Inani Securities Limited derived from the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2014 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 Accountant  
Firm Registration No. 05834S

**G.D. UPADHYAY**  
Partner  
Membership No.0 27187

Place : Hyderabad  
Date : 30.05.2014

For and on Behalf of the Board

**LAKSHMIKANTH INANI**  
Managing Director

**VISHNU KANTH INANI**  
Director



### Significant Accounting Policies and Notes forming part of the Balance Sheet and statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2014

Inani Securities Limited, a company incorporated in the year 1994 under Companies Act, 1956, is listed on Bombay Stock Exchange. The company commenced its operations as an independent provider of information analysis and research covering Indian businesses, financial markets and economy to institutional clients. Over a period, Inani Securities Ltd expanded its service offerings in the financial services space providing equity/ currency in NSE/BSE and MCX-SX, Depository Participant services, portfolio management services and distribution of Mutual Funds and bonds etc., The Company has its presence in the states of Telangana and Maharashtra. The Company is one of the oldest and reliable players in the Indian Financial service space.

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.

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the companies Act, 1956.

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/materialized.

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.

Subsequent expenditure relating to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Intangible assets are stated at cost of acquisition, net of accumulated amortization and accumulated impairment loss if any. Intangible assets are amortised on straight line basis over their estimated useful lives.

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

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.

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

Stocks of Shares are 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 is adopted at Re.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.

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).

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

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

**X. Other Income:**

- a. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- b. Dividend income is recognized when right to receive dividend is established.

Employee Benefits such as salaries, allowances, Provident fund 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 Statement of profit and loss in the period in which the service is rendered.

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 obligations as reduced by the fair value of plan assets, where applicable.

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

Termination benefits in the nature of voluntary retirement benefits are recognized in the statement of profit and loss as and when incurred.

Tax expenses comprise current and deferred. Current 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.

Deferred Tax is recognized for all the timing differences. The Company is providing and recognizing deferred tax on timing differences between taxable income and accounting income subject to consideration of prudence.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and liability on a net basis. Deferred tax assets and deferred tax liability are offset when there is legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

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.

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.

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2014**

The Authorised, Issued, Subscribed and fully paid up share capital comprises of equity shares as follows:

Sr.No.	Particulars	Current Year	Previous Year
1	<b>AUTHORIZED</b> 53,50,000 (Previous year 53,50,000) Equity Shares of Rs. 10/-each	5,35,00,000	5,35,00,000
	50,21,900 (Previous Year 50,21,900) Equity Shares of Rs.10/- each	5,02,19,000	5,02,19,000
	45,57,700 Equity Shares of Rs. 10/- each Add : Forfeited Shares 4,64,200 Equity shares forfeited and not reissued (Amount originally paid up Rs. 5/- on 171,400 shares and Rs. 2.5/- on 2,92,800 shares)	4,55,77,000 15,89,056	4,55,77,000 15,89,056

3.1 During the year there was no fresh issue of equity shares, hence balance at the beginning of the year and at the end of the year remains the same i.e. 50,21,900 shares.

3.2 Details of shares held by shareholders holding more than 5% of the aggregate shares in the company.

Sr.No.	Particulars	Current Year	Previous Year
1	Mr. Ramakanth Inani 664800 shares of Rs.10 Each	14.59% 6,648,000	14.59% 6,648,000
2	Mr. Vishnu kanth Inani 315600 Shares of Rs. 10 Each	6.92% 31,56,000	6.92% 31,56,000
3	Mr. Venugopal Inani 283100 Shares of Rs.10 Each	6.21% 28,31,000	6.21% 2,831,000
4	M/s. Inani Commodities and Finance Limited 309914 Shares of Rs. 10 Each	6.80% 30,99,140	6.80% 30,99,140

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2014**

Sr.No.	Particulars	Current Year	Previous Year
1	Profit & loss Account	9,07,77,262	8,73,99,434
	As per Last Balance Sheet	8,73,99,434	8,50,69,334
	Add: Tax of earlier years (Taxes Paid)	(1,29,822)	4,23,090
	Add: Profit for the period	35,07,650	19,07,010

Sr.No.	Particulars	Current Year	Previous Year
	Long Term Maturities of Term Loans from Bank	96,03,575	-
	Security Deposits received from Clients	65,29,366	30,72,478

5.1 The Company has obtained a term loan of Rs. 1,03,81,294/- from ICICI Bank for purchase of Flat at Bangalore in the last year, it is secured by mortgage of Flat which is repayable in 180 months 11% of ROI

5.2 Deposits includes deposits received from clients as security deposits for their trades.

Sr.No.	Particulars	Current Year	Previous Year
	Opening Balance	4,37,110	1,97,837
	Timing Difference on account of Depreciation	1,23,014	2,39,273

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2014**

Sr.No.	Particulars	Current Year	Previous Year
	<u>Working Capital Loans</u> - From Banks	1,63,44,534	2,83,87,726

7.1 Working capital loan from HDFC bank is secured against pledge of equity shares belonging to the directors, relatives & associated concerns and against mortgage of FDR worth Rs. 2.30 Crores.

Sr.No.	Particulars	Current Year	Previous Year
	Sundry Creditors	1,50,80,710	91,37,027

8.1 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.

Sr.No.	Particulars	Current Year	Previous Year
1	Current Maturities of long term debt	-	4,44,052
2	Unclaimed Dividend (2007-08)	66,012	66,012
3	Other Payables (Note 9.1)	58,65,554	2,70,90,336

9.1 Other Payable includes Statutory Dues and outstanding Liabilities

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2014**

Sr.No.	Particulars	Current Year	Previous Year
	Provision for Gratuity (Refer Note No. 25 iv)	3,56,852	3,56,852
	Provision for Taxation	4,08,360	9,13,610



**INANI SECURITIES LIMITED**
**11 : Fixed Assets**

Descriptions	Rate	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 01.04.2012	Additions	Deductions	As At 31.03.2014	Upto 01.04.2013	For the year	Deductions	Upto 31.03.2014	As At 31.03.2014	As At 31.03.2013
<b>I</b>											
<u>Tangible Assets</u>											
1	1.63%	3,45,86,361	-	1,05,52,280	2,40,34,081	13,89,624	4,63,384	10,22,303	8,30,705	2,32,03,376	3,31,96,737
2	16.21%	3,54,878	-	-	3,54,878	1,17,704	57,526	-	1,75,230	1,79,648	2,37,174
3	4.75%	34,51,540	2,37,354	58,292	36,30,602	10,23,473	1,65,353	14,417	11,74,409	24,56,193	24,28,067
4	9.50%	39,57,955	6,24,553	8,02,272	37,80,236	14,45,429	4,01,929	7,11,209	11,36,149	26,44,087	25,12,526
5	6.33%	59,58,210	17,05,406	17,38,120	59,25,496	23,12,256	3,40,116	5,77,784	20,74,588	38,50,908	36,45,954
<b>SUB TOTAL (A)</b>		4,83,08,944	25,67,313	1,31,50,964	3,77,25,293	62,88,486	14,28,307	23,25,712	53,91,080	3,23,34,213	4,20,20,458
<b>II</b>											
<u>Intangible Assets</u>											
Sterling Holiday Resort		55,800	-	-	55,800	7,331	564	-	7,895	47,905	48,469
Classic Club report		5,000	-	-	5,000	550	50	-	600	4,400	4,450
<b>SUB TOTAL (B)</b>		60,800	-	-	60,800	7,881	614	-	8,495	52,305	52,919
<b>Total (A+B)(Current Year)</b>		4,83,69,744	25,67,313	1,31,50,964	3,77,86,093	62,96,367	14,28,921	23,25,712	53,99,575	3,23,86,518	4,20,73,377
<b>(Previous Year)</b>		2,57,75,093	2,25,94,651	-	4,83,69,744	50,36,104	12,60,264	-	62,96,368	4,20,73,377	2,07,38,989

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2014**

Sr.No.	Particulars	Current Year	Previous Year
	Inani Commodities and Finance Ltd (4,26,150 equity shares face value of Rs. 10/- each	23,261,500	23,261,500
	The Hyderabad Stock Exchange Ltd (10,000 equity Shares)	10,000	10,000
	Equity Shares of Bombay Stock Exchange Ltd., Includes written down Value of the Membership Card (23,257 Equity Shares)	4,66,623	4,66,623
	Other -Mutual Funds	0	50,00,000

Sr.No.	Particulars	Current Year	Previous Year
	<u>a) Secured and Considered Good</u> Capital Advances (Refer Note 13.1)	1,30,36,619	49,88,379
	<u>a) Unsecured , Considered Good</u> Deposit with Stock Exchanges	2,66,87,690	3,21,98,000
	Other Deposit (Refer Note 13.2)	7,83,614	1,61,056

13.1 Capital Advances include an amount of Rs.13,036,319/- paid to M/s. Mantri Developers for purchase of flat at Bangalore.

13.2 Other Deposit includes deposits paid towards amenities i.e. Electricity, Telephone etc.

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2014**

Sr.No.	Particulars	Current Year	Previous Year
	Shares held for Trade (At lower of Cost or Net Estimated Realisable Value) (Valued and certified by the Management) Aggregate Value of Quoted stocks is Rs.9.67/- (previous year Rs. 11.43 Lakhs)	589,541	5,89,541

Sr.No.	Particulars	Current Year	Previous Year
	Over Six Months	42,51,445	80,76,806
	Others	29,35,384	1,04,30,326

Sr.No.	Particulars	Current Year	Previous Year
	Cash Balance	4,83,006	3,71,844
	Sub Total (A)		
	In Current Accounts	3,18,05,463	1,59,14,413
	Fixed Deposits with Banks (Refer Note 16.1 below)	4,26,09,449	4,26,44,544
	Sub Total (B)		
	Sub Total (C)	1,520	1,613

16.1 Held as lien by banks against bank guarantees and Deposits with Banks Includes deposits of Rs. 31.90 Lakhs (Previous year Rs. 17.74 Lakhs) with maturity of more than 12 months.

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2014**

Sr.No.	Particulars	Current Year	Previous Year
	Advance Recoverable in cash or in kind or for value to be considered good		
	Other Advances (refer Note A)	1,16,63,788	1,63,94,077
	Advance Income Tax/Refund Due	8,77,805	11,52,789
	Balance With Revenue Authorities	2,91,748	2,01,869
	Prepaid Expenses	6,16,693	5,33,935

17.1 Other Advances include advances to Y. Ashwin amounting to Rs. 1,08,99,715/- which is overdue and the case is pending in the Court for recovery of the same.

Sr.No.	Particulars	Current Year	Previous Year
1	Brokerage Income	1,13,09,364	1,21,36,304
2	Net DP Income	4,72,989	4,44,504

Sr.No.	Particulars	Current Year	Previous Year
1	Interest on FDR's	51,85,859	57,47,777
2	Dividends	2,04,923	6,84,059
3	Other Non Operating Income	6,10,224	8,79,987

19.1 Other Non Operating Income includes income from Rent and Commission received

Sr.No.	Particulars	Current Year	Previous Year
1	Opening Stock	5,89,541	5,89,541
2	Closing Stock	5,89,541	5,89,541

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2014**

Sr.No.	Particulars	Current Year	Previous Year
1	Salaries Incentives & Bonus	48,53,953	52,21,877
2	Staff Welfare Expenses	64,373	33,604
3	Provident Fund (refer note 21.1 below)	2,34,253	1,25,625
4	Directors Remuneration	5,40,000	5,40,000

21.1 Provident fund for eligible employees is managed by the company in line with the Provident Fund and Miscellaneous Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the company or Retirement whichever ever is earlier.

Sr.No.	Particulars	Current Year	Previous Year
1	Interest Expenses	31,77,651	40,47,349
2	Bank Charges	6,21,803	6,15,569

Sr.No.	Particulars	Current Year	Previous Year
1	Depreciation & Amortisation	14,28,921	12,60,264

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2014**

Sr.No.	Particulars	Current Year	Previous Year
1	Rent	2,46,000	3,09,000
2	Rates and Taxes	1,58,826	2,08,687
3	Insurance	36,732	2,16,283
4	Travelling and Conveyance charges	89,800	87,377
5	Tele Communication charges	9,10,402	8,61,117
6	Printing & Stationery	1,28,752	59,480
7	Electricity Charges	4,42,524	4,51,369
8	Repair and Maintenance	10,90,797	6,20,817
9	Directors Sitting Fee	25,500	19,000
10	Remuneration to Auditors	1,55,000	1,55,000
11	Computer Software	3,17,561	4,25,287
12	Legal Expenses	1,31,000	10,000
13	Professional Charges	75,068	60,000
14	Stock Exchange Expenses	1,92,846	3,77,189
15	Debit written off	36,984	15,037
16	AGM Expenses	29,525	19,695
17	Office and General Expenses	4,80,637	3,82,643
18	Research & Consultancy	6,16,322	26,93,321

31/03/2014

31/03/2013

)	Estimated amount of contracts remaining to be executed on Capital account and not provided for (Net of advances)	NIL	Rs. 207 Lacs
)	Contingent Liabilities :		
	a ) Not provided for Bank Guarantee issued by the Banks.	Rs. 368.00 Lacs	Rs. 393.00 Lacs
)	Auditors Remuneration (excluding Service Tax)		
	Statutory Audit Fees	Rs.45,000/-	Rs.45,000/-
	Tax Audit Fees	Rs.20,000/-	Rs.20,000/-
	Other Services	Rs.10,000/-	Rs.10,000/-



## INANI SECURITIES LIMITED

. Sundry Debtors, Loans and Advances and Creditors are subject to confirmation and reconciliation

. The company does not have whole time Company Secretary, as per requirements of Section 383A of the Companies Act, 1956. Hence, the accounts have not been signed by the company Secretary.

. 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

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the company.

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.

The company operates in only one segment i.e. 'India'. Hence separate information on geographical segment is not required.

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

1	Sri. LAKSHMIKANTH INANI
2	Sri. RAMAKANTH INANI
3	Sri. VISHNUKANTH INANI
1	M/s. INANI COMMODITIES & FINANCE LIMITED
1	Mrs. ANITA INANI
2	Mrs. CHAMPA DEVI INANI

) Related party Transactions (Amount in Rs.)

Particulars	Keyperson/Relatives	Associates
Directors Sitting Fees	25,500	-
Remuneration	5,40,000	-
Rent paid	2,46,000	-
Advances given/(Repaid) Rs. in Lakhs	-	1361/(1357)
Brokerage Received	2,54,854	3,938



## INANI SECURITIES LIMITED

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

Particulars	2013-14	2012-13
Basic		
Profit after tax as per Profit and Loss account	35,07,650	19,07,010
Number of Shares subscribed	45,57,700	45,57,700
Basic EPS (Rupees)	0.77	0.42
Diluted		
Profit after Tax as per Profit & Loss Account	35,07,650	19,07,010
Number of Shares Subscribed	45,57,700	45,57,700
Diluted EPS (Rupees)	0.77	0.42

- . Value of Imports on CIF Basis NIL NIL
- . Expenditure in Foreign Currency NIL NIL
- . Earning's in Foreign Currency NIL NIL
- . Figures in brackets in these notes are in respect of previous year.

for and on Behalf of the Board

Chartered Accountants  
Firm Registration No. 05834S

Managing Director

Partner  
Membership No. 027187

Place : Hyderabad  
Date : 30.05.2014

Director



**INANI SECURITIES LIMITED****NSE (CM+F&O+CDX)  
BSE (CM) / DP (CDSL)****A leading Broking House providing continuous  
quality service to the clients for over 20 years**

- Stock Broking NSE/BSE
- Futures & Options
- Single VSAT / VPN Network
- Wealth Management Consultancy
- Internet Trading
- Depository Participant (CDSL)
- MCX (Group Company)\*
- Centralized Back Office
- Competitive Brokerage Structure

**INANI SECURITIES LIMITED**

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

**Tel No. : 040-23201279 Mobile : 98663 43660**Email : [info@inanisec.in](mailto:info@inanisec.in) website : [www.inanisec.in](http://www.inanisec.in)

1408, 14th Floor, 'B' Wing, Naman Midtown,

Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013.

E-mail : [bby@inanisec.in](mailto:bby@inanisec.in)**Tel : 022-43486000**

Mumbai : Kandivili (W) Hyderabad : King Koti,

**SEBI REGISTRATION**NSE : INB/INF /INE 230857131 CDSL : DPID036200  
BSE : INB 010857135 MCX : M12310\*



# INANI SECURITIES LIMITED

### PROXY FROM

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

**CIN No : L67120AP1994PLC017583**

Name of the Company : **INANI SECURITIES LIMITED**

Redg. Office : G-15, Raghava Ratna Towers, 5-8-352/14 & 15, Chirag Ali Lane, Hyderabad - 500 001. TELANGANA

Name of the Member (s) :

Registered address :

E-mail Id :

Follo No./ Client Id & DP ID :

I/Webeing the Member(s) of .....Shares of the above named company, hereby appoint :

1. Name : .....

Address : .....

E-mail Id : .....

Signature : .....or failing him

2. Name : .....

Address : .....

E-mail Id : .....

Signature : .....or failing him

3. Name : .....

Address : .....

E-mail 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 20<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday, the 30<sup>th</sup> day of September, 2014 at 10.30 A.M. at Rajasthani Graduates Association Hall, situated at 5-4-790/1, First Floor, Lane Opp. to G.Pulla Reddy Sweets, Abids, Hyderabad - 500 001. and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution Nos.

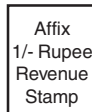
1.  Adoption of Accounts and Reports                      2.  Appointment of Director retiring by rotation

3.  Appointment of Auditors

Signed this.....day of.....2014.

Signature of shareholder

Signature of Proxy holders(s)



**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.

### ATTENDANCE SLIP

Attendance by

(Please tick the appropriate box)

Member

Proxy

Authorised Representative

I hereby record my presence at the 20<sup>th</sup> Annual General Meeting of the Company being held on Tuesday, the 30<sup>th</sup> day of September, 2014 at 10.30 A.M. at Rajasthani Graduates Association Hall, situated at 5-4-790/1, First Floor, Lane Opp. to G.Pulla Reddy Sweets, Abids, Hyderabad - 500 001.

Name of Proxy (in BLOCK LETTERS)

Shareholder's/Proxy,s Signature

MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF THE ANNUAL REPORT WITH THEM TO THE ANNUAL GENERAL MEETING

# INANI SECURITIES LTD

**ISL**

- Corporate Members : NSE (CM+F&O+CDS) & BSE
- Depository Participant : CDSL
- MAPIN ID : 100022517

Ref:LISTING/2014-15/22

To,  
Deputy General Manager,  
Department of Corporate Services,  
**BOMBAY STOCK EXCHANGE LTD.,**  
25<sup>th</sup> Floor, P J Towers,  
Dalal Street,  
MUMBAI – 400 001.


Date: 01.09.2014

Dear Sir,

Sub : Submission of our 20<sup>th</sup> Annual Report for the year 2013-14 – Reg.

## FORM A


**Format of covering letter of the annual audit report to be filed with the stock exchange.**

1.	Name of the Company :	Inani Securities Limited
2.	Annual financial statement for the year ended	31 <sup>st</sup> March 2014
3.	Type of Audit observation	Nil
4.	Frequency of observation	Nil
5.	To be signed by – • CEO / Managing Director	

Please find the same in order and acknowledge the receipt.

Thanking you,

Yours faithfully,  
For INANI SECURITIES LTD.,

  
(LAKSHMIKANTH INANI)  
MANAGING DIRECTOR

E-mail Id of Compliance officer : [compliance@inanisec.in](mailto:compliance@inanisec.in)

E-mail Id of Grievance redressal division : [investors@inanisec.in](mailto:investors@inanisec.in)

Regd. Office : G-15, Raghav Ratna Towers, Chirag Ali Lane, Hyderabad - 500 001. Ph. : 040-23201279, Fax : 040-23203747  
e-mail : [info@inanisec.in](mailto:info@inanisec.in),

Branch : B/23, 2nd Floor, Plot No. 13, Wadala, Shri Ram Industrial Estate, G.D. Ambekar Marg, Wadala (W), Mumbai - 31  
Tele Phones : 022-43486000, Fax : 022-2417 2111 e-mail : [bby@inanisec.in](mailto:bby@inanisec.in)

e-mail I.D: Compliance Officer : [compliance@inanisec.in](mailto:compliance@inanisec.in) • Investor Grievance : [investors@inanisec.in](mailto:investors@inanisec.in)