



LOHIA SECURITIES LIMITED

ANNUAL REPORT
2013 - 2014

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Corporate Information

LOHIA SECURITIES LIMITED
CIN No. - L67120WB1995PLC067195

BOARD OF DIRECTORS

Mr. Hari Kishan Lohia
Mr. Mahesh Kumar Bajaj
Mr. Vineet Goenka
Mr. Sameer Bajaj
Mr. Rajesh Kumar Bajaj - Managing Director
Mr. Sudheer Kumar Jain - Whole-time Director

BANKERS

Allahabad Bank
Axis Bank Ltd.
Federal Bank
HDFC Bank Ltd.
Punjab National Bank
Yes Bank

COMPANY SECRETARY

Mr. Narendra Kumar Rai

REGISTERED OFFICE

4 Biplabi Trailokya Maharaj Sarani
(Brabourne Road), 5th floor,
Kolkata 700 001
Phone no. 033-4002 6600/ 6700
Fax: 033-4002 6800
Email: info@lohiasecurities.com
grievance@lohiasecurities.com
Web: www.lohiasecurities.com

AUDITORS

Patni & Co.
Chartered Accountants
1 India Exchange Place
2nd floor, Room no.219
Kolkata 700 001

REGISTRAR & SHARE TRANSFER AGENT

M/s. Niche Technologies Pvt. Ltd.
D-511, Bagree Market
71 B.R.B.B.Road,
Kolkata 700 001
Phone: 033-2235 7270/ 71, 2234 3576
Fax: 033-2215 6823
Email: nichetechpl@nichetechpl.com

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NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of Lohia Securities Limited (CIN: L67120WB1995PLC067195) will be held on Saturday, the 27th day of September, 2014 at 10.30 a.m. at 4 Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5th floor, Kolkata 700 001, to transact the following business:-

ORDINARY BUSINESS:

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

“RESOLVED THAT the Audited Balance Sheet as at 31st March, 2014 and the Profit and Loss Statement, Cash Flow Statement for the year ended 31st March, 2014 together with the Reports of the Directors and Auditors thereon, be approved and adopted.”

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

“RESOLVED THAT, as recommended by the Directors, a dividend of Re.0.20 per share (2%) on the paid-up capital consisting of 49,83,000 equity shares of Rs.10/- each amounting to Rs. 996,600 be and the same is hereby declared payable for the year ended 31st March, 2014 as final Dividend.”

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

“RESOLVED THAT Mr. Mahesh Kumar Bajaj (DIN:00080157), a Director retiring by rotation, being eligible for re-election, be and is hereby re-elected as a Director of the Company liable for retirement by rotation.”

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

“Resolved that M/s Patni & Co., Chartered Accountants (ICAI Registration no. 320304E), the retiring auditors, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 20th Annual General Meeting up to the conclusion of the 25th Annual General Meeting of the Company, subject to ratification by members at every Annual General Meeting, to conduct the audit, on such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force, read with Schedule IV to the Companies Act, 2013 Mr. Sameer Bajaj (holding DIN 00078805), an Independent Director of the Company, whose term of office was liable to determination by retirement of directors by rotation,

Notice (Contd.)

and in respect of whom the Company has received a notice in writing proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from the date of this Annual General Meeting.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as on Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force, read with Schedule IV to the Companies Act, 2013, Mr. Vineet Goenka (holding DIN 00079400), an Independent Director of the Company, whose term of office was liable to determination by retirement of directors by rotation, and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from the date of this Annual General Meeting.”

7. To consider and if thought fit, to pass with or without modification, the following as on Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification from time to time or any re-enactment thereof for the time being in force) read with Schedule V to the said Act and subject to the approval of the Central Government and such other authorities as may be necessary, the consent of the members of the Company be and is hereby granted for re-appointment of Mr. Sudheer Kumar Jain as a Whole-time Director of the Company, for a period covering from 26th September, 2014 to 25th September, 2019, or up to any further extension in his tenure beyond the end of his present tenure as aforesaid, which may be granted to him by the Board of Directors/ Remuneration Committee on such terms and conditions as are set out in the Explanatory Statement attached to the Notice of this meeting, a copy of which initialed by the Chairman of the meeting, for the purpose of identification, is placed before this meeting.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter and vary the said remuneration, perquisites/ benefits payable to Mr. Sudheer Kumar Jain as the Whole-time Director as may be mutually agreed between the Company and Mr. Sudheer Kumar Jain, subject to the applicable provisions and approval of the Central Government, if required.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things that may in their absolute discretion consider necessary, proper, expedient, desirable or appropriate and take all necessary and desirable steps for the aforesaid purpose and matters incidental thereto. “

Registered Office:
4 Biplabi Trailokya Maharaj Sarani
(Brabourne Road), 5th floor,
Kolkata 700 001
Dated: 14th August, 2014.

By Order of the Board
Lohia Securities Limited

Narendra Kumar Rai
Company Secretary

Notes :

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, with respect to the Special Businesses set out in the Notice is annexed hereto. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by Members at the AGM. Relevant documents referred to in the

Notice (Contd.)

accompanying notice/ explanatory statement including the Register of Contract or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 are open for inspection by the members of the Company on all working days, except Saturday, between 11.00 a.m. and 1.00 p.m. upto the date of ensuing Annual General Meeting. Further the Notice for the 20th Annual General Meeting alongwith requisite documents and the Annual Report for the financial year 2013-14 shall also be available on the Company's website: www.lohiasecurities.com

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
Proxies, in order to be effective, must be received at the registered office of the company not less than forty-eight hours before the commencement of the meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
4. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send to the Company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 23rd September, 2014 to Saturday 27th September, 2014 (both days inclusive) for payment of dividend on equity shares.
6. Additional information, pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, on Directors recommended by the Board of Directors for reappointment at this AGM is appearing herewith.
7. Dividend on equity shares, if declared at the meeting, will be made payable on or after 3rd October, 2014 in respect of shares held in physical form to those members whose names appear in the Register of Members of the Company after giving effect to all valid share transfers lodged with the Company as at the end of business hours on 22nd September, 2014 and in respect of shares held in the electronic form to those "Deemed Members" whose names appear in the statement of Beneficial Ownership furnished by the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) for this purpose
8. Members/ Proxies are requested to bring their Attendance Slip alongwith their copies of the Annual Report and Accounts to the Meeting.
9. Members seeking any information as regards the Accounts are requested to write to the Company at least one week in advance so as to enable the management to keep the information ready.
10. Members who are holding Company's shares in dematerialized form are requested to bring details of their Depository Account number for identification.
11. Members holding shares in physical form are requested to notify/ send the following to company's Registrar and Share Transfer Agent- **M/s. Niche Technologies Pvt. Ltd., D-511, Bagree Market, 71, B.R.B.B. Road, Kolkata- 700 001:-**
 - i) Any change in their address/ mandate/ bank details/ e-mail address.
 - ii) Particulars of their bank account, in case the same have not been furnished earlier, and
 - iii) Share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into a single account.
12. Shareholders holding shares in electronic form may kindly note that their bank account details as furnished by their depositories to the Company will be printed on their dividend warrants as per the applicable regulations of the depositories. Members are requested to notify any change in their bank

Notice (Contd.)

account details to their Depository Participants immediately and not to send requests for change in their bank account details directly to the Company or to the Registrar and Share Transfer Agent.

13. Members are informed that dividends remaining unclaimed/ unpaid over a period of seven years shall be transferred to the Investor Education and Protection Fund of the Central Government. Members who have not encashed their dividend warrant(s)/ cheques are requested to make their claims to the Company before the expiry of the statutory period of seven years. Unclaimed Dividend for the financial year ended 31st March, 2007 will be due for transfer to the Investor Education and Protection Fund of the Central Government on 2nd November 2014, pursuant to the provisions of Section 123 of the Companies Act, 2013.
14. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to submit the prescribed Form SH.13 for this purpose to the Registrar and Share Transfer Agent of the Company.
15. Securities and Exchange Board of India vide its circulars dated 27th April, 2007 and 25th June, 2007 has made it mandatory with effect from 2nd July, 2007, for every participant in the securities/ capital market to furnish income tax Permanent Account Number (PAN). Accordingly, all the shareholders (including joint holders) holding shares in physical form are requested to submit copy of their PAN Card duly attested by the Notary Public/ Gazetted Officer/ Bank Manager under their official seal stating their full name and address, registration number to our Registrar & Share Transfer Agent, **M/s. Niche Technologies Pvt. Ltd.**
16. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by companies and has issued circulars stating that a Company would have complied with Section 53 of the Companies Act, 1956 if the service of document has been made through electronic mode. 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 through their depository participants. Members who hold shares in physical form are requested to intimate their e-mail addresses to the Company’s dedicated e-mail ID, i.e. narendra.raai@lohiasecurities.com, in case the members wish to avail the aforesaid facility.
17. The Consolidated Financial Statements of the Company and its subsidiaries prepared in accordance with ‘Accounting Standard - 21’ prescribed by The Institute of Chartered Accountants of India, form part of the Annual Report and the Accounts. The Balance Sheet, Statement of Profit and Loss, Reports of the Board of Directors and Auditors of the subsidiaries have not been attached with the Balance Sheet of the Company as per the general exemption provided under Section 212(8) of the Companies Act, 1956 by the Ministry of Corporate Affairs, issued vide General Circular No. 2/2011 dated 8th February, 2011.

18. VOTING THROUGH ELECTRONIC MEANS

- I.) Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote by electronic means. As an alternative to vote physically at the AGM, and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL).
- II.) Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall be only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid. The instructions for e-voting are as under, Members are requested to follow the instruction below to cast their vote through e-voting:
- III.) The instructions for shareholders voting electronically are as under:

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- (i) The voting period begins on September 22, 2014 at 10.00 a.m. and ends on September 23, 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 August 22, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - (a) For CDSL: 16 digits beneficiary ID,
 - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company / Depository Participant are requested to enter in capital letters the PAN field of 10 characters as First 2 Characters of the First Holder Name followed by 8 characters consisting of Folio Number prefix by "0" (or 8 characters from right of BO-ID). No special characters or space will be taken from the name and folio number and name shall be excluded of titles like Mr./ Mrs. Smt./ Miss/ Ms./ M/s. etc. <p>Example: (1) Mr. V.N.Swami and Folio Number is S/0245, the PAN will be VN000S0245 (2) M/s. 4-square Company Ltd. and Folio Number is C-0052 the PAN will be 4S000C0052</p>
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none"> Please Enter the DOB or Bank Account Number in order to Login. If the details are not recorded with the depository or company then please enter in the Dividend Bank details field the Number of Shares Held by you as on Cut off date (record date of August 22, 2014).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting

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through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant “Lohia Securities Limited” on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders:
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

19. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at nisha.kumari07@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com on or before September 23, 2014, upto 6 p.m. without which the vote shall not be treated as valid
20. 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-August-2014.
21. The notice of Annual General Meeting will be sent to the members, whose names appear in the Register of Members / Depositories as at closing hours of business, on 22-August-2014.

Notice (*Contd.*)

- 22 The shareholders shall have one vote per equity share held by them as on the cut-off date (record date) of 22-August-2014. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
23. Ms. Nisha Kumari, Practising Chartered Accountant (Membership no. 065702) 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 unblocks the votes in the presence of at least two (2) witness not in the employment and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- 24 The results shall be declared on or after the AGM of the Company. The results declared alongwith the Scrutinizer's Report shall be placed on the website of CDSL and website of Lohia Securities Limited within two (2) days of passing of the resolution at the AGM of the Company and will be communicated to Bombay Stock Exchange Limited and The Calcutta Stock Exchange Limited.
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Notice (Contd.)

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 3

Reappointment of Directors:

Pursuant to the provisions of Articles of Association Mr. Mahesh Kumar Bajaj (DIN: 00080157), Director is retiring at the ensuing Annual General Meeting and being eligible offer himself for re-appointment. The brief resumes of the Director and other information as per clause 49 of the Listing Agreement with the Stock Exchange are provided elsewhere in the Annual Report.

Item No. 5

Mr. Sameer Bajaj (DIN: 00078805) is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on March 31, 2008. Mr. Sameer Bajaj is the Chairman of the Audit Committee and Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Board of Directors of the Company.

Mr. Sameer Bajaj has a vast experience in finance and securities market. He is a practicing chartered accountant by profession.

Mr. Sameer Bajaj does not hold by himself or by any other person on a beneficial basis any shares of the Company.

In view of the compliance with the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013, it is proposed to appoint Mr. Sameer Bajaj, as an Independent Director for a term of 5 years from the conclusion of the ensuing Annual General Meeting. A notice has been received from a member proposing Mr. Sameer Bajaj as a candidate for the office of Director of the Company.

Mr. Sameer Bajaj is not disqualified from being appointed as a Director in terms of Section of 164 of the Companies Act, 2013 and has given his consent to act as a Director.

The Company has also received declaration from Mr. Sameer Bajaj that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the listing agreement.

In the opinion of the Board Mr. Sameer Bajaj fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is Independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Sameer Bajaj as an Independent Director. Accordingly, the Board recommends the Resolution in relation to appointment of Mr. Sameer Bajaj as an Independent Director of the Company for approval by the shareholders of the Company.

Except Mr. Sameer Bajaj being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise in the resolution,

Item no. 6

Mr. Vineet Goenka(DIN: 00079400) is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 17th May, 2004. Mr. Goenka is a member of the Audit Committee, Remuneration and Nomination Committee and Investor Grievance Committee of the Board of Directors of the Company.

Mr. Goenka does not hold by himself or for any other person on a beneficial basis any share in the Company.

Notice (Contd.)

Mr. Goenka has given a declaration to the Board that he meets the criteria of Independence as provided under section 149(6) of the Companies Act, 2013. Under the Companies Act, 2013, the Company is required to appoint Independent Directors for a fixed term and their office shall not be liable to determination by retirement of directors by rotation. Accordingly, in compliance of Section 149, 150, 152, Schedule IV and any other applicable provisions of the Companies Act, 2013, Mr. Goenka being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director upto 31st March, 2019. A notice has been received from a member proposing Mr. Goenka as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Goenka fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company is independent of the management. Copy of the draft letter for appointment of Mr. Goenka as an Independent Director would be available for inspection without any fee by the members at the Registered office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Goenka as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Goenka, being an appointee, none of the Directors or Key Managerial Personnels of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no. 6.

Item no. 7

Mr. Sudheer Kumar Jain (DIN: 00075103) is one of the promoter-director of the Company and was appointed director of the Company on 18th January, 1995. He was appointed Whole-time Director on 25/09/2004. Presently, he is Whole-time Director of the Company since 26th September, 2009, and will complete his term on 25th September, 2014. The Board of Directors of the Company ("the Board") at its meeting held on 14th August, 2014, on the recommendation of the Remuneration and Nomination Committee approved the appointment of Mr. Sudheer Kumar Jain with effect from 26th September, 2014 and subject to the approval of the Members as Whole-time Directors for another period of five years from 26th September, 2014 on the following terms:-

Particulars of Remuneration of Mr. Sudheer Kumar Jain, Whole-time Director	
Basic Salary:	Rs.75,000/- per month with effect from 26 th September, 2014

Perquisites:

Provision of the Company's maintained car and driver's salary for use of the Company's business and telephone at residence shall not be considered as perquisite. The Company shall bill the appointee for personal long distance calls and use of car for private purpose, if any.

Reimbursement for entertainment, travelling and other actual expenses properly incurred for the purpose of Company's business shall not be considered as remuneration

No sitting fees to be paid for attending Meetings of the Board of Directors or any Committee.

Mr. Sudheer Kumar Jain is interested in the proposed resolution at item no(s). 7 above to the extent of his appointment, remuneration, and benefits he would enjoy.

The resolution given under the items nos. 7 and this explanatory statement taken together may be construed as an Abstract and Memorandum of Concern and Interest under Section 190 of the Companies Act, 2013.

By Order of the Board
for Lohia Securities Limited

Place: Kolkata
Date : 14th August, 2014

Narendra Kumar Rai
Company Secretary

Notice (Contd.)

DETAILS OF THE DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE 20TH ANNUAL GENERAL MEETING AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT

Name of the Director	Mr. Mahesh Kumar Bajaj	Mr. Sudheer Kumar Jain	Mr. Sameer Bajaj	Mr. Vineet Goenka
Date of Birth	3 rd March, 1959	1 st March, 1966	28 th November, 1974	16 th March, 1975
Date of Appointment	18 th January, 1995	18 th January, 1995	31 st March, 2008	17 th May, 2004
Qualification	Bcom	Bcom, FCA, ACS	Bcom, FCA, DISA	Bcom, ACA
Expertise in specific functional areas	He is a Commerce Graduate from University of Calcutta. He is one of the promoter directors of Lohia Securities Limited. He has more than 28 years experience of Capital Market. He is also a member of Calcutta Stock Exchange.	He is a Chartered Accountant and a Commerce Graduate from University of Calcutta. He is one of the promoter directors of Lohia Securities Limited and is a Whole-time Director of the Company for 10 years. He has more than 20 years experience of Capital Market.	He is a Chartered Accountant and Commerce Graduate from University of Calcutta. He is in practice and has experience of more than 11 years of Capital Market	He is a Chartered Accountant and Commerce Graduate from University of Calcutta. He is in employment and has experience of more than 15 years of Capital Market
List of Companies in which outside Directorship held	Public Companies: Nil Private Companies: (1). Bajaj Portfolio Services Private Limited (2) Madhusudhan Enclave Private Limited, (3) Bajaj Stock & Securities Trading Private Limited (4) Trade City Commodities Private Limited (5) Trade City Securities Private Limited (6) Trade City Real Estate Private Limited (7) Trade City Barter Private Limited (8) Neat Technicals Private Limited (9) Ridhi Sidhi Distributor Private Limited (10) Shiv Lalit Consultancy Private Limited (11) Daadi Stock Broking Private Limited	Public Companies: Nil Private Companies: (1) Snehdeep Commerce Private Limited (2) Trade City Commodities Private Limited, (3) Shiv Lalit Consultancy Private Limited, (4) Trade City Securities Private Limited, (5) Trade City Real Estate Private Limited (6) Trade City Barter Private Limited (7) Daadi Stock Broking Private Limited (8) Ridhi Sidhi Distributor Private Limited (9) Rajat Gardens Owners Associations Limited	Public Companies: Nil Private Companies: (a) Ridhi Sidhi Distributor Private Limited, (b) Bothra Mercantile Private Limited	Public Companies: Nil Private Companies: Ridhi Sidhi Distributor Private Limited
Chairman/ Member of the Committee of the Board of Directors of the Company (Lohia Securities Ltd.)	<ul style="list-style-type: none"> • Remuneration and Nomination Committee • Audit Committee • Investor Grievance Committee 	<ul style="list-style-type: none"> • Nil 	<ul style="list-style-type: none"> • Remuneration and Nomination Committee • Audit Committee • Investor Grievance Committee 	<ul style="list-style-type: none"> • Remuneration and Nomination Committee • Audit Committee • Investor Grievance Committee
Chairman/ Member of the Committees of the Directors of other Companies in which he is a Director	Nil	Nil	Nil	Nil
No. of shares held in Company	390400	312000	Nil	Nil
Inter-se relations with any director of the Company	No	No	No	No

Director's Report

Dear Shareholders,

Your Directors have pleasure in presenting the 20th Annual Report and the audited accounts of your Company for the financial year ended 31st March, 2014.

FINANCIAL HIGHLIGHTS

FINANCIALS OF THE COMPANY ON THE STANDALONE BASIS:

The Statement of Profit and Loss of your Company on standalone basis shows a profit after tax of ₹ 17.97 lakhs (Previous Year: Loss of ₹ 71.32 lakhs). The disposable profit is ₹ 1194.15 lakhs (₹1187.85 lakhs) after taking into account the balance of ₹1176.18 lakhs (₹1259.17 lakhs) brought forward from the previous year. The brief financial highlights are as below:

Particulars	Financial Year	Financial Year
	2013-14 (₹ in lakh)	2012-13 (₹ in lakh)
Total Income	2747.04	5243.47
Total Expenditure	-2507.33	-5051.20
Operational Profit	239.71	192.27
Less: Interest and Finance Charges	-158.00	-238.50
Less: Depreciation and Amortisation	-48.08	-64.43
Profit / Loss (-) Before Tax	33.63	-110.67
Less Provision for taxation including deferred Tax	-15.66	(39.34)
Profit After Taxes for Current Year	17.97	-71.33
Income Tax for Earlier years	0	0
Net Profit	17.97	-71.33
Add: Surplus brought forward from previous year	1176.18	1259.17
Amount Available for Appropriation	1194.15	1187.84
Less: Proposed Dividend on Equity Shares	-9.97	-9.97
Less: Corporate Tax on Proposed Dividend	-1.69	-1.69
Balance to Balance Sheet	1182.49	1176.18

DIVIDEND

Your Directors are pleased to recommend a dividend at ₹ 0.20 per equity shares i.e. 2% (Previous year ₹ 0.20, 2%) on par value of ₹ 10/- each for the year ended 31st March, 2014. As, the Company will also pay a dividend tax of 16.995% (Previous year 16.995%), the total dividend outgo will be ₹ 11.66 lakhs (Previous year ₹ 11.66 lakhs). The payment of dividend is subject to approval of the shareholders at the ensuing Annual General Meeting.

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, the declared dividend which remained unpaid/ unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the said Act.

OPERATIONS:

Lohia Securities Limited (Standalone)

The lower turnover and operating margin in an environment of high interest cost has put severe pressure on the Company's profitability.

The standalone revenue for the year was ₹ 2747.04 lakhs as compared to ₹ 5243.47 lakhs for the year ended 31st March, 2013 resulting in annualized decrease of 47.61%. Operating Profit (Earnings before

Director's Report (Contd.)

interest, depreciation and Corporate tax) for the period ended 31st March, 2013 was ₹ **239.71 lakhs** as against ₹ 192.27 lakhs for the year ended 31st March 2013 with annualized increase of 24.67%.

The Company has Profit before Tax of ₹ **33.63 lakhs** (as compared to last year's loss of ₹ 110.66 lakhs) after meeting interest expenses of ₹ **158.00 lakhs** (last year's ₹ 238.50 lakhs) and depreciation of ₹ **48.09 Lakhs** (last year's ₹ 64.43 lakhs) for the year ended 31st March, 2013. The Net Profit for the year was ₹ **17.97 lakhs** (as compared to last year's net loss of ₹ 71.33 lakhs). Your Board has decided not to transfer anything from Profit & loss account to General Reserve (Previous year -Nil) in view of negligible profit earned during the year.

Lohia Securities Limited (Consolidated)

The consolidated revenue of the Company for the year was ₹ **2984.33 lakhs**, a decrease of 47.18% as compared to previous year. There were decline in the Brokerage Income, Income from operation, Interest Income Receipt of DP division and dividend from shares lying as inventories. However, there was increase in Receipt from Depository, rental income and sale proceeds of assets.

The Net Group Profit earned after tax was ₹ **44.95 lakhs** as against Loss of ₹ 117.69 lakhs of last year.

Summary of Consolidated Financial Results of the company & its subsidiaries

Particulars	2013-14 ₹ in lakhs	2012-13 ₹ in lakhs
Total Income	2984.33	5650.20
Total Expenditure	2709.09	-5492.88
Operational Profit	275.24	157.32
Less: Interest and Finance Charges	-211.39	-263.78
Less: Depreciation and Amortisation	-58.60	-76.80
Profit Before Tax	5.25	-183.26
Exceptional Items	63.60	-
Profit Before Tax and After Exceptional Items	68.85	-183.26
Less : Tax Expenses- Current	-5.30	-
Less: Tax Expenses- Deferred Tax	-22.64	+65.57
Less: Mat Credit Entitlement	+4.04	-
Profit After Taxes for Current Year	44.95	-117.69
Income Tax for Earlier years	-	-
Net Profit	44.95	-117.69
Add: Surplus brought forward from previous year	884.51	1013.76
Amount available for Appropriation	929.46	896.07
Appropriations:		
Transfer to Reserve Fund	1.25	0
Proposed Dividend	9.96	9.96
Provision for Dividend Tax	1.69	1.69
Balance Carried to Balance Sheet	916.55	884.51

Subsidiaries

As on 31st March, 2014, Lohia Securities Limited has four 100% subsidiaries. Details of their business and operations are given below:-

Trade City Securities Private Limited has a Trading Membership of NSE in Capital and F&O Segment and Trading Membership of BSE in Capital and F&O Segment. It has achieved a turnover of ₹ 91.82 lakh (Last year 86.13 lakhs). It reported a net profit of ₹ 9.51 lakhs compared to previous year's net loss of ₹ 57.49 lakhs.

Director's Report (Contd.)

Trade City Commodities Private Limited is a member of NCDEX, MCX, National Spot, NCDEX Spot, and ICEX and is engaged in commodity trading and is registered with FMC. The Company had a net profit after tax of ₹ 13.93 lacs against last year's Net Profit of ₹ 10.13 lakhs.

Trade City Real Estate Private Limited is engaged in property and real estate business. It is also investing surplus moneys in shares and securities. The Company has incurred net loss of ₹ 1.42 lakhs compared to net profit of ₹ 3.25 lakhs of last year.

Trade City Barter Private Limited is a non-banking finance company and is engaged in investment and financing activities. The Company has earned a net profit of ₹ 4.96 lakhs compared to last year's net loss of ₹ 2.15 lakhs.

Financials of subsidiaries are disclosed in the Consolidated Financial Statements which form part of this Annual Report. Statement pursuant to the provisions of Section 212(1)(e) of the Companies Act, 1956 also forms part of this Annual Report.

COMPLIANCE UNDER SECTION 212 OF THE COMPANIES ACT, 1956

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit & Loss and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. However, the financial information of the subsidiary companies is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the Subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies. The Consolidated Financial Statements presented by the Company include the financial results of the subsidiary companies.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the directors hereby confirm that:

- i) in the preparation of the annual accounts, applicable accounting standards have been followed and that there are no material departures from the same.
- ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2014 and of the profit of the company for the year ended on that date.
- iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the directors have prepared the annual accounts on a going concern basis.

PUBLIC DEPOSITS

The company has not accepted any deposit from the public or from employees during the year under review.

DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Article 90 of the Articles of Association of the Company, Mr. Mahesh Kumar Bajaj retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for reappointment. Your Board is of the opinion that his continued association with the Board of Directors of the Company will be beneficial to the Company and hence recommends his re-election.

The term of Mr. Sudheer Kumar Jain, Whole-time Director which was for a period of 5 years from 26th September, 2009 expires on 25th September, 2014. The Directors are seeking re-appointment of Mr. Sudheer

Director's Report (*Contd.*)

Kumar Jain as Whole-time Director retiring by rotation for a period of 5 years. Details of the proposal for appointment of Mr. Sudheer Kumar Jain are mentioned in the explanatory statement under section 102(1) of the Companies Act 2013 of the notice of the 20th Annual General Meeting. The appointment is appropriate and in the best interest of the Company.

Pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule IV to the Companies Act, 2013, Mr. Sameer Bajaj and Mr. Vineet Goenka, all existing Independent directors of the Company have been appointed as Independent Directors of the Company and shall hold office for a term of five consecutive years from the date of this Annual General Meeting.

Brief resume of the Directors seeking appointment, re-appointment as stipulated under Clause 49 of the Listing Agreement, are provided in the Report on Corporate Governance forming part of the Annual Report.

None of the Directors are disqualified from being appointed as Directors as specified in Section 274(1) (g) of the Companies Act, 1956 (Section 164 of the Companies Act, 2013).

Your Board of Directors has recommended their re-election.

COMMITTEES OF DIRECTORS

The Board of Directors has aligned the existing Committees of the Board with the provisions of the Companies Act, 2013 (Act). Accordingly, the Company has renamed its existing Remuneration Committee as "Nomination and Remuneration Committee" and have delegated to it powers as required under Section 178 of the Act. The existing shareholder's/ Investor's Grievance and Share Transfer Committee has been renamed as "Stakeholders Relationship and Shareholders Grievance Committee".

The scope of Audit Committee has also been widened so as to bring it in accordance with the requirement of Section 177 of the Companies Act, 2013.

INDEPENDENT DIRECTORS

Pursuant to Section 149 of the Companies Act, 2013 (new Act) read with the Rules made thereunder, the Independent Directors shall hold office for a period of up to 5 consecutive years and shall not be liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of up to 5 years each. In terms of revised clause 49 of the listing agreement which will be applicable from 1st October, 2014, in case the Independent Director has already served for 5 or more years, he can be appointed for only one term of 5 years. As per new Act, the Nominee Director is not considered to be an Independent Director. Presently, Mr. Sameer Bajaj and Mr. Vineet Goenka are the Independent Directors of the Company. As per their existing terms of appointment, all of them are liable to retire by rotation. However, under the new Act and Clause 49 of listing agreement, they may be appointed afresh with a fixed period of up to 5 years.

The Board considered the independence of each of the above mentioned Directors in terms of Section 149 and Schedule IV to the Companies Act, 2013 and Clause 49 of the listing agreement and was of the view that the proposed directors fulfill the criteria of independence as mentioned in the above provisions and can be appointed as Independent Directors. All the proposed directors possess requisite qualifications, appropriate skills, experience and knowledge in one or more fields of finance, law management, marketing, administration, technical operations and other disciplines related to Company's business. Keeping in view, the educational / professional qualifications, working experience, expertise in line with Company's business, positive attributes, already being on the Board of the Company and benefits that the Company will derive with their appointment, the Board has recommended their appointment as Independent Directors of the Company to hold office for a term of five consecutive years commencing from the date of 20th Annual General Meeting of the Company.

AUDITORS:

M/s. Patni & Co., Chartered Accountants, Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

Director's Report (Contd.)

In terms of Section 139(2) of the Companies Act, 2013, the Audit Committee and the Board of Directors have recommended that M/s Patni & Co., Chartered Accountants, may be appointed as statutory auditors of the Company for a period of five consecutive years from the conclusion of the 20th Annual General Meeting up to the conclusion of the 25th Annual General Meeting, subject to ratification at each Annual General Meeting, at a remuneration that may be decided by the Board of Directors.

AUDITORS' REPORT:

The statutory auditors of the Company submitted their report on the accounts of the Company for the accounting year ended 31st March, 2014, which was self explanatory and needed no comment. As regard to point no. (ix) of the Annexure to the Auditor's Report, the Company is hopeful of a favourable decision (a) of its appeal to Commissioner of Income Tax Kolkata VI against the balance demand of ₹ 5.80 lakhs for the year 2004-05; (b) of appeal filed by IT department with ITAT, Kolkata against the order of CIT(A)-VI for the financial year 2007-08 for a maximum liability of ₹9.98 lakhs; (c) of its appeal to Commissioner of Income Tax for the income tax demand of ₹24.85 lakhs for the financial year 2009-2010 and (d) of its appeal against the demand of ₹43.74 lakhs for the financial year 2010-2011: and hence no provision has been made for the disputed liabilities in the account.

PARTICULARS OF EMPLOYEES:

The particulars of the employees pursuant to the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (particulars of employees) Rules, 1975 as amended by the Companies (Particulars of the Employees) Amendment Rules 2011, read with General Circular no. 23/2011 dated May 3, 2011 issued by MCA, are not given since none of the employees are in receipt of a remuneration in excess of the prescribed limit.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

In view of the nature of activities which are being carried on by the Company, Rules 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 concerning conservation of energy and technology absorption respectively are not applicable to the Company

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total foreign exchanges used and earned are as below (₹ in lakhs)

Expenditure in Foreign Currency: Nil (Previous Year-Nil)

Inflow in Foreign Currency

Sl.No	Particulars	2013-14	2012-13
1	Incentive from Reuters	0.00	0.12
	Total	0.00	0.12

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

Your directors affirm their commitment to the Corporate Governance standards prescribed by the Securities Exchange Board of India (SEBI). Corporate Governance and Management Discussion and Analysis Report are set out as separate annexure to this report. The certificate of the Auditors, Messrs. Patni & Co., confirming compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Calcutta Stock Exchange is contained elsewhere in the Annual Report.

ACKNOWLEDGEMENTS

Your Board places on record their sincere appreciation for the cooperation and support received from shareholders, customers, business associates, bankers, SEBI and other regulatory and government authorities.

Director's Report (*Contd.*)

Your directors thanks all the valued clients, sub-brokers, shareholders, banks, financial institutions, stock exchanges, depositories and other stake holders for their patronage and support and take this opportunity to express their appreciation of the dedicated and committed team of employees of the Company.

Kolkata, the 14th day of August, 2014

For and on behalf of the Board of Directors

Hari Kishan Lohia
Director

Mahesh Kumar Bajaj
Director

Sudheer Kumar Jain
Whole-time Director

Management Discussion And Analysis Report

Industry Structure and Developments

India remains one of the fastest growing economies of the world. Economic challenges inherited from FY2013 continued to exert pressure in FY2014. However, some macroeconomic stability was seen during end-FY2014. India's GDP growth improved moderately to 4.7% in FY 2013-14 against 4.5% in the previous year, and is estimated to increase further to 5.3%-5.5% in the current financial year. Expectations over the elections also brought a shift in sentiments. However, despite the climate of hope and optimism, significant actionables remain for the new government in order to realize higher and sustained economic growth. GDP growth for FY2014 remained subdued, same as FY2013. The main drag was the Industry segment. Slowdown in reforms and low clarity in policies impacted investments from the private sector. This resulted in an absolute slowdown in manufacturing activities. Agriculture saw some revival due to better than expected monsoons, although weather concerns remain. Growth in the Services segment is expected to be at 7% levels for the third successive year, much lower than that seen annually from FY2006 to FY2010.

The National Stock Exchange (NSE) Index (S&P CNX Nifty) which was at 5682.55 points in March 2013, moved to **6704.20** points in March 2014, registering an increase of **17.98%**. The Bombay Stock Exchange (BSE) Sensitive Index (Sensex) also registered increase of **18.85%** from 18835.77 points to **22386.27** points during the same period. On 31st day of March 2014, BSE Sensex reached a high of **22467.21** points and NSE S&P CNX Nifty reached **6730.05**. The lowest BSE sensex was 17448.71 and NSE (S&P CNX Nifty) Index 5118.85 on the 28th day of August 2013. Thus, there was a fluctuation of 28.76% between High and Low in BSE Sensex during the year and 31.48% between NSE's High and Low. The NSE trading volume for CM segment during the year was ₹ **2,808,488** crore as compared to previous year ₹ 2,708,279 crore. The F&O segment of NSE has achieved a trading value of ₹ **38,211,408** crore during the year as compared to ₹31,533,004 crore of the year 2012-13. The Currency segment of NSE achieved trading volume of ₹**4,012,513** crore in the year 2013-14 against ₹ 5,274,465 crore in last year. BSE registered total equity turnover during 2012-13 of ₹ **521,664** crore compared to previous year's ₹ 548,774 crore. BSE F&O had a turnover of ₹**9,219,434** crore during the year 2013-14 against previous year's ₹ 7,162,523 crore.

Your Company has a note-worthy presence in the eastern region of the Indian Capital Market with Trading and Clearing Corporate Membership of the National Stock Exchange (Capital Market Segment as well as Derivative Market Segment), Deposit based membership of Bombay Stock Exchange Limited and Membership of the Calcutta Stock Exchange. Your Company is also a Clearing and Trading Member of F&O Segment of BSE, trading cum clearing membership of Currency Derivative of NSE and Trading Membership of Currency Derivative of MCX Stock Exchange, BSE Limited and United Stock Exchange.

Management Discussion And Analysis Report (Contd.)

The stock broking and depository services have huge growth opportunities due to existing low penetration levels. However, these businesses are facing tremendous competitive pressures and regulatory compliances. As per SEBI, there were 9150 brokers (Cash market), 4925 corporate brokers, 54846 sub-brokers, 3072 Derivative Brokers (Trading and Clearing members), 2382 Brokers for Currency Derivatives and 866 Depository participants as on 31.12.2013. Stockbrokers and Depository Participants have to comply with various laws. The advances in technologies have also affected these businesses. Your Company is gearing up well to face all such developments by increasing its reach across geographical areas and client segments, improving its infrastructure and technological, financial and human resources.

Opportunities and Threats

The Indian economy is growing at healthy rate leading to more investment and capital requirements. It will ultimately lead to higher share of the financial service industry in the disposable income. With the change in attitude from wealth safeguard to wealth growth, there will be more opportunity for service providers. The scope of diversification of house hold savings from banks to other channels like mutual funds, equities, bonds and commodities are immense. The implementation of regulatory reforms would win the confidence of public in large and it would help in greater participation of all classes of investors in the capital market.

The increase in the number of large broking houses with their financial muscle power pose a threat to the existence of small and medium broking houses. With the lowering of income from brokerage and fees from DP services and increase of the cost of services, it is posing a great threat for the survival of intermediary business. Retention of skilled manpower especially arbitrageur is also a threat to the Company. Your Company has diversified into other businesses by acquiring/ promoting subsidiary companies. The wholly owned subsidiaries are (a) Trade City Commodities Private Limited-engaged in Commodity Trading, (b) Trade City Real Estate Private Limited-Property Dealing (c) Trade City Securities Private Limited-Share broking with Membership of NSE and BSE-Cash and Derivative Segment -especially in retail business, (d) Trade City Barter Private Limited- an NBFC Company. Your Company has started trading activities on Currency Derivative of MCX Stock Exchange on proprietary basis. The Company is concentrating its activities to a cross section of society across India and has branches in Kolkata, Mumbai, Patna, Giridih, Guwahati and Purulia. It is providing professional, value added, comprehensive and integrated financial and wealth growth solutions across equities, derivatives, currency derivatives segment and depository participant division. This feature helped the Company in generating more business than its competitors.

Activity-wise performance

Your Company has performed satisfactorily despite the recession in the broking industry and stiff competition.

Management Discussion And Analysis Report (Contd.)

Total Turnovers of the Company are as below: (₹ in Lakhs)

Exchange	Segment	2013-14	2012-13	Change	Increase/ Decrease (%)
NSE	Capital Market	116,193.40	174,481.10	-58,287.7	-33.41
	Future & Option	1,679,928.63	2,332,484.74	-652556.11	-27.98
	Currency Derivative	540794.36	1,166,970.11	-626175.75	-53.66
BSE	Capital Market	4629.4	2,247.20	+2382.2	+106.01
	Future & Option	20188.0	29,645.60	-9457.6	-31.90
	Currency Derivatives	7600.0	0	+7600.0	+100.0
MCX-SX	Currency Derivative	51819.00	76,172.49	-24353.49	-31.97
USE	Currency Derivative	0	283.08	-283.08	-100.00
NSDL & CDSL	Services as Depository Participant	20.45	22.89	-2.44	-10.65

From the sale of products like shares, mutual fund and surplus from the equity and currency derivative transaction and after setting of losses from non delivery transaction your Company has earned ₹ 2,460.79 lacs during the year in comparison to ₹ 4,849.33 lacs of last year. (a decrease of 49.255%)

During the year, the Broking activities of the Company posted a gross revenue of ₹ 93.97 lacs as compared to ₹ 106.59 lacs for the year ended 31.03.2013 resulting in annualized decrease of 11.84%. The Depository managed to bring in revenue of ₹ 20.45 lacs during the year as compared to ₹ 22.89 lacs of last year (a decrease of 10.66%).

Outlook

Investor sentiments seem to be building up in light of the stability in certain macro indicators, as well as the evolving political scenario over the elections. Sustenance of macro indicators at reasonable levels, along with a revival in the capex cycle and manufacturing segment following clarity on the political front and policy/reforms movement should help increase activity levels in the capital markets. Initial evidence of this can already be seen in the early months of FY 2014-2015. Volume levels in the cash equities market have increased since March onwards, especially in the high-yield delivery segment. Equity mutual funds are also evincing interest in terms of inflows

In the given situation, the mantra for this year will be improving operating efficiency and reduction of operating cost of the Company.

We are confident of garnering our share with long term Indian growth story in view of our diversified model. Starting from a single product company in 1995, we now encompass many businesses and have a

Management Discussion And Analysis Report (*Contd.*)

wide product range. Your Company has an active role in trading in capital as well as derivative market of NSE and BSE. It is also engaged in the Currency Derivative segment of NSE, MCX-SX, BSE and USE.

All our efforts are being made to keep the expenses under check so that resources would be deployed more gainfully. The Company is encouraging its workforce to acquire more and more knowledge about the market and its intermediation works.

Your Company has invested in new technology for doing algorithm trading in various segment of NSE.

Risks and Concerns

Your Company recognizes the importance of a comprehensive Risk Management system. The Company believes in a practical, responsible approach to risk. It is our constant effort to ensure that every risk we take has been thoroughly assessed, and that all risks are according to their potential return. Towards this end, we have made significant investments in manpower and technology for risk management during the year under review. This system will help not only to meet and comply with regulatory requirements but also to bring about an improvement in asset quality and profitability. It will eventually increase the shareholders' value. The Market risk and Operational risk need to be identified, assessed, controlled and managed for effective and efficient operation. Your Company has endeavored to bench-mark its Risk Management System on lines of market best practices and emerging regulatory norms.

A comprehensive risk evaluation methodology and processes for early identification and mitigation of all kinds of risks being in place, except for unforeseen circumstances and marginal exposure to financial risk in retail capital markets division, your Company is quite a risk free business. We have worked to strengthen our enterprise wide risk management process and practices through our risk philosophy, whose core lies in the identification, measurement, monitoring and action.

Internal Control System

The Company has an adequate system of internal control implemented by the management towards achieving efficiency in operations, optimum utilization of resources and effective monitoring thereof and compliance with applicable laws.

The philosophy of the Company with regard to internal control systems and their adequacy has been formulation of effective systems and their implementation to ensure that assets and interests of the Company are safeguarded with required checks and balances in place to determine the accuracy and reliability of accounting data.

Management Discussion And Analysis Report (Contd.)

The Company has an independent appraisal function to examine and evaluate the adequacy and effectiveness of the Company's internal control system. It appraises periodically about its activities and audit findings to the Audit Committee, Statutory Auditors and top management.

Internal Audit ensures that systems are designed and implemented with adequate internal controls commensurate with the size and operations; transactions are executed in accordance with the Company's policies and authorisation. The internal audit department undertakes extensive programmes of both pre and post audit checks and reviews and also carries out regular follow-up on observations made. The Audit Committee of the Board reviews the internal audit reports and the adequacy of internal control.

Discussion on financial performance with respect to operational performance

During the year, due to poor participation of retail investors in Indian Capital Market, the Company could not attain expected performance. Clear understanding of business dynamics, emphasis on efficient recovery system alongwith an integrated approach to risk management has enabled the Company to make the best use of the available resources and achieve better results.

The management's relentless focus was on assets productivity, strengthening of internal efficiency, cost consciousness and improved realization on turnovers. Gross revenue from operations was reduced by 47.61% to ₹ 2,747.04 lakhs against last year's ₹ 5,243.47 lakhs. Thus there was a fall in the business of ₹ 2496.43 lakhs, primarily driven by reduction of (a) ₹2388.54 lakhs in sale of products, (b) ₹ 15.08 lakhs in sale of services, (c) ₹ 4.10 lakhs from other operating income and (d) of ₹ 88.71 lakhs from Other Income.

However, the total expenses decreased by ₹ 2640.72 lakhs in comparison to last year. It was because of decrease in (a) purchase of stock in trade by ₹2199.73 lakhs (b) finance cost by ₹ 80.50 lakhs (c) Stock in trade of ₹ 134.46 lakhs (d) Employees benefit expenses of ₹ 17.80 lakhs (e) other expenses of ₹. 191.89 lakhs and (f) amortization expenses of ₹ 16.34 lakhs

Profit before tax was ₹33.63 lakhs (Increased by ₹ 144.30 lakhs in comparison to last year) while Net Profit at ₹17.97 lakhs (increased by ₹ 89.30 lakhs in comparison to last year). Earnings per share (EPS) for the year stand at ₹0.36 (Previous Year loss of ₹ 1.43). Cash generated from Operations aggregated ₹ 51.92 lakhs compared to ₹ 31.01 lakhs in previous year (increased by ₹20.91 lakhs).

Material developments in human resource, industrial relation including number of people employed

The relationship between the Management and the Employees at various levels has been quite cordial. To improve efficiency and for a more effective manpower utilisation, the Company has been constantly providing opportunities for learning and competitive remuneration. A challenging work environment has

Management Discussion And Analysis Report (*Contd.*)

always been encouraged so as to create awareness amongst the employees for evaluation of their performance against the demanding standards. The employees are encouraged to improve their performance. They are provided training on job as well as outside. Periodic group and individual meetings are conducted with employees and their feedback is taken.

The number of persons employed in the Company as on 31st March, 2014 was 77 (previous year: 83).

For and on behalf of the Board of Directors

Hari Kishan Lohia
Director

Kolkata, the 14th day of August, 2014

Mahesh Kumar Bajaj
Director

Sudheer Kumar Jain
Whole-time Director

Report on Corporate Governance

The Report on Corporate Governance is pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges and forms a part of the report of the Board of Directors. The company has complied with the applicable requirements of Clause 49 of the Listing Agreement

A. MANDATORY REQUIREMENTS

1. THE COMPANY'S GOVERNANCE PHILOSOPHY

Lohia Securities is committed to maintaining high standards of Corporate Governance, protecting Customers', Shareholders' and other Stakeholders' interest. In line with this philosophy, Lohia Securities Limited endeavors to maintain transparency at all levels through adoption of best Corporate Governance Practices. The basic governance frameworks reflecting the values of the entity are ingrained in the functions.

2. BOARD OF DIRECTORS

In terms of the Company's Corporate Governance policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company and as trustees of stakeholders. The basic responsibility of the Board is to provide effective governance over the Company's affairs exercising its reasonable business judgement on behalf of the Company.

a) Composition and size of the Board

The Board of Lohia Securities Limited is a balanced one, comprising Executive and Non-Executive Directors. The Executive Directors do not exceed one-third of the total strength of the Board. The Non-Executive Directors are eminent professionals, drawn from amongst persons with experience in business /finance /law. The Board of Directors selects one of their numbers as Chairman at each meeting. Mr. Sameer Bajaj, an independent director, was elected to Chair at each of the Board meetings. The Company is managed by the Managing Director and the Whole-time Director and is assisted by the Management Team.

As at 31st March, 2014, the composition of the Board of Directors is in conformity with the prescribed code of Corporate Governance by the Stock Exchanges. As mandated under Clause 49 of the Listing Agreement with the Stock Exchanges, none of the Directors are member of more than ten Board level Committee nor is any of them a Chairman of more than five Board level Committee in which they are members.

Name of the Directors	Category of Directors	No. of Directorships in other Companies(*)
Mr. Hari Kishan Lohia	Non-Executive Director, Promoter	Nil
Mr. Mahesh Kumar Bajaj	Non-Executive Director, Promoter	Nil
Mr. Rajesh Kumar Bajaj	Executive Director, Promoter	Nil
Mr. Sudheer Kumar Jain	Executive Director, Promoter	Nil
Mr. Vineet Goenka	Non-Executive Independent Director	Nil
Mr. Sameer Bajaj	Non-Executive Independent Director	Nil

* The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Section 8 Companies and Private Limited Companies.

* The Company did not have any material pecuniary relationship or transaction with the non-executive directors during the period under review.

Report on Corporate Governance (Contd.)

b) Board Procedure

The Board has a formal schedule of matters reserved for its consideration and decision. Agenda papers for the Board/ Committee Meetings containing all necessary information/ documents are made available to the Board/ Committee, respectively, in advance to enable the Board/ Committee to discharge its responsibilities effectively and take informed decision. The senior Executive makes presentation before the Board. The Board of Directors meet at regular intervals and decisions are taken at the Meetings after detailed discussions and evaluation of the subject. After the Meetings, the Company has a formal system of follow up, review and reporting. The actions taken on the Board/ Committee Meetings and decisions arrived at are reported at its next meeting for being reviewed by the Board/ Committee(s). Amongst other things, the Board considers the following matters:

- Strategy and Business Plans
- Annual Operating and Expenditure Budgets
- Statutory Compliances
- Adoption of Quarterly/ Half Yearly/ Annual Results
- Minutes of Meeting of the Board Committees, and
- Minutes of the Board Meetings of the Subsidiaries.

In accordance with the code of Corporate Governance and based on the requirements to focus on special areas, the Board has constituted several Committees to deal with specific matters and delegated powers for different functional areas.

c) Meetings and Attendance

Eight Board meetings were held during the year, as against the minimum requirements of four meetings. The Company has held at least one Board Meeting in every three months and maximum time gap between any such two meetings was not more than four months. During the financial year ended 31st March 2014, Board Meetings were held on 01.04.2013, 30.05.2013, 13.06.2013, 13.08.2013, 21.09.2013, 13.11.2013, 16.12.2013 and 14.02.2014.

Attendance at Board Meetings and at Annual General Meeting (AGM)

Name of the Directors	No. of Board Meeting		Whether attended the last AGM
	Held	Attended	
Mr.Hari Kishan Lohia	8	8	No
Mr. Mahesh Kumar Bajaj	8	8	No
Mr. Rajesh Kumar Bajaj	8	7	Yes
Mr. Sudheer Kumar Jain	8	7	Yes
Mr. Vineet Goenka	8	1	No
Mr. Sameer Bajaj	8	8	Yes

Report on Corporate Governance (Contd.)

3. COMMITTEES OF THE BOARD

Currently there are three Board Committees-the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board Committee are convened by the respective Committee Chairman. Signed minutes of the Board Committee are placed for information of the Board Members

a. Audit Committee

Composition

The Audit Committee comprises of three Non Executive Directors (two of them independent). All of them financially literate and most of them have accounting or related financial management expertise. The Chairman of the Committee is an independent Director.

Mr. Sameer Bajaj, Chairman

Mr. Mahesh Kumar Bajaj

Mr. Vineet Goenka

The Senior Management team of the Company comprising of the Chief Operating officer, Head of Finance Department, the Statutory Auditor and the Internal Auditor are invited to attend the Meeting of the Committee as Invitee. The Company Secretary is the Secretary to the Committee.

Terms of Reference

The terms of reference of the Audit Committee cover the matters specified under Clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956, such as overseeing of the Company's financial reporting process, recommending the appointment/ re-appointment of statutory auditors, reviewing with the Management quarterly and annual financial statements, internal audit reports and controls of the Company and other matters as stated under the role of Audit Committee in Clause 49 of the Listing Agreement.

Attendance

During the financial year ended on 31st March, 2014 meetings of the Audit Committee were held on 1st April, 2013, 30th May, 2013, 13th August, 2013, 13th November, 2013 and 14th February, 2014 which were attended by all the above members except Shri Vineet Goenka. The gap between two meetings never exceeded four months.

b. Remuneration Committee

Composition

The Remuneration Committee comprises of three Non-Executive Directors, two of whom are independent. The Chairman of the Remuneration Committee is Mr. Sameer Bajaj. Mr. Mahesh Kumar Bajaj and Mr. Vineet Goenka are the two other members of this Committee.

Terms of Reference

The Remuneration Committee has been constituted to recommend/ review remuneration of the Managing Director and Whole-time Director based on their performance and defines assessment criteria.

Report on Corporate Governance (Contd.)

Meetings and Attendance

A meeting of the Committee was held on 24th August, 2013 in which all the members except Shri Vineet Goenka participated. It reviewed the payment of remuneration of Executive Directors.

Remuneration of Directors

The Remuneration Committee, comprising only of Non-Executive Directors, determines remuneration of Executive Directors and Senior Executive. The aggregate amount of salary paid for the year ended 31st March, 2014, to Mr. Rajesh Kumar Bajaj, Managing Director of the Company was ₹ 15,00,000/- and Mr. Sudheer Kumar Jain Whole-time Director was ₹ 9,00,000/-. The Non-executive Directors were not paid any sitting fees for attending meeting of the Board and Committee thereof. The Company has not paid any commission to Non-Executive Directors.

c. Shareholders/ Investors Grievance Committee

Composition

The Shareholders/ Investors Grievance Committee presently consist of three Non –Executive Directors, two of whom are independent. The Chairman of the Shareholders/ Investors Grievance Committee is Mr. Sameer Bajaj. The other members of the Committee are Mr. Mahesh Kumar Bajaj and Mr. Vineet Goenka. Company Secretary is the Compliance Officer of the Committee.

Terms of Reference

The Committee is responsible for addressing the investor complaints and grievances. The Committee meets on a periodic basis to address the investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc.

Details of grievances of the shareholders as on 31st March, 2014 is as below:

Number of Shareholder Complaints received during the year.	Nil
Number not solved to the satisfaction of the shareholders till 31 st March, 2014	Nil
Number of Complaints pending as at 31 st March, 2014	Nil

Meetings and Attendance

During the financial year ended 31st March, 2014, only one meeting of the Shareholders/ Investors Grievance Committee was held on 15.03.2014 for consideration of the future policies of the Company in relation to handling of investor grievances.

4. GENERAL BODY MEETINGS

a) Location and time, where last three AGMs held

Financial Year	Date	Time	Place
2010-11	Saturday, 17 th September, 2011	10.30 a.m.	4 Brabourne Road, 5 th floor, Kolkata 700 001
2011-12	Saturday, 22 nd September, 2012	10.30 a.m.	4 Brabourne Road, 5 th floor, Kolkata 700 001
2012-13	Saturday, 21 st September, 2013	10.30 a.m.	4 Brabourne Road, 5 th floor, Kolkata 700 001

Report on Corporate Governance (Contd.)

b) Special Resolutions passed at the last 3 (three) AGM held

Date of AGM	Items
17 th September, 2011	Nil
22 nd September, 2012	Nil
21 st September, 2013	Nil

No Extraordinary General Meetings were held during the last three years.

c) Special Resolution passed last year through Postal Ballot- Details of Voting Pattern-
No Special Resolution was passed through Postal Ballot.

d) Person who conducted the postal ballot exercise: *Not Applicable*

e) Whether any special resolution is proposed to be conducted through postal ballot: *Nil*

f) Procedure for Postal Ballot: *N.A.*

Resume and other information of the Directors proposed to be re-appointed (including those retiring by rotation) at the ensuing Annual General Meeting are given in the Notice relating thereto to the shareholders as required under Clause 49IV(G) of the amended Listing Agreement.

5. DISCLOSURES:

- A Statement in summary form of transactions with related party in the ordinary course of business is placed periodically before the Audit Committee. The pricing of all transactions with the related parties were on arms length basis.
- There are no materially significant related party transactions i.e. transactions material in nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. having potential conflict with the interests of the Company at large.
- While preparation of financial statements for the year under review, no accounting treatment which was different from that prescribed in the Accounting standard followed.
- For the list of disclosures of related party relationship and transactions as per Accounting Standard AS-18, "Related Party Disclosures", **Note 29** to the Annual Audited Accounts of the Company for the year ended 31st March, 2014 may be referred to.
- In accordance with the requirement of Corporate Governance the Board of Directors of the Company has formulated a Code of Conduct for Directors and Senior Management Personnel of the Company and all concerned thereof has affirmed the compliance. The required declaration to this effect signed by the Managing Director and the Whole-time Director is appended as a separate Annexure to this Report. The Code of Conduct has been hosted on the Company's web site www.lohiasecurities.com.
- No stricture was imposed on the Company by any regulatory authority on any matter related to capital market during the last three years.
- The Company has laid procedure to inform the Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management control risks through means of a properly defined framework.

Report on Corporate Governance (Contd.)

- In accordance with the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation, 1992 as amended in February, 2002, the Board of Directors of the Company has formulated the Code of Conduct for prevention of insider trading in Equity Shares of the Company by its Directors and Employees.
- The Board of Directors of the Company have received a Certificate from the Managing Director and a Whole-time Director of the Company in compliance of Clause 49(V) of the Listing Agreement.
- The Company has not made any public issue/ rights issue and preferential issues during the period under review.

6. MEANS OF COMMUNICATION

Subject	Details
Whether half yearly reports are sent to each of the household of shareholders	No, the financial results are published in the Newspaper, as required under the Listing Agreements
Quarterly Results	Published in the newspaper in terms of Clause 41 of the Listing Agreement
Newspapers wherein results published	Business Standard- English Arthik Lipi- Bengali
Any website, where displayed	www.lohiasecurities.com
E-mail for Investor Complaints	Pursuant to amended Listing Agreement with Stock Exchanges Clause 47(f) has been inserted for exclusive e-mail id for redressal of investor grievances. Accordingly the Company has created an exclusive e-mail id: grievance@lohiasecurities.com
Whether it also displays official news released and presentations made to institutional Investors/ Analysis	No
Whether MD&A is a part of Annual Report	Yes, the same is part of Directors' Report

In compliance with the requirements of the Listing Agreements, the Company regularly intimates unaudited as well as audited financial results to the Calcutta Stock Exchange as well as BSE immediately after the Board takes them on record. Further coverage is given for the benefit of the shareholders and investors by publication of the financial results in the Financial Express and a Bengali newspaper circulating in the state of West Bengal. The same is also posted on the Website of the Company.

7. GENERAL SHAREHOLDER INFORMATION

1.	Annual General Meeting: Date, time and Venue	:	Saturday, 27 th September, 2014, 10.30 a.m. at the Registered Office of the Company at 4 Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5 th floor, Kolkata 700 001
2.	Financial Year	:	1 st April, 2013 to 31 st March, 2014
3.	Directors seeking appointment/ reappointment	:	As required under Clause 49(V)(G), particulars of Directors seeking appointment/ reappointment are given in

Report on Corporate Governance (Contd.)

		the explanatory statement annexed to the Notice of the Annual General Meeting to be held on 27 st September, 2014.
4.	Book Closure Date	: The Register of Members will be closed from Tuesday, 23 rd September, 2014 to Saturday 27 th September, 2014 (both dates inclusive) as annual closure for the Annual General Meeting and payment of dividend, if declared.
5.	Dividend Payment Date	: The Board has recommended a dividend of Re. 0.20 per equity share for the year ended 31 st March, 2014; if declared at the AGM, this would be payable on or after 3 rd October, 2014.
6.	Financial Calendar Period (Tentative)	
	Financial reporting for the quarter ending June 30, 2014	: First fortnight of August 2014
	Financial reporting for the quarter ending September 30, 2014	: First fortnight of November 2014
	Financial reporting for the quarter ending December 31, 2014	: First Fortnight of February 2015
	Financial reporting for the year ending March 31, 2015	: Last week of May 2015
	Annual General Meeting for the year ended March 31, 2015	: Last fortnight of September, 2015
7.	Registered Office	: 4 Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5 th floor, Kolkata 700 001
8.	Listing of Equity Shares on Stock Exchanges	: <ul style="list-style-type: none"> • The Calcutta Stock Exchange Limited • BSE Limited (under permitted category)
9.	Listing fees	: All listing and custodial fees to the stock exchange and depositories have been paid to the respective institutions.
10.	Stock code and Stock ID	: a) The Calcutta Stock Exchange Limited - 22123-LOHIASEC b) BSE-590082-LOHIASEC
11	ISIN	ISIN in National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited-INE803B01017.

12. Market Price Data:

Monthly high and low quotes and volume of shares traded on Calcutta Stock Exchange (CSE): There were no trading of the equity shares of Lohia Securities Limited for the

Report on Corporate Governance (Contd.)

period from 01/04/2013 to 31/03/2014 at the Calcutta Stock Exchange. The close price as on 31st March 2014 is ₹ 6.00. The shares of the Company were permitted for trading on BSE platform with effect from 06.05.2008 and the closing price as on 31st March, 2014 was ₹ 75.00

The market price data i.e. monthly high and low prices of the Company's shares on BSE are given below: (in ₹)

Month	Open Price	High Price	Low Price	Close Price	No. of Shares
May 13	80.00	80.00	80.00	80.00	1
Jun 13	80.00	80.00	79.00	80.00	55000
Jul 13	80.00	80.00	80.00	80.00	286
Sep 13	80.00	80.00	80.00	80.00	10,000
Oct 13	77.25	77.25	75.00	75.00	41695
Nov 13	74.00	74.00	74.00	74.00	9000
Feb 14	75.00	75.00	75.00	75.00	2
Mar 14	75.00	75.00	75.00	75.00	1

13. Performance in comparison to broad-based indices such as BSE sensex, CRISIL index etc. : The Company's share does not form a part of the CSE-40 or CSE-50 index. Similarly it is not form of BSE Sensex.
14. Registrars and Transfer Agents (Share transfer and communication regarding share certificates, dividend and change of address) : M/s. Niche Technologies Pvt. Ltd.
D-511, Bagree Market,
71, B.R.B.B. Road
Kolkata- 700 001
15. Share Transfer System : Share transfers are registered and returned within a period of 15 days from the date of receipt, in case documents are complete in all respects. All share transfers are approved by the whole-time Director under the authority delegated to him by the shareholders/ investors Grievance Committee. During the year ended 31st March, 2014, no shares in physical form were transferred.

Report on Corporate Governance (Contd.)

16. a) Distribution of Shareholding as at the year ended 31.3.2014:

No. of Shares	No. of Shareholders	% of Total	No. of Shares	% of Total
Upto- 500	315	82.8947	14,787	0.2967
501-1,000	3	0.7895	2,149	0.0431
1001-5000	4	1.0526	11,693	0.2347
5001-10,000	7	1.8421	55,231	1.1084
10,001-50,000	24	6.3158	6,57,257	13.1900
50,001-1,00,000	15	3.9474	12,67,763	25.4418
1,00,001- & above	12	3.1579	29,74,120	59.6853
Total	380	100.0000	4983000	100.0000

b) Categories of Shareholders as at the year ended 31.03.2014

Category	No. of Shareholders	% of Total	No. of Shares	% of Total
Bodies Corporate:				
Promoters	6	1.579	887,950	17.820
Others	28	7.369	1328,610	26.663
Clearing Member	1	0.263	345	0.007
Total Bodies Corporate	35	9.211	2,216,905	44.490
Resident Individuals				
Promoters	15	3.947	2,383,931	47.841
(Directors & Relatives)				
Others	330	86.842	382,164	7.669
Total Individuals	345	90.789	27,66,095	55.510
TOTAL	380	100.000	4983000	100.000

17. Top Ten Shareholders as on 31st March, 2014

Sr. No.	Name of shareholders	Number of Shares Held	% of total
1	Hari Kishan Lohia	431000	8.65
2	Rajesh Kumar Bajaj	419800	8.42
3	Mahesh Kumar Bajaj	390400	7.83
4	Sudheer Kumar Jain	312000	6.26
5	Shiv Lalit Consultancy Pvt. Ltd.	265000	5.32
6	Ridhi Sidhi Distributor Pvt. Ltd.	252881	5.07
7	Sarla Lohia	205100	4.12
8	Trade City Barter Pvt. Ltd.	205000	4.11
9	Sunita Bajaj	140700	2.82
10	Hallmark Merchants Pvt. Ltd.	132021	2.65
	Total	2753902	55.27

18. Dematerialisation of Shares and Liquidity:

Trading in the Company's shares is permitted only in dematerialized form. The Company has established connectivity with both the depositories viz. NSDL and CDSL through the Registrar M/s. Niche Technologies Pvt. Ltd., whereby the investors have the option to dematerialize their shares with either of the depositories. As on 31st March, 2014, about 49,74,670 (99.833% of the Company's) shares were held in dematerialized form.

None of the Company's shares are under lock-in period for any purpose.

Report on Corporate Governance (Contd.)

Company obtains a certificate from practicing Company Secretaries every quarter, which confirms that total issued capital of the Company is in agreement with total number of shares in dematerialized form with NSDL and CDSL and shares in physical form. All the share-holding of the promoters group is in electronic form.

Shares held in dematerialized and physical mode as on March 31, 2014

Category		Shareholders		Shares	
		Number	Percentage	Number	Percentage
Dematerialised	NSDL	201	52.895	45,75,653	91.825
	CDSL	85	22.368	3,99,017	8.008
	Subtotal	286	75.263	49,74,670	99.833
Physical Mode		94	24.737	8,330	0.167
	Grand Total	380	100.00	49,83,000	100.00

19. Outstanding GDR/ Warrants : None

20. Address for Correspondence:

- For matters related to shares, transfer/ transmission requests:
M/s. Niche Technologies Pvt. Ltd.
D-511, Bagree Market, 71, B.R.B.B. Road
Kolkata- 700 001
Phone no.-033-2235 7270/ 71.
- For queries/ assistance on issues other than shares (including those related to financial statements)
Mr. Narendra Kumar Rai
Company Secretary
Lohia Securities Ltd.
4 Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5th floor, Kolkata 700 001
Phone no. 033-4002 6600/6700, Fax-4002 6800.,
Email:narendra.raai@lohiasecurities.com
The Company can be visited at its website at <http://www.lohiasecurities.com>

21. Investor Services:

Number of Complaints from Shareholders during the year ended March 31, 2014

Complaints outstanding as on 1 st April, 2013	:	Nil
Complaints received during the year ended 31 st March, 2014	:	Nil
Complaints resolved during the year ended 31 st March, 2014	:	Nil
Complaints pending as on 31 st March, 2014	:	Nil

B. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

Clause 49 states that the non-mandatory requirements provided therein may be implemented as per the Company's discretion. However, the disclosures of compliance with mandatory

Report on Corporate Governance (*Contd.*)

requirements and adoption (and compliance)/non-adoption of non-mandatory requirements shall be made in the section on Corporate Governance in the annual report. The Company has complied with the following non-mandatory requirements:

A. The Board

The Company has no permanent Chairman and as such disclosures on maintenance of office by a Non-Executive Chairman do not arise. The Company ensures that the persons appointed as Independent Directors have the requisite qualifications and experience which would be of use to the Company and which would enable them to contribute effectively to the Company in their capacity as Independent Directors.

B. Remuneration Committee

The Company has instituted a Remuneration Committee. A detailed note on the Remuneration Committee has been provided earlier in the report.

C. Shareholders' Rights

The Company communicates with investors regularly through E-mails, telephone and face to face meetings. The Company announces quarterly financial results within six weeks of the close of a quarter. The Company publishes the quarterly financial results in leading business newspaper(s) as well as on the Company's website. The Company has not initiated sending half-yearly declaration of financial performance to the household of shareholders so far. However, the Company intends to initiate electronic dissemination of financial results to the Members on receipt of their e-mail ids. The Company also post the results on its website: www.lohiasecurities.com

D. Audit Qualifications

The Auditors have expressed an unqualified opinion on the financial statements for the year under review. The Company always endeavours to move towards a regime of un-qualified financial statements.

E. Training of Board Members

All new Non-Executive Directors inducted into the Board are given adequate orientation on the Company's businesses, group structure, risk management strategy and policies.

F. Mechanism for Evaluating Non-Executive Board Members

The Company has not as yet framed any mechanism for evaluating Non-Executive Directors keeping in view the time and attention devoted by them for the Company. The Company is yet to formalize the evaluation by peer group comprising entire Board of Directors, excluding the Director being evaluated.

G. Whistle Blower Policy

The Company has not yet established a mechanism for employees to report concerns about unethical behaviours, actual or suspected fraud or violation of our Code of Conduct.

Report on Corporate Governance (*Contd.*)

DECLARATION OF CODE OF CONDUCT

As required by Clause 49(1)(d) of the Listing Agreement it is hereby affirmed that all the Board members and Senior Management personnel have complied with the code of conduct of the Company.

Kolkata, the 14th day of August, 2014

Hari Kishan Lohia
Director

Mahesh Kumar Bajaj
Director

Sudheer Kumar Jain
Whole-time Director

Report on Corporate Governance (Contd.)

CERTIFICATION AS PER CLAUSE (49)V OF THE LISTING AGREEMENT

The Board of Directors,
Lohia Securities Limited
4 Biplabi Trailokya Maharaj Sarani (Brabourne Road)
5th floor, Kolkata 700 001

Certification to the Board pursuant to Clause 49(V) of the Listing Agreement

We, Hari Kishan Lohia, Mahesh Kumar Bajaj, Directors and Sudheer Kumar Jain, Whole-time Director, hereby certify that in respect of the Financial Year ended on March 31, 2014.

- 1) We have reviewed the financial statement and the cash flow statements for the year and that to the best of our knowledge and belief:-
 - a) These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading
 - b) These statements together present a true and fair view of the Company's affairs and we are in compliance with existing accounting standards, applicable laws and regulations.
- 2) There are to the best of our knowledge and belief no transaction entered into by the company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- 3) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee deficiencies in the design or operation of internal control, if any, of which we are aware and the steps taken or proposed to be taken to rectify the same.
- 4) We have indicated to the auditors and the Audit Committee:
 - a) Significant changes, if any, in internal control over the financial reporting during the year.
 - b) Significant changes, if any, in accounting policies during the year and the same has been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud, if any, wherein there has been involvement of management or an employee having a significant role in the Company's internal control system over financial reporting.

Hari Kishan Lohia
Director

Mahesh Kumar Bajaj
Director

Sudheer Kumar Jain
Whole-time Director

Kolkata, the 14th August, 2014

Report on Corporate Governance (*Contd.*)

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Board of Directors
Lohia Securities Limited
4 Biplabi Trailokya Maharaj Sarani (Brabourne Road)
5th floor, Kolkata 700 001

We have examined the compliance of conditions of Corporate Governance by M/s. Lohia Securities Limited, for the year ended 31st March, 2014 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of the 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per records maintained by the Investors Grievance Committee.

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

For **PATNI & Co.**
Chartered Accountants
Firm Regn. No. 320304E

Sashi Sureka
Partner
Membership No. 57918

Place: 1 India Exchange Place, 2nd floor, Kolkata 700 001
Date: the 14th day of August, 2014

Independent Auditor's Report

TO
THE MEMBERS OF
LOHIA SECURITIES LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of Lohia Securities Ltd. which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended on that date annexed thereto, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13.9.2013 of the Ministry of Corporate Affairs in respect of Sec 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the

Independent Auditor's Report (*Contd.*)

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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with 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; and
- (b) in the case of Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 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;

Independent Auditor's Report (Contd.)

- c. The Balance Sheet, the Statement of Profit & 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, the Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13.9.2013 of the Ministry of Corporate Affairs in respect of Sec 133 of the Companies Act, 2013.;
- 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 director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

1, India Exchange Place
Kolkata – 700 001

For PATNI & CO.
CHARTERED ACCOUNTANTS

Dated: The 29th Day of May 2014

SASHI SUREKA
(Partner)
Membership No. 057918
Firm Regn.No.320304E

Independent Auditor's Report (Contd.)

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

In term of the information and explanations given to us and books of account examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under: -

- i) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets of the company were physically verified by the management during the year. We have been informed that no material discrepancies have been noticed on such physical verification. Substantial parts of fixed assets have not been disposed off during the year, which will affect its status as going concern.
- ii) Physical verification of inventories has been conducted by the management during the year at reasonable intervals. In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business. The company is maintaining proper records of inventory. As informed to us, no discrepancies were found on physical verification of inventories as compared to book records.
- iii) The company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register required to be maintained under section 301 of the Companies Act, 1956. Hence question of reporting whether the terms and conditions of such loans are prejudicial to the interest of the company, whether reasonable steps for recovery of over dues of such loans are taken does not arise.

The company has taken unsecured loan from five parties covered in the register required to be maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 5,22,25,000/-. In our opinion, the rate of interest and other terms and conditions of loan taken by the company from companies, firms or other parties listed in the register required to be maintained under Section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company. The company is regular in the payment of interest. The balance of loan as on 31.03.2014 is ₹ 93,14,728/- There is no specific stipulations which regard to repayment of loans.

- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the

Independent Auditor's Report (*Contd.*)

company and the nature of its business for purchase of fixed assets and for providing services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control.

- v) As per information and explanations given to us we are of the opinion that the contracts or arrangements that need to be entered into a register required to be maintained in pursuance of section 301 of the Act have been so entered.

In our opinion, each of these contracts or arrangements made in pursuance of contracts or arrangements have made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

- vi) According to information and explanations given to us, in our opinion, the company has not accepted public deposits upto 31.03.2014.

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

- viii) The company is not engaged in production, processing, manufacturing or mining activities. Hence, the provisions of section 209(1)(d) do not apply to the company. Hence in our opinion, no comment on maintenance of cost records u/s 209(1)(d) is required.

- ix) According to the records of the company, the company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty & Cess and any other statutory dues with appropriate authorities applicable to it. According to information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, custom duty and excise duty were outstanding as at the last date of the accounting year for a period of more than six months from the date they became payable.

According to the information and explanation given to us and on the basis of our examination of the documents and records, the disputed statutory dues which have not been deposited with the appropriate authorities are as under:

Independent Auditor's Report (Contd.)

Name of Statute	Nature of Dues	Period to which it pertains	Amount	Forum where dispute pending
Income Tax Act, 1961	Income Tax	F.Y. 2004-2005	₹ 5,80,437/-	Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	F.Y. 2007-2008	₹ 9,98,598/-	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	F.Y. 2009-2010	₹ 24,84,920/-	Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	F.Y. 2010-2011	₹ 43,74,200/-	Commissioner of Income Tax

- x) The company has no accumulated losses. The company has not incurred cash loss in the current financial year but there was cash loss of ₹ 46,23,999.43 in the immediately preceding financial year.
- xi) According to records of the company, the company has not defaulted in repayment of dues to financial institutions or banks or debentures holders.
- xii) As informed to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other similar securities.
- xiii) The company is not a chit fund, nidhi or mutual benefit fund / society.
- xiv) The company has maintained proper records of the transactions and contracts of dealing in shares, securities, debenture and other investments and we have been informed that timely entries have been made therein. As explained to us, all the shares have been laid by the company in its own name except to the extent of exemption granted u/s 49 of the Companies Act, 1956.
- xv) The company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) The term loans obtained by the company have been applied for the purpose for which they were raised.
- xvii) According to the information and explanation given to us, we report that no funds raised on short-term basis have been used for long term investment by the company and vice versa.

Independent Auditor's Report (*Contd.*)

- xviii) The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- xix) The company has not issued any debenture.
- xx) The company has not raised any money by public issues during the period covered by our audit report.
- xxi) During the checks carried out by us, no fraud on or by the company has been noticed or reported during the year under report.

1, India Exchange Place
Kolkata - 700 001

For PATNI & CO.
CHARTERED ACCOUNTANTS

Dated: The 29th Day of May 2014

SASHI SUREKA
(Partner)
Membership No. 057918
Firm Regn.No.320304E

Balance Sheet as at 31st March, 2014

			Amount in ₹	
Particulars	Notes	As at 31.03.2014	As at 31.03.2013	
I. EQUITY AND LIABILITIES				
(1) SHAREHOLDER'S FUND				
(a) Share Capital	3	4,98,72,500	4,98,72,500	
(b) Reserves and Surplus	4	23,26,21,390	23,19,90,720	
		<u>28,24,93,890</u>	<u>28,18,63,220</u>	
(2) CURRENT LIABILITIES				
(a) Short - Term Borrowings	5	3,50,92,347	15,49,93,031	
(b) Trade Payables	6	16,01,803	39,96,166	
(c) Other Current Liabilities	7	3,92,61,396	3,87,64,477	
(d) Short - Term Provisions	8	11,65,972	11,65,972	
		<u>7,71,21,517</u>	<u>19,89,19,646</u>	
TOTAL		<u>35,96,15,407</u>	<u>48,07,82,866</u>	
II. ASSETS				
(1) NON CURRENT ASSETS				
(a) Fixed Assets				
(i) Tangible Assets	9	1,37,09,343	1,70,67,283	
(ii) Intangible Assets	10	10,32,092	21,32,395	
(b) Non Current Investment	11	11,55,66,800	11,30,66,800	
(c) Deferred Tax Assets	12	82,51,415	98,17,544	
(d) Long Term Loan & Advances	13	3,79,98,228	3,51,40,649	
		<u>17,65,57,878</u>	<u>17,72,24,671</u>	
(2) CURRENT ASSETS				
(a) Inventories	14	1,65,14,810	1,65,34,668	
(b) Trade Receivables	15	37,44,124	1,33,89,554	
(c) Cash and Bank Balances	16	13,05,00,086	24,72,28,671	
(d) Short Term Loans & Advances	17	2,96,74,950	2,22,52,640	
(e) Other Current Assets	18	26,23,559	41,52,663	
		<u>18,30,57,529</u>	<u>30,35,58,195</u>	
TOTAL		<u>35,96,15,407</u>	<u>48,07,82,866</u>	
Corporate Information	1	-	-	
Significant Accounting Policies	2			
Notes to Accounts	3 to 37			
As per our attached report of even date		For and on behalf of Board		
For Patni & Co.		Hari Kishan Lohia		
Chartered Accountants		Director		
(Firm Registration No. 320304E)		Mahesh Kumar Bajaj		
		Director		
SASHI SUREKA		Sudheer Kumar Jain		
(Partner)		Whole-time Director		
Membership No. 57918		Narendra Kumar Rai		
Place : Kolkata		Company Secretary		
Date : 29th May 2014				

Statement of Profit & Loss for the Year Ended 31st March, 2014

		Amount in ₹	
Particulars	Notes	Figures for the year ended 31.03.2014	Figures for the year ended 31.03.2013
I REVENUE FROM OPERATION	19	25,76,92,401	49,84,63,938
II. OTHER INCOME	20	1,70,11,687	2,58,82,874
III. TOTAL REVENUE (I+II)		27,47,04,088	52,43,46,812
IV EXPENSES			
(a) Purchases of Stock In Trade	21	12,23,85,827	34,23,58,723
(b) (Increase)/Decrease in Inventories	22	19,858	1,34,65,737
(c) Employee Benefit Expenses	23	2,80,22,335	2,98,02,358
(d) Finance Cost	24	1,57,99,647	2,38,50,006
(e) Depreciation & Amortization Expenses		48,08,855	64,42,666
(f) Other Expenses	25	10,03,04,795	11,94,93,988
TOTAL EXPENSES (a to f)		27,13,41,317	53,54,13,478
V PROFIT/(LOSS) BEFORE TAX (III-IV)		33,62,771	(1,10,66,665)
VI TAX EXPENSES			
-Current Tax	26	-	-
-Deferred Tax		15,66,129	(39,34,015)
VII PROFIT / (LOSS) FOR THE PERIOD		17,96,642	(71,32,650)
VIII EARNING PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH			
(1) Basic		0.36	(1.43)
(2) Diluted		0.36	(1.43)
Corporate Information	1		
Significant Accounting Policies	2		
Notes to Accounts	3 to 37		
As per our attached report of even date For Patni & Co. Chartered Accountants (Firm Registration No. 320304E)		For and on behalf of Board Hari Kishan Lohia Director Mahesh Kumar Bajaj Director Sudheer Kumar Jain Whole-time Director Narendra Kumar Rai Company Secretary	
SASHI SUREKA (Partner) Membership No. 57918 Place : Kolkata Date : 29th May 2014			

Cash Flow Statement for the Year Ended 31st March 2014

	Amount in ₹	
	31.03.2014	31.03.2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax & Extraordinary Items	33,62,771	(1,10,66,665)
Adjustment for :		
Depreciation	48,08,855	64,42,666
Interest Expenses	1,41,61,693	2,24,45,670
Miscellaneous Balance Written Off	(69,736)	-
Interest Received	(1,62,55,244)	(2,43,51,429)
Bad Debts	-	11,86,517
Dividend Received from Investment	(5,000)	(2,500)
(Profit)/ Loss On Sales Of Investments	-	74,938
(Profit)/ Loss On Sales Of Fixed Assets	(15,196)	-
Operating Profit before Working Capital Adjustment	59,88,143	(52,70,803)
Changes in Current Assets		
(Increase)/ Decrease in Inventories	19,858	1,34,65,737
(Increase)/ Decrease in Debtors	96,45,430	(1,13,68,462)
(Increase)/ Decrease in Other Current Assets	15,29,104	17,45,723
(Increase)/ Decrease in Loans & Advances	(93,27,476)	(30,59,273)
(Increase)/ Decrease in Prepaid Expenses	(9,52,413)	5,30,799
	9,14,502	13,14,525
Changes in Current Liabilities		
Changes in Trade Payable	(23,94,364)	4,61,756
Changes in Other Payable	(38,037)	79,14,100
Changes in Other Liabilities	7,21,332	(13,18,583)
	(17,11,069)	70,57,273
Changes in Working Capital	(7,96,567)	83,71,798
Cash Generated from Operation	51,91,577	31,00,994
Payment of Taxes	-	-
Net cash flow from operating activities	51,91,577	31,00,994
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Tangible Fixed Assets	(1,20,416)	(10,36,087)
Purchase of Intangible Fixed Assets	(2,64,000)	(12,26,028)
Sales Proceeds of Investment	-	9,25,062
Sales Proceeds of Tangible Fixed Assets	49,000	-
Purchase of Investments	(25,00,000)	-
Dividend From Investment	5,000	2,500
Interest Received from Bank Deposits	1,62,17,772	2,40,84,011
Interest Received from Others	37,472	2,67,418
(Increase)/ decrease in Bank Deposits	11,66,15,500	1,39,97,000
Net cash realised from Investing Activities	13,00,40,328	3,70,13,876
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Secured Loan	(10,09,32,052)	(99,51,623)
Increase/(Decrease) in Unsecured Loan	(1,90,85,272)	(88,50,000)
Payment of Dividend	(9,96,600)	(9,96,600)
Payment of Dividend Tax	(1,69,372)	(1,61,673)
Interest Paid	(1,41,61,693)	(2,24,45,670)
Net cash realised from financing activities	(13,53,44,989)	(4,24,05,566)
Net increase/(Decrease) in cash and cash equivalent	(1,13,085)	(22,90,696)
OPENING CASH & CASH EQUIVALENT	27,13,171	50,03,866
CLOSING CASH & CASH EQUIVALENT	26,00,086	27,13,171

Cash Flow Statement for the Year Ended 31st March 2014 (Contd.)

	Amount in ₹	
	31.03.2014	31.03.2013
Notes to the Cash Flow Statement		
CLOSING CASH & CASH EQUIVALENT	31.03.2014	31.03.2013
Cash at Bank	22,98,361	22,51,509
Cash in Hand	3,01,725	4,61,662
	<u>26,00,086</u>	<u>27,13,171</u>
As per our attached report of even date	For and on behalf of Board	
For Patni & Co.		
Chartered Accountants	Hari Kishan Lohia	
(Firm Registration No. 320304E)	Director	
SASHI SUREKA	Mahesh Kumar Bajaj	
(Partner)	Director	
Membership No. 57918	Sudheer Kumar Jain	
Place : Kolkata	Whole-time Director	
Date : 29th May 2014	Narendra Kumar Rai	
	Company Secretary	

Notes Forming Part of the Financial Statements

Note 1

Corporate Information

Lohia Securities Limited ("the company") is engaged in the business of share trading and share broking and its related services in India for the last 19 years. The company offers financial services such as broking for equity, derivatives and currency future, custody accounts, financial product distribution etc. The shares of the company are listed in Calcutta Stock Exchange and Bombay stock Exchange (under permitted category)

Note 2

Significant Accounting Policies

(a) Basis of Preparation

The Financial Statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (GAAP) to comply with the Accounting Standard notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and the relevant provisions of the Companies Act 1956 read with the General Circular 15/2013 dated 13.9.2013 of the Ministry of Corporate Affairs in respect of Sec 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(b) Use of Estimates

The preparation of the financial statements in conformity with the accounting standards generally accepted in India requires the management to make estimates that affect the reported amount of assets & liabilities disclosure of contingent liabilities as at the date of the financial statement and reported amounts of revenue and expenses for the year. Actual results could differ from these estimates.

(c) Fixed Assets & Depreciation

- (i) Fixed Assets are stated at their original cost of acquisition less accumulated depreciation.
- (ii) Depreciation on fixed assets has been provided under written down value method on pro-rata basis as per rate prescribed under Schedule XIV of the Companies Act, 1956.
- (iii) Intangible assets have been amortized over the period of four financial years.

(d) Cash Flow Statement

Notes Forming Part of the Financial Statements (Contd.)

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions on non cash nature and any deferrals or accrual of past or future cash receipts or payments.

(e) Cash and Cash Equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amount of cash which are subject to insignificant risk of changes in value.

(f) Inventories

Inventories are valued at lower of cost or market price. The costs of the shares are determined on First in & First out Basis. Inventories of unquoted shares are valued at cost as market value is not available for the same.

(g) Investments

Long term Investments are stated at cost less provision for diminution, other than temporary, in the value of Investments.

(h) Revenue Recognition:

- (i) Brokerage income is recognized on the trade date of transaction upon confirmation of transactions by the stock exchanges and clients. Income from depository services and late payment charges are recognized on the basis of agreement entered into with clients and when right to receive the income is established. Commission income from financial products distribution is recognized on the basis of agreement entered with principal and when the right to receive the income is established.
- (ii) Dividend income is accounted for when the right to receive the income is established.
- (iii) Interest Income is accounted on accrual basis.

(g) Retirement Benefit

(i) Defined Contribution Plan:

Company's contribution paid/payable during the year to the Provident Fund is charged to Profit and Loss Account. The Company's contribution to Employee's State Insurance Scheme is also charged to Profit & Loss Account of the year to which the contributions relate.

(ii) Defined Benefit Plan:

The Company has opted for a Group Gratuity-cum Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and contribution towards gratuity liability as

Notes Forming Part of the Financial Statements (Contd.)

determined by LIC as required under AS-15 (Revised) i.e under Projected Unit Credit method is charged to the Statement of Profit & Loss.

As far as company's liabilities towards leave encashment, company has the policy of paying the leave encashment at the end of the financial year.

(h) Derivative Market Trading

1. In respect of Option Contract, premium paid for contract expiring beyond the balance sheet date has been treated as current assets, adjusted for loss, if any.
2. In respect of Futures Contract, Mark-to-Market debit balance has been recognized in the Profit & Loss statement and Mark-to-Market credit balance has been treated as current liabilities as per the guidance note issued by ICAI on accounting of Future & Option contract.

(i) Taxation

Provision of current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rates as applicable. The deferred tax charge is recognized using the enacted tax rate. Deferred Tax Assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each balance sheet date the Company re- assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred Tax Assets/Liabilities are reviewed as at balance sheet date based on the developments during the year and reassess assets/liabilities in terms of AS-22 issued by ICAI.

(j) Foreign Currency Transaction

i) Initial Recognition

Transaction in foreign currencies entered into by the company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transactions.

ii) Conversion

Foreign currency monetary items are reported using the closing rates.

iii) Exchange Difference

Exchange differences arising on the settlement of reporting company's monetary items at rates different from those at which they were initially recorded during the period are recognized as income or expense.

Notes on Financial Statements for the Year Ended 31st March, 2014

Note 3

SHARE CAPITAL

Particulars	As at 31st March 2014		As at 31st March 2013	
	No of Shares	Amount in ₹	No of Shares	Amount in ₹
a) Authorised Capital				
Equity Share Capital of ₹ 10 each with voting right	75,00,000	7,50,00,000	75,00,000	7,50,00,000
b) Issued, Subscribed and Fully Paid up Capital				
Equity Share Capital of ₹ 10 each with voting right	49,83,000	4,98,30,000	49,83,000	4,98,30,000
c) Par Value per Share		₹10		₹10

d) Reconciliation of Number of Shares and amount outstanding at the beginning and at the end of the year

Particulars	As at 31st March 2014		As at 31st March 2013	
	No of Shares	Amount in ₹	No of Shares	Amount in ₹
Number and amount of the share at the beginning of the year	49,83,000	4,98,30,000	49,83,000	4,98,30,000
Adjustment (If any)	-	-	-	-
Number and amount of the share at the end of the year	49,83,000	4,98,30,000	49,83,000	4,98,30,000

e) Rights Attached to the Shares

Each Share confers the right to one vote. Shareholders have the right to receive the dividend

f) Shares held by the Subsidiary Company

Name of the Company	As at 31st March 2014		As at 31st March 2013	
	No of Shares	% of holding	No of Shares	% of holding
Trade City Barter (P) Ltd	2,05,000	4.11	2,05,000	4.11

g) Details of the Shareholder holding shares more than 5 %

Name of the Shareholders	As at 31st March 2014		As at 31st March 2013	
	No of Shares	% of holding	No of Shares	% of holding
Hari Kishan Lohia	4,31,000	8.65	4,31,000	8.65
Mahesh Kumar Bajaj	3,90,400	7.83	3,90,400	7.83
Rajesh Kumar Bajaj	4,19,800	8.42	4,19,800	8.42
Sudheer Kumar Jain	3,12,000	6.26	3,12,000	6.26
Ridhi Sidhi Distributors (P) Ltd	2,52,881	5.07	1,37,000	2.75
Shiv Lalit Consultancy (P) Ltd	2,65,000	5.32	2,65,000	5.32

h) Details of Forfeited Shares

Class of Share	As at 31st March 2014		As at 31st March 2013	
	No of Shares	Amount originally paid up ₹	No of Shares	Amount originally paid up ₹
Equity Share with voting rights	17,000	42,500	17,000	42,500

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

	As at 31.03.2014 Amount in ₹	As at 31.03.2013 Amount in ₹
Note 4		
RESERVES AND SURPLUS		
A) Securities Premium Account		
Opening Balance	1,93,72,500	1,93,72,500
Adjustment	-	-
Closing Balance (Sub Total A)	1,93,72,500	1,93,72,500
B) General Reserves		
Opening Balance	9,50,00,000	9,50,00,000
Adjustment	-	-
Closing Balance (Sub Total B)	9,50,00,000	9,50,00,000
C) Surplus		
Opening Balance	11,76,18,220	12,59,16,842
Add : Profit/(Loss) during the year	17,96,642	(71,32,650)
Less: Deduction during the year		
Proposed Dividend	9,96,600	9,96,600
Provision for Dividend Tax	1,69,372	1,69,372
Closing Balance (Sub Total C)	11,82,48,890	11,76,18,220
Total (A+B+C)	23,26,21,390	23,19,90,720
Note 5		
SHORT TERM BORROWINGS		
(A)Secured Short Term Borrowings From Bank		
1) Term Loan		
Loan against pledge of Fixed Deposits	1,00,00,000	9,95,00,000
-Partly secured against pledge of Fixed Deposits worth ₹ 50,00,000/- (2012-2013 :- ₹ 4,97,50,000/-)		
2) Bank Overdraft		
(i)Bank overdraft against personal guarantee of directors and office premises of wholly owned subsidiary company and of a	1,37,77,619	2,50,93,031
company in which one director is interested		
Sub Total (A)	2,37,77,619	12,45,93,031
(B) Unsecured Loan from Body Corporate		
a)From Related Parties	93,14,728	2,84,00,000
b)From Others	20,00,000	20,00,000
Sub Total (B)	1,13,14,728	3,04,00,000
Total (A+B)	3,50,92,347	15,49,93,031

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

	As at 31.03.2014 Amount in ₹	As at 31.03.2013 Amount in ₹
Note 6		
TRADE PAYABLES		
Payable to Exchanges	14,66,278	39,34,789
Payable to Clients	1,35,525	61,377
Total	16,01,803	39,96,166
Note 7		
OTHER CURRENT LIABILITIES		
1) Current maturities of Vehicle Loan	-	1,16,640
2) Interest Accrued and not due		
(i) Payable to Related Party	1,08,198	6,53,344
(ii) Payable to Others	2,95,586	2,96,613
3) Interest Accrued and due on Bank Borrowings	82,808	8,85,793
4) Book Overdrawn Bank Balances	19,15,772	1,57,192
5) Other Payables		
a) Margin Deposits from Clients		
(i) From Related Party	1,99,02,800	2,56,79,500
(ii) From Others	1,20,70,000	59,35,000
b) Statutory Dues Payable	13,77,994	18,38,091
c) Outstanding Expenses		
(i) Payable to Related Party	-	15,728
(ii) Payable to Others	15,16,056	19,15,726
d) Mark to Mark Margin for Unexpired Future & Currency Contracts	19,92,182	11,22,665
e) Option Premium Received for Unexpired Future & Currency Contracts	-	1,48,185
Total	3,92,61,396	3,87,64,477
Note 8		
SHORT TERM PROVISIONS		
Provision for Dividend	9,96,600	9,96,600
Provision for Dividend Tax	1,69,372	1,69,372
Total	11,65,972	11,65,972
Note 12		
DEFERRED TAX ASSETS		
Liability Item		
Depreciation	-	2,01,973
Total	-	2,01,973
Assets Items		
Depreciation	2,72,625	-
Carried Forward Loss	23,27,847	41,51,183
Unabsorbed Depreciation	56,50,943	58,68,334
Total	82,51,415	1,00,19,517
Total Deferred Tax Assets (Net)	82,51,415	98,17,544

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

	As at 31.03.2014 Amount in ₹	As at 31.03.2013 Amount in ₹
Note 13		
LONG TERM LOANS AND ADVANCES		
(Unsecured considered good)		
A) Security Deposits for Office on Rent		
(i) Deposits to Related Parties	43,00,000	43,00,000
(ii) Deposits to Others	35,00,000	35,00,000
B) Security Deposits With Exchanges	2,66,25,000	2,30,00,000
C) Other Deposits	35,73,228	37,03,588
D) Other Long Term Advances - Advance to Staff	-	6,37,061
Total	3,79,98,228	3,51,40,649
Note 15		
TRADE RECEIVABLES		
For more than Six Months	13,59,741	13,25,324
<u>Others</u>		
- From Related Party	52,484	42,766
- Others	32,51,769	1,29,41,334
	46,63,994	1,43,09,424
Less: Allowance for Bad & Doubtful Debts	9,19,870	9,19,870
Total	37,44,124	1,33,89,554
Note 16		
CASH AND BANK BALANCES		
Cash & Cash Equivalent		
Balance with Bank	22,98,361	22,51,509
Cash on Hand	3,01,725	4,61,662
Sub - Total A	26,00,086	27,13,171
Other Bank Balances *	12,79,00,000	24,45,15,500
Sub - Total B	12,79,00,000	24,45,15,500
Total	13,05,00,086	24,72,28,671
* Other Bank Balance represent		
a) Bank Deposits valuing to ₹ 2,91,00,000/- (P.Y. ₹ 12,74,50,000/-) given as margin money to National Securities Clearing Corporation Limited (NSCCL).		
b) Bank Deposits valuing to Nil (P.Y. ₹ 7,50,000/-) given as security deposits to The Calcutta Stock Exchange Limited (CSE)		
c) Bank Deposits valuing to ₹ 8,00,000 (P.Y. ₹ 8,00,000/-) given as margin money and security deposits to MCX Stock Exchange Limited		
d) Bank Deposits valuing to ₹ 50,00,000/- (P.Y. ₹ 4,97,50,000/-) pledge with HDFC Bank for obtaining term loan (refer note no 5 (A) (1))		

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

	As at 31.03.2014 Amount in ₹	As at 31.03.2013 Amount in ₹
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e) Bank Deposits valuing to ₹ 9,30,00,000/- (P.Y. ₹6,57,65,500/-) pledge with bank for obtaining bank guarantee .
The said bank guarantee has been given to the NSCCL and ICCL as margin money.

f) Bank Deposits includes deposits of ₹ 16,00,000 (2012-13:- ₹32,50,000/-) with maturity of more than 12 months.

Note 17

SHORT TERM LOANS AND ADVANCES (Unsecured Considered Good)

Income Tax (Net)	59,02,708	48,46,605
MAT Credit Entitlement	6,94,671	-
Prepaid Expenses	32,56,355	23,03,942
Margin With Exchange & Clearing Member	1,18,50,000	58,00,000
Net Option Premium Paid Carried Forward	35,81,356	54,10,224
Other Advances	43,89,860	38,91,868
Total	2,96,74,950	2,22,52,640

Note 18

OTHER CURRENT ASSETS

Interest Receivable	25,12,240	39,33,353
Stamp In Hand	1,11,319	2,15,208
Unamortized Expenses	-	4,102
Total	26,23,559	41,52,663

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Note :-9

TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2013	Addition	Disposal/ Deduction	As at 31.03.2014	As at 01.04.2013	For the Year	Adjustment For Disposal	As at 31.03.2014
Amount in ₹								
A) TANGIBLE ASSETS								
Office	48,93,081	-	-	48,93,081	28,21,895	1,03,559	-	19,67,627
Furniture & Fixtures	1,18,93,248	21,263	-	1,19,14,511	85,35,887	6,10,666	-	27,67,958
Vehicles	59,28,332	-	5,06,000	54,22,332	40,49,864	4,79,272	4,72,196	13,65,392
Office Equipment	50,05,169	23,200	-	50,28,369	29,78,699	2,83,969	-	17,65,701
Computer & Accessories	6,16,51,221	75,953	-	6,17,27,174	5,82,79,447	13,60,328	-	20,87,399
Air Conditioner	38,64,846	-	-	38,64,846	24,74,584	1,93,386	-	11,96,876
Electrical Installation	48,25,685	-	-	48,25,685	27,27,496	2,91,858	-	18,06,331
Generator	17,73,454	-	-	17,73,454	8,99,882	1,21,514	-	7,52,058
TOTAL	9,98,35,036	1,20,416	5,06,000	9,94,49,453	8,27,67,754	34,44,552	4,72,196	1,37,09,343
PREVIOUS YEAR	9,87,98,949	10,36,087	-	9,98,35,036	7,80,71,858	46,95,896	-	1,70,67,283

Note :-10

INTANGIBLE ASSETS

PARTICULARS	GROSS BLOCK			AMORTISATION			NET BLOCK	
	As at 01.04.2013	Addition	Disposal/ Deduction	As at 31.03.2014	As at 01.04.2013	For the Year	Adjustment For Disposal	As at 31.03.2014
Amount in ₹								
Computer Software	76,20,004	2,64,000	-	78,84,004	57,12,609	11,89,303	-	9,82,092
Membership Fees	7,00,000	-	-	7,00,000	4,75,000	1,75,000	-	50,000
TOTAL	83,20,004	2,64,000	-	85,84,004	61,87,609	13,64,303	-	10,32,092
PREVIOUS YEAR	70,93,976	12,26,028	-	83,20,004	44,40,839	17,46,770	-	21,32,395

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

	As at 31.03.2014 Amount in ₹	As at 31.03.2013 Amount in ₹
Note 11		
NON CURRENT INVESTMENTS		
Trade Investment		
Investments in Equity Instruments ; Unquoted		
In Wholly Owned Subsidiaries		
Trade City Securities Pvt. Ltd.	3,25,00,000	3,00,00,000
32,50,000 (Previous Year :30,00,000)Equity Shares of ₹10/- each fully paid up		
Extent of Holding :- 100%		
Trade City Real Estate Pvt. Ltd.	5,07,50,000	5,07,50,000
14,50,000 (Previous Year :14,50,000)Equity Shares of ₹10/- each fully paid up		
Extent of Holding :- 100%		
Trade City Commodities Pvt. Ltd.	2,08,25,000	2,08,25,000
15,55,000 (Previous Year :15,55,000)Equity Shares of ₹10/- each fully paid up		
Extent of Holding :- 100%		
Trade City Barter Pvt. Ltd.	97,79,800	97,79,800
4,25,200 (Previous Year : 4,25,200) Equity Shares of ₹ 10/- each fully paid up		
Extent of Holding :- 100%		
Sub Total (A)	11,38,54,800	11,13,54,800
In Others		
The Calcutta Stock Exchange Association Ltd.		
250 (Previous Year : 250) Equity Shares of ₹ 1/- each fully paid up	5,00,000	5,00,000
Sub Total (B)	5,00,000	5,00,000
Non Trade Investment		
Investments in Equity Instruments ; Unquoted		
Nimbus Communication Ltd.	11,25,000	11,25,000
5,000 (Previous Year : 5,000) Equity Shares of ₹ 5/- each fully paid up		
Sub Total (C)	11,25,000	11,25,000
Total Of Unquoted Investments D = (A+B+C)	11,54,79,800	11,29,79,800
Investments in Equity Instruments ; Quoted		
Sidheshwari Garments Ltd.	87,000	87,000
8,700 (Previous Year: 8,700) Equity Shares of ₹ 10/- each fully paid up		
Total Of Quoted Investments (E)	87,000	87,000
Total (D+E)	11,55,66,800	11,30,66,800
Market Value of Quoted Investment in Equity Shares	26,535	26,535

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Note 14

INVENTORIES

	Face Value in ₹	2013-2014		2012-2013	
		Qty.	Amount In ₹	Qty.	Amount In ₹
<u>Shares (Non Trade, Quoted) Fully Paid up</u>					
<u>Name of the Company</u>					
3I InfoTech Limited	10	-	-	500	2,775
A2Z Maintenance and Engineering Services Limited	10	-	-	1,000	19,150
Aban Offshore Limited	2	-	-	-	-
Acropetal Metaliks Limited	10	-	-	2,298	13,443
Adani Ports and Special Economic Zone Limited	2	3	536	-	-
Adhunik Metaliks Limited	10	200	8,870	200	5,840
Aegis Logistics Limited	10	100	15,988		
Aksh Optifibre Limited	5	10,000	1,53,500	10,000	1,71,500
Alok Industries Limited	10	-	-	5,100	41,820
Alps Industries Limited	10	1,500	2,175	1,500	2,175
Ambuja Cements Limited	2	1	202	-	-
Anco Communications Limited	10	1,000	2,150	1,000	2,150
Ansal Properties & Infrastructure Limited	5	-	-	600	13,290
Archies Limited	2	2,500	41,522	1,000	14,900
Arshiya International Limited	2	13,612	2,06,526	20,870	3,96,530
Arvind Limited	10	2	334	-	-
Arvind Remedies Limited	1	10,000	2,30,000	10,000	2,30,000
Ashok Alco Chemical Limited	10	-	-	500	7,300
Ashok Leyland Limited	1	7	155	5,592	1,22,185
Assam Company Limited	1	-	-	2,800	14,700
Axis Bank Limited	10	4	5,702	-	-
Bajaj Hindustan Limited	1	-	-	500	9,475
Balrampur Chini Mills Limited	1	-	-	1,000	17,250
Baroda Rayon Corporation Ltd	10	485	1,431	485	1,431
Bhanshali Engineering Polymers Ltd	1	-	-	1,000	14,850
Bharat Heavy Electricals Limited	10	-	-	900	1,59,300
Bharat Petroleum Corporation Ltd	10	4	1,810	-	-
Bharati Airtel Limited	5	200	63,197	50	14,516
Bhourkla Aluminum Limited	2	8,000	5,600	8,000	8,960
Birla Power Solution Limited	1	30,000	3,300	30,000	7,500
Bodal Chemicals Limited	10	2,500	18,550	2,500	14,750
Burnpur Cement Limited	10	-	-	4,000	23,400
Cals Refinery Limited	1	20,994	1,889	20,994	2,309
Canara Bank Limited	10	3	750	-	-
Castrol India Limited	5	1,000	3,05,000	-	-
Century Plyboards Limited	1	700	19,005	-	-
Century Textlies and Industries Ltd	10	2	711	-	-
Chambal Fertilizers & Chemicals Ltd	10	-	-	197	9,810

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Note 14

INVENTORIES

	Face Value in ₹	2013-2014		2012-2013	
		Qty.	Amount In ₹	Qty.	Amount In ₹
Coal India Limited	10	3	841		
Cochin Minerals & Rutilles Limited	10	1,050	1,10,618	2,176	3,69,811
CORE Education & Technologies Ltd	2	875	10,763	350	17,973
Crompton Greaves Limited	2	5	801	-	-
Dewan Housing finance Corp Ltd	10	-	-	150	24,315
Dish TV India Limited	1	500	26,050	-	-
Divine Multimedia (India) Limited	1	-	-	250	1,700
DLF Limited	2	6	1,042	325	76,278
Dolat Investments Limited	1	50,000	79,000	50,000	80,500
East India Hotels Limited	2	1,000	70,884	3,002	1,65,560
Easun Reyrolle Limited	2	12,801	7,72,438	17,000	9,77,421
Eros International Media Limited	10	200	33,840	150	25,480
Escorts Limited	10	-	-	6,000	2,96,868
Eveready Industries India Limited	5	400	9,820	400	6,680
Exide Industries Limited		1,998	2,37,463	-	-
Expo Gas Containers Limited	10	-	-	500	4,520
Fame India Limited	10	-	-	155	5,503
First Solutions Limited	10	1,000	25,250	-	-
Foundry Fuel Products Limited	10	6,998	64,522	6,998	44,997
G V Films Limited	10	15,000	6,000	15,000	6,150
Gabriel India Limited	1			5,356	1,02,567
GMR Infrastructure Limited	1	10,006	2,17,667	9,997	1,92,437
Gokaldas Exports Limited	5	16,252	8,85,734	2,097	77,811
Goldman Sachs Gold Exchange Traded Scheme	10	50	1,00,679	50	94,574
Goodyear India Limited	10	-	-	650	1,56,650
Gradiente Infotainment Limited	10	1,23,082	64,003	1,23,082	5,26,791
GTL Infrastructure Limited	10	1,700	2,465	1,700	4,505
GTL Limited	10	1,500	21,450	1,500	22,275
Gulf Oil Corporation Limited	2	-	-	568	33,249
Harrisons Malyalam Limited	10	24,138	11,55,003	-	-
HCL Technologies Limited	2	2	2,768	-	-
HDFC Bank Limited	2	3,002	22,47,799	-	-
Hercules Hoists Limited	1	-	-	3,389	3,53,404
Himachal Futuristic Communication Ltd	1	7,000	57,400	7,000	57,400
Himatsingha Seide Limited	5	-	-	6,962	2,03,503
Hind Rerctifiers Limited	2	-	-	950	48,403
Hindalco Industries Limited	1	-	-	1,500	1,35,632
Hinduja Foundries Limited	10	19,221	6,03,539	17,525	7,04,194
Hindustan Copper Limited	5	200	13,730	100	9,250
Hindustan Motors Limited	5	3,200	23,040	2,200	19,140
Hindusthan Petroleum Corporation Ltd	10	1	298	-	-

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Note 14

INVENTORIES

	Face Value in ₹	2013-2014		2012-2013	
		Qty.	Amount In ₹	Qty.	Amount In ₹
Housing Development and Infrastructure Ltd	10	-	-	100	4,518
ICICI Bank Limited	10	5	6,225	-	-
IDBI Bank	10	2	127	-	-
Idea Cellular Limited	10	4	550	-	-
IFCI Limited	10	847	20,582	844	22,028
IG Petrochemicals Limited	10	6,572	1,55,099	6,572	1,56,414
IKF Technologies Limited	1	14,900	13,112	14,900	15,794
Indage Restaurants & Leisure Limited	3	85,500	6,92,550	85,500	6,92,550
India Cements Limited	10	2,400	1,45,440	1,000	83,550
Indian Tobacco Company Limited	1	-	-	52	15,752
Information Technologies India Ltd	5	100	105	100	105
Infrastructure Development Finance Company Limited	10	3,499	4,27,753	3,500	5,01,684
Integra Garments and Textiles Ltd	10	1,265	1,404	1,265	3,795
Intra Décor Limited	1	8,333	1,167	8,333	1,667
Jagatjit Cotton & Textile Mills Limited	2.50	6,058	4,548	2,07,710	1,64,091
Jai Mata Glass Limited	1	8,299	1,826	12,000	4,560
Jain Irrigation Systems Limited	2	4	248	-	-
Jaiprakash Associates Limited	2	7	347	-	-
Jaykay Enterprises Limited	10	21,485	59,513	21,485	75,198
Jaysynth Dyestuff (India) Limited	1	5,000	39,500	5,000	39,500
Jhagadia Copper Limited		7,866	9,833	-	-
K S Oils Limited	1	500	615	500	1,100
Kaashyap Technologies Limited	1	43,721	7,433	43,721	8,744
Kingfishers Airlines Limited	10	1,300	2,925	1,600	12,800
Kirloskar Ferrous Industries Ltd	5	-	-	14,514	3,13,337
L&T Finance Holdings Limited	10	3	221	-	-
Lanco Infratech Limited	1	300	2,125	-	-
Larson & Turbo Limited	2	4	5,088	-	-
Lee and Nee Software (Exports) Ltd	10	-	-	500	820
LIC Housing Finance	2	-	-	1	218
Lovable Lingerie	10	-	-	50	12,213
Magnum Ventures Limited	10	1,000	2,300	1,000	3,350
Mahindra Forgings Limited	10	-	-	14,544	5,43,218
Mahindra Lifespace Developers Ltd	10	-	-	700	2,38,175
Maruti Suzuki India Limited	5	3	5,800	-	-
Mavens Biotech Limited	1	-	-	6,75,000	5,33,250
MMTC Limited	1	199	10,577	-	-
Monnet Ispat Limited	10	1,000	77,707	-	-
Morarjee Textiles Limited	10	1,265	8,855	1,265	8,855
Mukand Limited	10	-	-	29,908	8,00,039
Multi Commodity Exchange Of India	10	400	1,97,640	-	-
Nagarjuna Oil Refinery Limited	1	300	1,080	6,300	19,215

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Note 14

INVENTORIES

	Face Value in ₹	2013-2014		2012-2013	
		Qty.	Amount In ₹	Qty.	Amount In ₹
Nagarjuna Fertilizer & Chemicals Ltd	1	7,040	-	7,040	-
National Thermal Power Corporation Ltd	10	-	-	500	70,975
Nextgen Animation Media Limited	10	80	136	80	136
NHPC Limited	10	3,497	66,746	4,500	89,325
Nocil Limited	10	3,000	46,500	3,000	42,000
Omax Auto Limited	10	1,214	43,097	-	-
Oracle Financial Services Software Ltd	5	-	-	25	64,008
Orient Abrasives Limited	1	-	-	1,000	9,250
Orient Cement Limited	1	6,110	2,53,565	6,110	2,53,565
Orient Paper & Industries Limited	1	6,110	96,233	6,110	38,188
Orient Refractories Limited	1	1,000	10,160	1,000	10,160
Paramount Communication Limited	2	2,000	2,700	2,000	2,900
Pennar Aluminum Company Ltd.	10	3,500	700	3,500	1,260
Petronet LNG Limited	10	50	6,850	51	6,911
Pidilite Industries Limited	1	150	39,900	-	-
Porwal Auto Components Limited	10	3,000	10,020	3,000	12,510
Power Finance Corporation Limited	10	965	1,47,781	-	-
Power Grid Corporation Limited	10	-	-	300	31,735
Praj Engineers Syndicate Limited	10	400	2,800	400	2,940
Prudential Sugar Corporation Ltd.	10	200	274	200	274
Punj Lloyd Limited	2	-	-	23,993	10,77,267
Quadrant Televentures Limited	10	2,000	5,500	2,000	7,200
Ramsarup Industries Limited	10	1,590	3,101	3,200	6,560
Rana Sugars Limited	10	20,000	47,000	20,000	56,000
Ranbaxy Laboratories Limited	5	5	1,734	-	-
Reliance Capital Limited	10	3	1,012	-	-
Reliance Communications Limited	5	3	371	-	-
Reliance Industries Limited	10	4	3,585	243	1,87,815
Reliance Infra Limited	10	3	1,260	-	-
Reliance Power Limited	10	98	6,909	98	6,027
S Kumars Nationwide Limited	10	9,000	32,400	13,500	1,11,375
Sahara One Media & Entertainment Ltd	10	95	6,261	95	8,127
Sanraa Media Limited	1	50,000	3,500	50,000	4,500
Shah Alloy Limited	10	-	-	-	-
Shanti Gears Limited	1	60,885	39,93,184	-	-
Shipping Corporation of India Ltd	10	1,500	62,250	2,150	86,538
Shoppers Stop Limited	5	-	-	727	2,91,709
Shree Ashtavinayak Cine Vision Ltd	1	-	-	6,025	7,531
Shree Mahaganga Sugar Limited	1	2,000	440	2,000	440
Shree Synthetics Limited	10	20	19	20	19
Shristi Infrastructure Development Corporation Limited	10	100	6,740	100	9,000
Sical Logistics Limited	10	5,258	2,88,664	-	-

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Note 14

INVENTORIES

	Face Value in ₹	2013-2014		2012-2013	
		Qty.	Amount In ₹	Qty.	Amount In ₹
Sintex Industries Limited	1	-	-	1,600	72,646
State Bank of India Limited	10	3	5,490	14	29,019
Steel Authority of India Limited	10	7	447	-	-
Sujan Towers Limited	5	300	2,142	7,000	16,100
Sun TV Network Limited	5	-	-	2,000	7,81,000
Supertex Industries Limited	1	400	680	400	1,060
Surat Textiles Mills Limited	1	10,000	14,400	10,000	14,400
Surya Chakra Power Corporation	10	128	147	-	-
Suzlon Energy Limited	2	2,000	22,200	2,999	40,786
Swil Limited	10	-	-	7,866	9,833
T Spiritual World Limited	10	-	-	300	177
Talwalkars Better Value Fitness Ltd	10	-	-	91	12,968
Taneja Aerospace and Aviation Ltd	5	-	-	2,000	33,800
Tanla Solutions Limited	1	500	2,175	500	1,575
Tata Global Beverages Limited	1	-	-	300	38,005
Tata Motors Limited	10	-	-	200	53,830
Tata Power Company Limited	1	-	-	4	382
Tata Steel Limited	10	-	-	650	2,03,353
Tata Teleservices (Maharastra) Services Limited	10	7,933	51,800	7,000	54,950
Tayo Rolls Limited	10	8,260	3,76,656	7,260	3,19,214
TeleData Info Marin Limited	2	1,000	290	1,000	350
Texmaco Rail and Engineering Ltd	1	-	-	1,300	63,100
The Indian Seamless Metal Tubes Ltd	5	-	-	1,22,699	12,49,466
TIL Limited	10	1,174	1,72,143	-	-
Transport Corporation Of India Ltd	2	100	10,200	-	-
Trigyn Technologies Limited	10	2,500	53,500	2,500	17,375
TV 18 Broadcast Limited	2	-	-	900	23,870
Union Bank Of India	10	1	122	-	-
Unitech Limited	2	1,799	19,912	797	18,765
Valiant Communications Limited	10	34,600	5,70,900	34,600	5,01,700
Vinyl Chemicals (India) Limited	1	-	-	1,000	9,050
Voltas Limited	1	5	776	-	-
Welspun Corporation Limited	5	-	-	100	5,035
Welspun Global Brands Limited	10	100	-	100	-
Welspun Investments & Commercial Ltd	10	50	-	50	-
Welspun Projects Limited	10	100	1,084	100	1,241
Wockhard Limited	5	400	1,78,300	-	-
Yes Bank Limited	10	5	1,966	-	-
Zee Entertainment Enterprises Ltd	1	84	-	-	-
Sub - Total (A)		8,88,477	1,65,12,821	19,55,929	1,65,32,679

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Note 14

INVENTORIES

	Face Value in ₹	2013-2014		2012-2013	
		Qty.	Amount In ₹	Qty.	Amount In ₹
Shares (Non Trade, Unquoted) Fully Paid up)					
Name of the Company					
Bharat Starch Product Limited	10	11	1,989	11	1,989
Sub - Total (B)		11	1,989	11	1,989
Total (A+B)		8,88,488	1,65,14,810	19,55,940	1,65,34,668
Market value of Quoted Shares			1,73,75,939		1,69,75,679

Out of the above, shares valuing to ₹ 9,47,845.92 has been pledge with HDFC Bank for taking bank over draft facility.

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

	Current Year Amount in ₹	Previous Year Amount in ₹
Note 19		
REVENUE FROM OPERATIONS		
From Sales of Product		
Sales of Shares	12,44,90,746	35,03,25,295
Sales of Mutual Fund	-	5,01,487
Profit/(Loss) from Equity Derivative Transactions	12,65,85,967	11,98,10,321
Profit/(Loss) from Currency Derivative Transactions	(42,05,134)	1,66,03,840
Profit/(Loss) from Non Delivery Transactions	(7,92,063)	(23,07,077)
Sub Total (A)	24,60,79,517	48,49,33,866
From Sale of Services		
Brokerage Income	93,96,982	1,06,59,853
Depository Income	20,44,734	22,89,410
Sub Total (B)	1,14,41,716	1,29,49,262
Other Operating Revenue		
Demat Charges Recovered	185	4,715
Late Payment Charges from Clients	23,467	47,910
Incentive on Trading	1,47,516	5,28,186
Sub Total (C)	1,71,168	5,80,810
Total (A+B+C)	25,76,92,401	49,84,63,938

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

	Current Year Amount in ₹	Previous Year Amount in ₹
Note 20		
OTHER INCOME		
Interest Income	1,62,55,244	2,43,51,429
Dividend from Non Current Investments	5,000	2,500
Dividend from Shares lying at Inventories	2,83,743	2,17,916
Other Non Operating Income	4,52,504	13,11,029
Profit on sale of Fixed Asset	15,196	-
Total	1,70,11,687	2,58,82,874

*Interest Income includes ₹ 22,07,419.70 for the year 2013-2014 (2012-2013:- ₹ 23,75,836.27) received on account of Fixed Deposits made from the Margin Money received from trading member & clients. The Fixed Deposits were made on the instruction of trading member (on behalf of its client) & clients. As the said margin money was received from trading member and clients, the amount of interest received on the fixed deposits (Margin Money) has been reimbursed to the trading member and clients. Such reimbursement is shown under the head interest expenses in Note No 24.

Note 21		
PURCHASE OF STOCK IN TRADE		
Purchases of Shares	12,23,85,827	34,18,58,723
Purchases of Mutual Fund	-	5,00,000
Total	12,23,85,827	34,23,58,723

Note 22		
(INCREASE)/DECREASE IN STOCK IN TRADE		
Opening Stock	1,65,34,668	3,00,00,405
Less: Closing Stock	1,65,14,810	1,65,34,668
Total	19,858	1,34,65,737

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

	Current Year Amount in ₹	Previous Year Amount in ₹
Note 23		
EMPLOYEE BENEFIT EXPENSES		
Salary & Bonus *	2,58,36,134	2,70,99,840
Contribution to Provident and Other Funds **	1,75,615	7,69,458
Staff Welfare Expenses	20,10,586	19,33,060
Total	2,80,22,335	2,98,02,358

*Salary & Bonus include ₹24,00,000/- for the year 2013-14 (2012-13 :- ₹ 24,00,000/-) payment to Director's towards managerial remuneration under section 198 of the Companies Act, 1956.

** Refer Note No 31

Note 24		
FINANCE COST		
Interest Cost *	1,41,61,693	2,24,45,670
Other Borrowings Cost	16,37,954	14,04,336
	1,57,99,647	2,38,50,006

* Refer Note No 20

Note 25		
OTHER EXPENSES		
SEBI & Exchanges Transaction Charges	1,49,54,914	1,89,94,154
SEBI & Exchanges Other Charges	5,93,856	12,42,610
Securities Transaction Tax	1,57,22,042	2,59,16,840
Professional Charges	4,91,16,784	4,55,93,899
Communication & Connectivity Expenses	29,70,332	60,02,907
Computer & Software Expenses	11,75,992	17,74,304
Electricity Charges	29,86,136	35,95,282
Legal & Professional Fees	14,58,628	12,84,312
Rent	33,38,359	39,70,045
Miscellaneous Expenses	27,44,456	40,15,384
Repair & Maintenance	35,26,633	39,88,349
Broker Note Stamp Expenses	8,74,120	10,65,089
Bad Debts	-	11,86,517
Rates & Taxes	6,93,042	7,52,796
Auditor Remuneration		
-Statutory Audit Fees	60,000	60,000
-Tax Audit Fees	15,000	15,000
-Certification Charges	62,000	36,500
-Others	12,500	1,11,500
Total	10,03,04,795	11,94,93,988

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

	Current Year Amount in ₹	Previous Year Amount in ₹
<u>Note 26</u>		
TAX EXPENSE		
Current Tax	6,94,671	-
Less : MAT Credit Entitlement	6,94,671	-
	<u>-</u>	<u>-</u>

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Note 27

Contingent Liabilities

a) Bank Guarantee :

The company has taken Bank Guarantee of ₹1552.50 lacs from HDFC Bank Ltd against pledge of bank deposits of ₹776.25 lacs and of ₹240 lacs from Federal Bank against pledge of Bank Deposits of ₹120 lacs. The above mentioned bank guarantees have been given as margin money in favour of National Securities Clearing Corporation Limited (NSCCL). The company has taken bank guarantee of ₹67.50 lacs from HDFC Bank against pledge of Bank Deposits of ₹33.75 lacs which has been given in favour of Indian Clearing Corporation Limited towards margin money and trade guarantee fund for trading in Bombay Stock Exchange (BSE).

b) Income Tax :

a) The company has disputed income tax demand outstanding of ₹5,80,437/- for the Financial Year 2004-05. The company has been legally advised that the demand is likely to be deleted or substantially reduced and accordingly no provision has been made.

b) The income tax department has filed an appeal with ITAT Kolkata against the order of CIT(A)-VI for the Financial Year 2007-2008. The maximum amount of liability involved in the appeal is ₹9,98,598/-. The liability being contingent in nature, thus not provided in the Financial Statements.

c) The company has disputed income tax demand outstanding of ₹24,84,920/- for the Financial Year 2009-2010. The company has been legally advised that the demand is likely to be deleted or substantially reduced and accordingly no provision has been made.

d) The company has disputed income tax demand outstanding of ₹ 43,74,200/- for the Financial Year 2010-2011. The company has been legally advised that the demand is likely to be deleted or substantially reduced and accordingly no provision has been made.

Note 28

Segment Reporting

The company's operation predominantly comprises of only one segment "Activity relating to Capital Market" and therefore segment reporting is not applicable to the company.

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Note 29

Related Party Disclosure

a) Name of the Related Parties

Sl.No.	Nature of Relationship	Name of the Related Parties
1)	Wholly Owned Subsidiaries :	Trade City Securities (P) Ltd Trade City Commodities (P) Ltd Trade City Real Estate (P) Ltd Trade City Barter (P) Ltd
2)	Key Management Personnel (KMP) :	Shri Rajesh Kumar Bajaj Shri Sudheer Kumar Jain Hari Kishan Lohia Mahesh Kumar Bajaj
3)	Relatives of KMP :	Sunita Bajaj Neena Jain Ayushi Jain Bhanwari Devi Jain Rajdulari Devi Bajaj Megha Bajaj Murari Lal Bajaj Perna Bajaj Poonam Bajaj
4)	Enterprises over which KMP exercise significant influence :	Daadi Stock Broking (P) Ltd Ridhi Sidhi Distributors (P) Ltd Shiv Lalit Consultancy (P) Ltd Snehdeep Commerce (P) Ltd Narayani Commodities (P) Ltd Bajaj Overseas & Finance (P) Ltd. Bajaj Portfolio Services (P) Ltd. SNB Share Stock Broking (P) Ltd. Madhusudhan Enclave (P) Ltd. Rajesh Kumar Bajaj (HUF) Sudheer Kumar Jain (HUF) H K Lohia (HUF) Padam Chand Jain (HUF) Father of Sudheer Jain Satnarayan Bajaj (HUF) Karta (MKB) M K Bajaj (HUF)

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

b) Transactions with Related Parties

Amount in ₹

Sl.No	Description of Nature of Transactions	Wholly Owned Subsidiaries	Key Management Personnel (KMP)	Relatives of KMP	Enterprises over which KMP exercises significant influence
1	Brokerage Earned	7,946 (18,586)	3,198 (3,995)	7,505 (2,823)	35,878 (17,468)
2	Depository Charges Received (inclusive Service tax)	5,04,038 (4,76,641)	4,418 (2,527)	8,012 (1,665)	21,171 (12,659)
3	Remuneration Paid	- -	24,00,000 (24,00,000)	- -	- -
4	Rent Paid	3,60,000 (3,60,000)	- -	- -	6,00,000 (6,00,000)
5	Margin Deposits taken for Trading	8,00,000 (20,00,000)	17,50,000 -	82,75,000 -	4,46,30,000 (21,90,000)
6	Margin Deposits taken for Trading Refunded	8,00,000 (20,00,000)	17,50,000 -	82,75,000 -	4,12,30,000 (21,90,000)
7	Margin Deposit received from Trading Member	5,37,17,800 (7,94,12,873)	- -	- -	- -
8	Margin Deposit refunded to Trading Member	5,94,94,500 (7,72,80,600)	- -	- -	- -
9	Interest Received on Bank Deposits reimbursed to Trading Member	15,19,779 (18,49,176)	- -	- -	- -
10	Loan Taken	15,45,65,000 (7,27,70,000)	- -	- -	9,69,00,000 (32,78,15,000)
11	Loan Repaid	15,34,90,000 (7,71,20,000)	- -	- -	11,74,50,000 (32,08,15,000)
12	Interest Paid	6,49,308 (7,04,742)	- -	- -	8,97,772 (16,81,242)
13	Equity Contribution	25,00,000 -	- -	- -	- -

* Previous Years figures are given in bracket

c) Amount Outstanding

Amount in ₹

Sl.No	Particulars	Current Year	Previous Year
1	Due from Wholly Owned Subsidiaries	33,813	33,505
2	Due from KMP	7,064	3,704
3	Due from Relatives of KMP	-	1,138
4	Due from Enterprises over which KMP exercises significant influence	-	2,373
5	Provision (if any)	Nil	Nil

Note 30

Quantitative details of the items traded during the Financial Year 2013-2014

Particulars	2013-2014		2012-2013	
	Quantity	Amount in ₹	Quantity	Amount in ₹
Opening Stock				
Shares	19,55,940	1,65,34,668	20,73,399	3,00,00,405
Mutual Fund	-	-	-	-
Total	19,55,940	1,65,34,668	20,73,399	3,00,00,405
Purchases during the year				
Shares	26,52,157	12,23,85,827	69,33,370	34,18,58,723
Mutual Fund	-	-	18,897.000	5,00,000
Total	26,52,157	12,23,85,827	69,52,267	34,23,58,723
Sales during the year				
Shares	37,19,609	12,44,90,746	70,50,829	35,03,25,295
Mutual Fund	-	-	18,897.000	5,01,487
Total	37,19,609	12,44,90,746	70,69,726.00	35,08,26,782
Closing Stock				
Shares	8,88,488	1,65,14,810	19,55,940	1,65,34,668
Mutual Fund	-	-	-	-
Total		1,65,14,810		1,65,34,668

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Note No 31

EMPLOYEE BENEFIT

A. Defined Contribution Plan

		Amount in ₹	
Sl.No	Particulars	2013-14	2012-13
1	Contribution to Provident Fund	93,609	1,04,360
2	Contribution to Employee State Insurance	82,006	1,08,923

- B. The company has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets Gratuity on terms not lower than the amount payable under the Payment of Gratuity Act, 1972. The aforesaid scheme is funded with LIC. The following table summarizes the components of net benefit expenses recognized in profit & loss statement.

I Net Employee Expenses/(benefit)

		Amount in ₹	
Sl.No	Particulars	2013-14	2012-2013
1	Current Service Cost	6,62,178	6,91,733
2	Interest cost on benefit obligation	3,78,725	3,15,751
3	Expected Return on plan assets	(4,24,723)	(4,35,376)
4	Net Actuarial (gain)/Loss recognised in the year	(9,41,795)	(41,895)
5	Total employee expenses recognised in Profit & Loss Statement	(3,25,615)	5,30,213

II Actual Return on Plan Assets

		Amount in ₹	
Sl.No	Particulars	2013-14	2012-2013
1	Actual Return on Plan Assets	4,24,723	4,35,376

III Benefit Assets/(Liability)

		Amount in ₹	
Sl.No	Particulars	2013-14	2012-2013
1	Defined Benefit Obligation	41,71,296	47,34,063
2	Fair Value of Plan Assets	51,58,566	52,15,568
3	Benefit Assets/(Liability)	9,87,270	4,81,505

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

IV Movement in benefit/Liability

		Amount in ₹	
Sl.No	Particulars	2013-14	2012-2013
1	Opening defined Benefit Obligation	47,34,063	39,46,887
2	Interest Cost	3,78,725	3,15,751
3	Current Service Cost	6,62,178	6,91,733
4	Benefits Paid	(6,61,875)	(1,78,413)
5	Actuarial (gains)/Loss on obligation	(9,41,795)	(41,895)
6	Closing Benefit Obligation	41,71,296	47,34,063

V Movement in fair value of plan assets

		Amount in ₹	
Sl.No	Particulars	2013-14	2012-2013
1	Opening fair value of Plan Assets	52,15,568	34,83,607
2	Return on Plan Assets (Actual)	4,24,723	4,35,376
3	Contribution by Employer	1,80,150	14,74,998
4	Benefits Paid	(6,61,875)	(1,78,413)
5	Closing Fair Value of Plan Assets	51,58,566	52,15,568

VI The Principal actuarial assumptions are as follow

Sl.No	Particulars	2013-14	2012-2013
1	Discount Rate	8%	8%
2	Salary Escalation	6.50%	7.75%
3	Withdrawal Rate	1%-3% depending on age	1%-3% depending on age
4	Expected Rate of Return on Plan Assets	8.75%	9.15%

VII The major categories of Plan Assets as a percentage of fair value of the total plan assets

Sl.No	Particulars	2013-14	2012-2013
1	Investments with Insurer	100%	100%

Note The company expects to contribute ₹2.56 lacs to Gratuity Fund in Financial Year 2014-15

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Note No 32

A. Disclosure of Net Open Position of Index & Equity Future

NAME OF INDEX FUTURE	No of Contracts	Net Open Position	
		Long	Short
FUTIDX BANKNIFTY 24Apr14	1	-	25
FUTIDX NIFTY 24Apr14	21	-	1,050
FUTIDX NIFTY 29May14	80	-	400
FUTIVX INDIIVIX 01Apr14	1	750	-
IF BSX 24Apr14	1	15	-
Total		765	1,475

NAME OF STOCK FUTURE	No of Contracts	Net Open Position	
		Long	Short
FUTSTK ABIRLANUVO 24Apr14	1	250	-
FUTSTK ADANIENT 24Apr14	3	-	6,000
FUTSTK ADANI PORTS 24Apr14	1	-	2,000
FUTSTK ASHOKLEY 24Apr14	2	30,000	-
FUTSTK AXISBANK 24Apr14	4	1,000	-
FUTSTK AXISBANK 29May14	4	-	1,000
FUTSTK BHARATFORG 24Apr14	1	-	1,000
FUTSTK BHEL 24Apr14	10	20,000	-
FUTSTK BHEL 26Jun14	1	2,000	-
FUTSTK CANBK 24Apr14	3	3,000	-
FUTSTK CIPLA 24Apr14	1	-	500
FUTSTK DLF 24Apr14	3	6,000	-
FUTSTK EXIDEIND 24Apr14	1	2,000	-
FUTSTK GAIL 24Apr14	3	-	3,000
FUTSTK GMRINFRA 24Apr14	16	1,76,000	-
FUTSTK HCLTECH 24Apr14	1	-	250
FUTSTK HDFCBANK 24Apr14	6	-	3,000
FUTSTK HDIL 24Apr14	1	-	8,000
FUTSTK HEROMOTOCO 24Apr14	1	-	125
FUTSTK HINDALCO 24Apr14	7	-	14,000
FUTSTK HINDUNILVR 24Apr14	3	-	1,500
FUTSTK HINDZINC 24Apr14	5	-	10,000
FUTSTK IBREALEST 24Apr14	1	4,000	-
FUTSTK ICICIBANK 24Apr14	1	250	-
FUTSTK IFCI 24Apr14	46	4,60,000	-
FUTSTK IGL 24Apr14	1	1,000	-
FUTSTK INDIACEM 24Apr14	1	-	8,000
FUTSTK INDUSINDBK 24Apr14	1	1,000	-
FUTSTK INFY 24Apr14	2	250	-
FUTSTK ITC 24Apr14	3	3,000	-
FUTSTK JINDALSTEL 24Apr14	1	1,000	-
FUTSTK JISLJALEQS 24Apr14	1	4,000	-
FUTSTK JPASSOCIAT 24Apr14	1	-	8,000
FUTSTK JPPOWER 24Apr14	1	13,000	-
FUTSTK JSWENERGY 24Apr14	1	8,000	-
FUTSTK M&MFIN 24Apr14	2	2,000	-

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

FUTSTK MCDOWELL-N 24Apr14	1	125	-
FUTSTK NTPC 24Apr14	8	16,000	-
FUTSTK ONGC 24Apr14	1	1,000	-
FUTSTK PFC 24Apr14	2	-	4,000
FUTSTK RANBAXY 24Apr14	10	10,000	-
FUTSTK RCOM 24Apr14	1	-	2,000
FUTSTK RELIANCE 24Apr14	28	7,000	-
FUTSTK RELINFRA 24Apr14	5	5,000	-
FUTSTK RPOWER 24Apr14	1	-	4,000
FUTSTK SAIL 24Apr14	1	-	8,000
FUTSTK SBIN 24Apr14	1	125	-
FUTSTK TATAGLOBAL 24Apr14	1	2,000	-
FUTSTK TATAMOTORS 24Apr14	15	-	15,000
FUTSTK TATAMTRDVR 24Apr14	1	-	2,000
FUTSTK TATAPOWER 24Apr14	5	20,725	-
FUTSTK TATASTEEL 24Apr14	1	-	1,000
FUTSTK TCS 24Apr14	6	750	-
FUTSTK TITAN 24Apr14	1	-	1,000
FUTSTK UCOBANK 24Apr14	1	4,000	-
FUTSTK ULTRACEMCO 24Apr14	3	-	375
FUTSTK UNIONBANK 24Apr14	4	-	8,000
FUTSTK UNITECH 24Apr14	73	-	8,76,000
FUTSTK WIPRO 24Apr14	1	500	-
FUTSTK YESBANK 24Apr14	1	-	1,000
FUTSTK ZEEL 24Apr14	1	-	1,000
SF GAIL 24Apr14	1	1,000	-
SF BHEL 26Jun14	1	-	2,000
SF HNDL 24Apr14	2	-	4,000
SF IBRL 24Apr14	1	-	4,000
Total		8,05,975	9,99,750

B. Disclosure of Net Open Position of Currency Future

NAME OF CURRENCY FUTURE	No of Contracts	Net Open Position	
		Long	Short
USDINR -28APR2014	1	1,000	-
883GS2023 -24APR2014	60	1,20,000	-
USDINR 28APR2014	339		3,39,000
883GS2023 24APR2014	244		4,88,000
USDINR 28MAY2014	24	24,000	
883GS2023 29MAY2014	11		22,000
Total		1,45,000	8,49,000

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

C. Disclosure of Net Option Premium Paid for Index & Equity Options

Option Contract in respect of which premium is paid

Name of Stock Option	Premium Carried Forward net of loss (₹)
ABIRLANUVO	11,450.00
ADANIENT	1,17,800.00
ADANI PORTS	16,600.00
AMBUJACEM	20,000.00
ASHOKLEY	27,750.00
AUROPHARMA	8,000.00
AXISBANK	1,025.00
BANKINDIA	7,600.00
BHARTIARTL	16,650.00
BHEL	22,100.00
CANBK	6,450.00
CIPLA	5,375.00
DRREDDY	487.50
HCLTECH	82,825.00
HDIL	50,800.00
HINDALCO	2,14,600.00
IBREALEST	2,400.00
ICICIBANK	1,250.00
IDFC	63,800.00
JPASSOCIAT	83,200.00
JPPOWER	7,800.00
JSWSTEEL	2,050.00
M&M	43,925.00
NHPC	38,400.00
NMDC	300.00
SBIN	4,050.00
TATACOMM	23,500.00
TATAGLOBAL	6,100.00
TATAMOTORS	4,05,250.00
TATAMTRDVR	3,900.00
TATASTEEL	90,450.00
TCS	24,112.50
TECHM	2,525.00
UCOBANK	10,800.00
UNIONBANK	1,14,100.00
UNITECH	16,56,600.00
YESBANK	450.00
ALBK	2,000.00
APOLLOTYRE	3,600.00
ARVIND	27,800.00
ASIANPAINT	13,125.00
BANKBARODA	1,475.00
COALINDIA	4,950.00
GMRINFRA	78,650.00

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

HINDUNILVR	5,150.00
HINDZINC	58,900.00
INDIACEM	10,800.00
INFY	4,43,006.25
KTKBANK	15,600.00
L&TFH	34,200.00
LICHSGFIN	1,52,000.00
MCLEODRUSS	8,050.00
NTPC	31,900.00
PFC	23,700.00
PNB	11,900.00
RANBAXY	16,250.00
RCOM	35,100.00
RECLTD	1,400.00
RELIANCE	1,22,725.00
RPOWER	45,200.00
SAIL	34,400.00
TATAPOWER	14,922.00
TITAN	10,050.00
ZEEL	11,650.00
DLFL	1,100.00
JPPW	75,400.00
ADPW	50,000.00
Premium Paid (A)	45,39,478.25

Name of Index Option	Premium Carried Forward inclusive of loss (₹)
NIFTY	92,180.00
BSX	2,11,875.00
Premium Paid (B)	3,04,055.00
TOTAL PREMIUM PAID (A+B)	48,43,533.25

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Option Contract in respect of which premium is received

Name of Stock Option	
ANDHRABANK	800.00
BANKNIFTY	138835.00
BHARATFORG	3600.00
DISHTV	1600.00
JISLJALEQS	25000.00
JSWENERGY	32800.00
M&MFIN	25550.00
ONGC	14700.00
ADANIPOWER	37600.00
CESC	2250.00
DLF	14800.00
EXIDEIND	3200.00
GAIL	11500.00
IDEA	3400.00
IFCI	626000.00
ITC	25600.00
JINDALSTEL	300.00
MCDOWELL-N	1500.00
POWERGRID	800.00
SSLT	20800.00
Ashok Leyland	321750.00
Andhra Bank	2000.00
Total (A)	13,14,385.00
Name of Index Option	
BSI	28900.00
Total (B)	28,900.00
TOTAL PREMIUM RECEIVED (A+B)	13,43,285.00
Net Premium Paid	35,00,248.25

D. Disclosure of Net Option Premium Paid for Currency Options

Name of Index Option	Premium Carried Forward inclusive of loss (₹)
USDINR	81,107.50
	81,107.50

Notes on Financial Statements for the Year Ended 31st March, 2014 (Contd.)

Note 33

Inflow in Foreign Currency

		Amount in ₹	
Particulars		Current Year	Previous Year
Incentive from Reuters		-	12,194.24
Total		-	12,194.24

Note 34

Outstanding Contracts

Outstanding Contracts of the clients for the settlement period for which settlement has not taken place has not been considered for the purpose of financial statement made upto 31st March 2014. However brokerage and other charges receivables on such contracts have been accounted for.

Note 35

The company has availed the exemption with regard to the non inclusion of annual report of the subsidiaries in terms of general circular no 2/2011 issued by MCA on 8th February 2011. However the annual accounts of the subsidiaries shall be kept for inspection for any shareholders in the head office of the company. The company shall furnish a hard copy of the annual report of subsidiaries to any shareholder on demand.

Note 36

Information pursuant to section 212 of the Companies Act, 1956 is annexed as Annexure - 1 hereto

Note 37

Previous year figures have been regrouped/rearranged wherever required.

As per our attached report of even date
For Patni & Co.
Chartered Accountants
(Firm Registration No. 320304E)

SASHI SUREKA
(Partner)
Membership No. 57918
Place : Kolkata
Date : 29th May 2014

For and on behalf of Board

Hari Kishan Lohia
Director

Mahesh Kumar Bajaj
Director

Sudheer Kumar Jain
Whole-time Director

Narendra Kumar Rai
Company Secretary

Statement u/s. 212

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT 1956 RELATING TO SUBSIDIARIES COMPANIES

Annexure - I

PARTICULARS	NAME OF THE SUBSIDIARIES			
	Trade City Securities Pvt. Ltd.	Trade City Real Estate Pvt. Ltd.	Trade City Commodities Pvt. Ltd.	Trade City Barter Pvt. Ltd.
1. The Financial Year of the Subsidiary Company ended on	31.03.2014	31.03.2014	31.03.2014	31.03.2014
2. (a) The No of Equity Shares held by Lohia Securities Limited and its nominees in the Subsidiary as at March 31, 2014	32,50,000 equity shares of ₹10 each fully paid up	14,50,000 equity shares of ₹10 each fully paid up	15,55,000 equity shares of ₹10 each fully paid up	4,25,200 equity shares of ₹10 each fully paid up
(b) Extent of interest of Lohia Securities Limited in the Capital of the Subsidiary.	100%	100%	100%	100%
3. Net aggregate amount of the Profits/Loss of the Subsidiary so far it concerns the members of Lohia Securities Limited as it not dealt with the Company's Accounts:				
(a) Profit/(Loss) for the year ended March 31, 2014 of the Subsidiaries	₹9,51,360/-	₹(1,41,831/-)	₹13,93,040/-	₹4,95,834/-
(b) Profit/(Loss) for the previous Financial Year of the subsidiaries, since it became a Subsidiary of Lohia Securities Limited	₹(57,49,313/-)	₹3,24,976/-	₹10,12,946/-	₹(2,15,443/-)
4. Net aggregate amount of the Profits/Loss of the Subsidiary so far as deal with or provision is made for those losses in Lohia Securities Limited's Accounts				
(a) Profit/Loss for the year ended March 31, 2014 of the Subsidiaries	Nil	Nil	Nil	Nil
(b) Profit/Loss for the previous Financial Year of the subsidiaries, since it became a Subsidiary of Lohia Securities Limited	Nil	Nil	Nil	Nil

Place : Kolkata

Date : 29th May 2014

For and on behalf of Board

Hari Kishan Lohia
Director

Mahesh Kumar Bajaj
Director

Sudheer Kumar Jain
Whole-time Director

Narendra Kumar Rai
Company Secretary

Independent Auditor's Report

To the Board of Directors
Lohia Securities Limited

Report on the Consolidated Financial Statements

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

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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 consolidated financial statements.

Independent Auditor's Report (*Contd.*)

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

Opinion

In our opinion and to the best of our information and according to the explanation give to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014
- b) in the case of the consolidated Profit & Loss Account, of the Profit for the year ended on that date; and
- c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of three subsidiaries whose financial statement reflect total assets of ₹ 11,21,85,629/- as at 31st March 2014, total revenue of ₹ 60,54,648/- and net cash outflows amounting to ₹ 7,64,616/- for the year ended on that date. These financial statements and other financial information have been audited by the other auditors whose reports have been furnished to us by the management of the group, and our opinion is based on the reports of other auditors.

Place: 1, India Exchange Place
Kolkata - 700 001

For PATNI & CO.
CHARTERED ACCOUNTANTS

Dated: The 29th day of May 2014

S. SUREKA
(Partner)
Membership No. 057918
Firm Regn.No.320304E

Consolidated Balance Sheet as at 31st March, 2014

		Amount in ₹	
	Note	As at 31.03.2014	As at 31.03.2013
Particulars	No.		
I. EQUITY AND LIABILITIES			
(1) SHAREHOLDER'S FUND			
(a) Share Capital	2	4,78,22,500	4,78,22,500
(b) Reserves and Surplus	3	21,24,26,245	20,90,97,172
(2) NON CURRENT LIABILITIES			
(a) Long Term Borrowings	4	82,25,000	-
(b) Long Term Provisions	5	7,11,026	8,74,125
(3) CURRENT LIABILITIES			
(a) Short -term borrowings	6	6,25,66,198	16,73,96,209
(b) Trade Payables	7	22,07,827	42,63,396
(c) Other Current Liabilities	8	4,23,21,636	5,80,72,733
(d) Short - term provisions	9	16,34,216	12,09,438
TOTAL		37,79,14,648	48,87,35,574
II. ASSETS			
(1) NON CURRENT ASSETS			
(a) Fixed Assets			
(i) Tangible Assets	10	1,95,48,946	2,86,66,688
(ii) Intangible Assets	11	13,27,805	26,50,258
(b) Non Current Investment	12	5,56,94,874	5,13,88,944
(c) Deferred Tax Assets	13	1,97,51,236	2,20,15,176
(d) Long-Term loans and advances	14	6,32,41,158	5,70,69,612
(2) CURRENT ASSETS			
(a) Inventories	15	1,94,38,495	1,97,63,956
(b) Trade Receivables	16	55,49,785	1,56,36,468
(c) Cash & Cash Equivalent	17	14,74,51,198	25,91,50,907
(d) Short Term Loans & Advances	18	4,32,07,447	2,80,78,310
(e) Other Current Assets	19	27,03,705	43,15,254
TOTAL		37,79,14,648	48,87,35,574
Significant Accounting Policies	1		
Notes to Accounts	2 to 33		
As per our attached report of even date			For and on behalf of Board
For Patni & Co.			Hari Kishan Lohia
Chartered Accountants			Director
(Firm Registration No. 320304E)			Mahesh Kumar Bajaj
			Director
SASHI SUREKA			Sudheer Kumar Jain
(Partner)			Whole-time Director
Membership No. 57918			Narendra Kumar Rai
Place : Kolkata			Company Secretary
Date : 29th May 2014			

Consolidated Statement of Profit & Loss for the Year Ended 31st March, 2014

		Amount in ₹	
Particulars	Note No	Figures for the year ended 31.03.2014	Figures for the year ended 31.03.2013
I REVENUE FROM OPERATION	20	26,81,84,530	53,25,54,428
II. OTHER INCOME	21	3,02,48,061	3,24,65,804
III. TOTAL REVENUE (I+II)		29,84,32,591	56,50,20,232
IV EXPENSES			
(a) Purchases of Stock In Trade	22	12,39,23,971	36,71,21,322
(b) (Increase)/Decrease in Inventories	23	3,25,462	1,38,03,009
(c) Employee Benefit Expenses	24	3,48,77,819	3,93,09,106
(d) Finance Cost	25	2,11,39,458	2,63,77,685
(e) Depreciation & Amortization Expenses		58,59,990	76,70,726
(f) Other Expenses	26	11,17,80,812	12,90,54,483
Total Expenses (a to f)		29,79,07,511	58,33,36,331
PROFIT BEFORE TAX BEFORE EXCEPTIONAL		5,25,080	(1,83,16,098)
V ITEM(III-IV)			
VI EXCEPTIONAL ITEM	27	63,59,666	-
VII PROFIT/(LOSS) BEFORE TAX (V+VI)		68,84,746	(1,83,16,098)
VIII TAX EXPENSES			
-Current Tax		5,30,000	-
-MAT Credit Entitlement		(4,04,239)	-
-Income Tax for Earlier Year		-	-
-Deferred Tax		22,63,940	(65,56,613)
IX PROFIT / (LOSS) FOR THE PERIOD		44,95,045	(1,17,59,485)
EARNING PER EQUITY SHARE OF FACE VALUE OF			
X ₹10 EACH			
(1) Basic		0.94	(2.46)
(2) Diluted		0.94	(2.46)

Significant Accounting Policies

1

Notes to Accounts

2 to 33

As per our attached report of even date

For Patni & Co.

Chartered Accountants

(Firm Registration No. 320304E)

SASHI SUREKA

(Partner)

Membership No. 57918

Place : Kolkata

Date : 29th May 2014

For and on behalf of Board

Hari Kishan Lohia
Director

Mahesh Kumar Bajaj
Director

Sudheer Kumar Jain
Whole-time Director

Narendra Kumar Rai
Company Secretary

Consolidated Cash Flow Statement for the year Ended 31st March, 2014

	31.03.2014	31.03.2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax & Extraordinary Items	68,84,745	(1,83,16,098)
Adjustment for :		
Depreciation	58,59,990	76,70,726
Interest Expenses	1,94,23,894	2,69,63,993
Miscellaneous Balance Written Off	(69,736)	-
Interest Received	(1,90,29,157)	(2,82,32,970)
Provision for Bad & Doubtful Debts	4,59,540	1,00,026
Provision for Gratuity	(1,63,099)	85,385
Contingent Provision for Standard Assets	59,015	(5,750)
Provision for Bonus	1,65,864	-
Provision for Loss on Valuation of Inventories	3,65,763	43,466
Bad Debts	-	11,86,517
Dividend Received from Investment	(63,826)	(1,05,750)
Preliminary Expenses written Off	-	-
Loss from Equity Derivative Transaction	3,29,568	-
(Profit)/Loss On Sales Of Investments	(34,50,000)	(49,77,619)
(Profit)/Loss On Sales Of Fixed Assets	(1,22,90,571)	-
	(84,02,755)	27,28,024
Operating Profit before Working Capital Adjustment	(15,18,011)	(1,55,88,074)
Changes in Current Assets		
(Increase)/Decrease in Inventories	3,25,462	1,38,03,009
(Increase)/Decrease in Debtors	94,20,303	(1,00,84,878)
(Increase)/Decrease in Other Current Assets	22,55,438	13,89,404
(Increase)/Decrease in Loans & Advances	(2,69,14,873)	56,42,408
(Increase)/Decrease in Prepaid Expenses	(8,42,131)	5,09,295
	(1,57,55,801)	1,12,59,239
Changes in Current Liabilities		
Changes in Trade Payable	(19,42,096)	12,91,607
Changes in Other Payable	(11,62,624)	92,50,192
Changes in Short Term Loan Taken	-	(33,00,000)
Change in Provision for Gratuity	-	(2,394)
Changes in Advance Received	-	-
Changes in Other Liabilities	(53,39,565)	39,35,443
	(84,44,285)	1,11,74,848
Changes in Working Capital	(2,42,00,086)	2,24,34,086
Cash Generated from Operation	(2,57,18,097)	68,46,012
Payment of Taxes	(2,43,630)	-
Net cash flow from operating activities	(2,59,61,727)	68,46,012
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Tangible Fixed Assets	(1,20,416)	(11,03,747)
Purchase of Intangible Fixed Assets	(2,64,000)	(12,38,701)
Sales Proceeds of Tangible Fixed Assets	1,72,55,193	-
Sales Proceeds of Investment	49,50,000	1,44,14,942
Purchase of Shares	(74,74,760)	(52,33,491)
Loss from Equity Derivative Transaction	(3,29,568)	-

Consolidated Cash Flow Statement for the year Ended 31st March, 2014 (Contd.)

	31.03.2014	31.03.2013
Dividend From Investment	63,826	1,05,750
(Increase)/Decrease in Refund of Loan Given	-	17,00,000
Advance Payment for Property	-	(64,85,000)
Refund of Advance payment for Property	(1,60,00,000)	24,85,412
Interest Received from Bank Deposits	1,69,56,841	2,54,01,835
Interest Received from Others	20,72,315	28,31,135
(Increase)/decrease in Bank Deposits	11,97,40,500	1,99,97,000
Net cash realised from Financing Activities	13,68,49,932	5,28,75,134
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Secured Loan	(10,12,85,230)	(95,98,445)
Increase/(Decrease) in Unsecured Loan	1,65,27,682	(2,93,00,000)
Payment of Dividend	(9,96,600)	(9,96,600)
Payment of Dividend Tax	(1,69,372)	(1,61,673)
Proceeds from Issue of Shares	25,00,000	-
Interest Paid	(1,94,23,894)	(2,69,63,993)
Net cash realised from financing activities	(10,28,47,414)	(6,70,20,711)
Net increase/(Decrease) in cash and cash equivalent	80,40,791	(72,99,565)
OPENING CASH & CASH EQUIVALENT	69,47,907	1,42,47,472
CLOSING CASH & CASH EQUIVALENT	1,49,88,698	69,47,907
CLOSING CASH AND CASH EQUIVALENT		
Cash At Bank	1,43,78,389	61,27,650
Cash on Hand	6,10,309	8,20,257
	1,49,88,698	69,47,907

As per our attached report of even date
For Patni & Co.
Chartered Accountants
(Firm Registration No. 320304E)

SASHI SUREKA
(Partner)
Membership No. 57918
Place : Kolkata
Date : 29th May 2014

For and on behalf of Board

Hari Kishan Lohia
Director

Mahesh Kumar Bajaj
Director

Sudheer Kumar Jain
Whole-time Director

Narendra Kumar Rai
Company Secretary

Notes on Consolidated Financial Statement for the year Ended 31st March, 2014

1. SIGNIFICANT ACCOUNTING POLICIES

(a)Basis of Consolidation

The consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) – “Consolidated Financial Statements”, notified by the Companies (Accounting Standards) Rules 2006.

The consolidated financial statements have been prepared applying uniform accounting policies for like transaction and events in similar circumstances and appropriate adjustments are made if the differences in accounting policies have a material impact.

The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and transactions resulting in unrealized profit/loss.

The excess of cost of investment over the Company's share in the net assets of subsidiaries at the date on which investment is made is recognized as 'goodwill' and the excess of the company share over the cost of investment is treated as Capital Reserve. Capital Reserve is separately disclosed after netting of Goodwill in the Consolidated Financial Statements.

(b)Fixed Assets & Depreciation

- (i) Fixed Assets are stated at their original cost of acquisition less accumulated depreciation.
- (ii) Depreciation on fixed assets has been provided under written down value method on pro-rata basis as per rate prescribed under Schedule XIV of the Companies Act, 1956.
- (iii) Intangible assets has been amortized over a period of four financial year.

(c)Inventory

Inventories are valued at lower of cost or market price. The costs of the shares are determined on First in & First out Basis. One of the subsidiaries has compared the Cost Price of Inventory with Market Price of Inventory on cumulative basis for all item of inventory.

(d)Investments

- (i) Long term Investments are stated at cost less provision for diminution in the value other than temporary, in the value of Investments.
- (ii) Investment property is carried at cost.
- (ii) Current Investments are carried individually, at the lower of cost and fair value.

Notes on Consolidated Financial Statement (Contd.)

(e) Revenue Recognition

- (i) Income from Brokerage is recognized on the trade date of transaction.
- (ii) Dividend income is recognized when the right to receive the income is established.

(f) Retirement Benefit

(i) Defined Contribution Plan:

Company's contribution paid/payable during the year to the Provident Fund is charged to Profit and Loss Account. The Company's contribution to Employee's State Insurance Scheme is also charged to Profit & Loss Statement of the year to which the contributions relate.

(ii) Defined Benefit Plan:

The Company has opted for a Group Gratuity-cum Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and contribution towards gratuity liability as determined by LIC is charged to the Profit & Loss Statement. As far as company's liabilities towards leave encashment, company has the policy of paying the leave encashment at the end of the financial year.

(g) Derivative Market Trading

- (i) In respect of Option Contract, premium paid for contract expiring beyond the balance sheet date has been treated as current assets, adjusted for loss, if any
- (ii) In respect of Open Futures Contract, Mark-to-Market debit balance has been recognized in the Profit & Loss Account and Mark-to-Market credit balance has been treated as current liabilities as per the guidance note issued by ICAI on accounting of Future & Option contract

(h) Taxation

Provision of current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rates as applicable. The deferred tax charge is recognized using the enacted tax rate. Deferred Tax Assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Notes on Consolidated Financial Statement (Contd.)

Note 2

SHARE CAPITAL

Particulars	As at 31st March 2014		As at 31st March 2013	
	No of Shares	Amount in ₹	No of Shares	Amount in ₹
a) Authorised Capital				
Equity Share Capital of ₹ 10 each with voting right	75,00,000	7,50,00,000	75,00,000	7,50,00,000
b) Issued, Subscribed and Fully Paid up Capital				
Equity Share Capital of ₹ 10 each with voting right	47,78,000	4,77,80,000	47,78,000	4,77,80,000
c) Par Value per Share		₹10		₹10

d) Reconciliation of Number of Shares and amount outstanding at the beginning and at the end of the year

Particulars	As at 31st March 2014		As at 31st March 2013	
	No of Shares	Amount in ₹	No of Shares	Amount in ₹
Number and amount of the share at the beginning of the year	47,78,000	4,77,80,000	47,78,000	4,77,80,000
Adjustment (If any)	-	-	-	-
Number and amount of the share at the end of the year	47,78,000	4,77,80,000	47,78,000	4,77,80,000

e) Rights Attached to the Shares

Each Share confers the right to one vote. Shareholders have the right to receive the dividend

f) Details of the Shareholder holding shares more than 5 %

Name of the Shareholders	As at 31st March 2014		As at 31st March 2013	
	No of Shares	% of holding	No of Shares	% of holding
Hari Kishan Lohia	4,31,000	9.02	4,31,000	9.02
Mahesh Kumar Bajaj	3,90,400	8.17	3,90,400	8.17
Rajesh Kumar Bajaj	4,19,800	8.79	4,19,800	8.79
Sudheer Kumar Jain	3,12,000	6.53	3,12,000	6.53
Ridhi Sidhi Distributors (P) Ltd	2,52,881	5.29	1,37,000	2.75
Shiv Lalit Consultancy (P) Ltd	2,65,000	5.55	2,65,000	5.55

g) Details of Forfeited Shares

Class of shares	As at 31st March 2014		As at 31st March 2013	
	No of Shares	Amount originally paid up ₹	No of Shares	Amount originally paid up ₹
Equity Share with voting rights	17,000	42,500	17,000	42,500

Notes on Consolidated Financial Statement (Contd.)

	As at 31.03.2014 Amount in ₹	As at 31.03.2013 Amount in ₹
Note 3		
RESERVE AND SURPLUS		
A) Securities Premium Account		
Opening Balance	1,85,51,631	1,85,51,631
Adjustment	-	-
Closing Balance (Sub Total A)	<u>1,85,51,631</u>	<u>1,85,51,631</u>
B) General Reserves		
Opening Balance	9,10,86,129	9,10,86,129
Adjustment	-	-
Closing Balance (Sub Total B)	<u>9,10,86,129</u>	<u>9,10,86,129</u>
C) Surplus		
Opening Balance	8,84,50,840	10,13,76,298
Add: Profit as Per Statement of Profit & Loss	44,95,045	-
	<u>9,29,45,885</u>	<u>10,13,76,298</u>
Less: Deduction during the year		
Loss for the year as per statement of Profit & Loss	-	1,17,59,485
Transfer to Reserve fund	1,25,000	-
Proposed Dividend	9,96,600	9,96,600
Provision for Dividend Tax	1,69,372	1,69,372
Closing Balance (Sub Total C)	<u>9,16,54,913</u>	<u>8,84,50,840</u>
D) Capital Reserves on Consolidation		
Opening Balance	1,07,26,616	1,07,26,616
Adjustment	-	-
Closing Balance (Sub Total D)	<u>1,07,26,616</u>	<u>1,07,26,616</u>
E) Statutory Fund		
Opening Balance	2,81,956	2,81,956
Adjustment	1,25,000	-
Closing Balance (Sub Total E)	<u>4,06,956</u>	<u>2,81,956</u>
Total (A+B+C+D+E)	<u>21,24,26,245</u>	<u>20,90,97,172</u>
Note 4		
LONG TERM BORROWINGS		
<u>Unsecured Loan</u>		
From Related Party	82,25,000	-
Total	<u>82,25,000</u>	<u>-</u>
Note 5		
LONG TERM PROVISIONS		
Provision for Gratuity	7,11,026	8,74,125
	<u>7,11,026</u>	<u>8,74,125</u>

Notes on Consolidated Financial Statement (Contd.)

	As at 31.03.2014 Amount in ₹	As at 31.03.2013 Amount in ₹
Note 6		
SHORT TERM BORROWINGS		
(A) Secured Short Term Borrowings From Bank		
1) Term Loan		
Loan against pledge of Fixed Deposits	1,00,00,000	9,95,00,000
-Partly secured against pledge of Fixed Deposits worth ₹50,00,000/- (2012-2013 :- ₹4,97,50,000/-)		
2) Bank Overdraft		
(i) Bank over draft against personal guarantee of directors and office premises of wholly owned subsidiary company and of a company in which one director is interested	1,37,77,619	2,50,93,031
(ii) Bank over draft against pledge of Fixed Deposits - Value of Fixed Deposit pledge is ₹20,00,000/-	-	3,53,178
Sub Total (A)	<u>2,37,77,619</u>	<u>12,49,46,209</u>
(B) Unsecured Loan from Body Corporate		
1) From Related Parties	2,14,69,527	2,69,00,000
2) From Others	1,73,19,052	1,55,50,000
Sub Total (B)	<u>3,87,88,579</u>	<u>4,24,50,000</u>
Total (A+B)	<u><u>6,25,66,198</u></u>	<u><u>16,73,96,209</u></u>
Note 7		
TRADE PAYABLE		
Payable to Exchanges	15,41,729	42,02,019
Payable to Clients	6,66,098	61,377
Total	<u><u>22,07,827</u></u>	<u><u>42,63,396</u></u>

Notes on Consolidated Financial Statement (Contd.)

	As at 31.03.2014 Amount in ₹	As at 31.03.2013 Amount in ₹
Note 8		
OTHER CURRENT LIABILITIES		
Payable for Capital Goods	20,585	1,60,20,585
Current maturities of Vehicle Loan	-	1,16,640
Interest Accrued and not due	8,87,576	9,78,945
Interest Accrued and due	-	11,56,247
Interest Accrued and due on Bank Borrowings	82,808	8,85,793
Book Overdrawn Balance of Bank	19,15,772	1,57,192
Margin Deposits from Clients	3,04,67,580	3,14,48,500
Statutory Dues Payable	20,24,791	25,02,737
Expenses Payable	37,23,987	31,92,823
Mark to Mark Margin for Unexpired Future & Currency Contracts	22,33,458	14,65,087
Option Premium Received for Unexpired Currency Contracts	9,65,080	1,48,185
Total	4,23,21,636	5,80,72,733
Note 9		
SHORT TERM PROVISION		
Provision for Standard Assets	59,015	-
Provision for Loss on Valuation of Inventories	4,09,229	43,466
Provision for Dividend	9,96,600	9,96,600
Provision for Dividend Tax	1,69,372	1,69,372
Total	16,34,216	12,09,438
Note 13		
DEFERRED TAX ASSETS		
Liability Item		
Depreciation	-	4,89,796
Total	-	4,89,796
Assets Items		
Depreciation	3,86,862	-
Carry Forward Loss	1,35,64,323	1,50,55,372
Unabsorbed Depreciation	58,00,051	74,49,600
	1,97,51,236	2,25,04,972
Total Deferred Tax Assets (Net)	1,97,51,236	2,20,15,176

Notes on Consolidated Financial Statement (Contd.)

Note 10

TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2013	Addition	Disposal/ Deduction	As at 31.03.2014	As at 01.04.2013	For the Year	Adjustment For Disposal	As at 31.03.2014
Amount in ₹								
TANGIBLE ASSETS								
Office	94,37,415	-	42,34,334	52,03,081	35,31,255	2,95,308	8,18,987	21,95,505
Leasehold Office	95,74,179	-	21,11,222	74,62,957	32,14,168	3,18,001	6,47,581	45,78,369
Furniture & Fixtures	1,19,56,472	21,263	-	1,19,77,735	85,80,778	6,13,984	-	27,82,973
Vehicles	66,84,655	-	6,28,000	60,56,655	45,25,870	5,42,066	5,42,366	15,31,085
Office Equipment	54,88,282	23,200	-	55,11,482	31,36,152	3,29,268	-	20,46,062
Computer & Accessories	6,52,46,321	75,953	-	6,53,22,274	6,14,93,963	15,12,576	-	23,15,735
Air Conditioner	40,05,646	-	-	40,05,646	25,49,067	2,02,611	-	12,53,968
Electrical Installation	48,85,685	-	-	48,85,685	27,48,236	2,97,319	-	18,40,130
Generator	22,14,454	-	-	22,14,454	10,85,557	1,57,030	-	9,71,867
VSAT Equipments	1,33,982	-	-	1,33,982	95,358	5,373	-	33,251
TOTAL	11,96,27,092	1,20,416	69,73,556	11,27,73,952	9,09,60,404	42,73,536	20,08,934	1,95,48,946
PREVIOUS YEAR	11,85,23,345	11,03,747	-	11,96,27,092	8,52,58,615	57,01,789	-	2,86,66,688

Note :-11

INTANGIBLE ASSETS

PARTICULARS	GROSS BLOCK			AMORTISATION			NET BLOCK	
	As at 01.04.2013	Addition	Disposal/ Deduction	As at 31.03.2014	As at 01.04.2013	For the Year	Adjustment For Disposal	As at 31.03.2014
Amount in ₹								
INTANGIBLE ASSETS								
Computer Software	86,63,507	2,64,000	-	89,27,507	66,13,249	12,86,454	-	78,99,703
Membership Fees *	14,50,000	-	-	14,50,000	8,50,000	3,00,000	-	11,50,000
TOTAL	1,01,13,507	2,64,000	-	1,03,77,507	74,63,249	15,86,454	-	90,49,703
PREVIOUS YEAR	88,74,806	12,38,701	-	1,01,13,507	54,94,312	19,68,937	-	26,50,258

* Membership Fees include ₹2,50,000/- paid to Indian Commodity Exchange Limited. As the membership has not been activated the fees paid therefore has not been amortised during the year.

Notes on Consolidated Financial Statement (Contd.)

	As at 31.03.2014 Amount in ₹	As at 31.03.2013 Amount in ₹
Note 12		
NON CURRENT INVESTMENTS		
Investment Property ,Non Trade Investments		
Land	7,45,199	7,45,199
Investment in Office	4,33,12,915	4,24,81,745
Sub - Total (A)	4,40,58,114	4,32,26,944
Investments in Equity Instruments ; Trade Investments Unquoted In Others		
The Calcutta Stock Exchange Association Ltd. 250 (Previous Year : 250) Equity Shares of ₹ 1/- each fully paid up	5,00,000	5,00,000
Sub Total (B)	5,00,000	5,00,000
Investments in Equity Instruments ; Non Trade Investments Unquoted		
Nimbus Communication Ltd. 5,000 (Previous Year : 5,000) Equity Shares of ₹ 5/- each fully paid up	11,25,000	11,25,000
Daadi Stock Broking Pvt. Ltd. 3,00,000 (Previous Year : 3,00,000) Equity Share of ₹ 10 each fully paid up)	99,24,760	64,50,000
Sub Total (C)	1,10,49,760	75,75,000
Total Of Unquoted Investments D = (B+C)	1,15,49,760	80,75,000
Investments in Equity Instruments ; Non Traded Quoted		
Sidheshwari Garments Ltd. 8,700 (Previous Year: 8,700) Equity Shares of ₹ 10/- each fully paid up	87,000	87,000
Sub Total (D)	87,000	87,000
Total Of Quoted Investments (D)	87,000	87,000
Total (A+D+G)	5,56,94,874	5,13,88,944
Market Value of Quoted Investment in Equity Shares	26,535	26,535

Notes on Consolidated Financial Statement (Contd.)

	As at 31.03.2014 Amount in ₹	As at 31.03.2013 Amount in ₹
Note 14		
LONG TERM LOAN & ADVANCES (UNSECURED CONSIDERED GOOD)		
1) Capital Advances	38,85,000	38,85,000
2) Deposit to Related Parties	45,75,000	45,75,000
3) Deposits to Others		
a) Security Deposits With Exchanges	4,65,00,000	3,93,75,000
b) Security Deposits For Office on Rent	35,00,000	35,00,000
c) Other Deposits	47,81,158	50,82,551
4) Other Long Term Advances - Advance to Staff	-	6,52,061
Total	6,32,41,158	5,70,69,612

Note 16		
TRADE RECEIVABLES		
Trade Receivables, Unsecured		
For more than Six Months	28,65,877	18,39,754
Others #	43,44,445	1,49,97,711
	72,10,322	1,68,37,465
Less: Allowance for Bad & Doubtful Debts	16,60,537	12,00,997
Total	55,49,785	1,56,36,468

Includes From Related Party ₹ 2,994.67 (P Y ₹ 9234.20)

Note 17		
CASH AND BANK BALANCES		
Cash & Cash Equivalent		
Cash At Bank	1,43,78,389	61,27,650
Cash on Hand	6,10,309	8,20,257
Sub - Total (A)	1,49,88,698	69,47,907
Other Bank Balances * Refer note 31	13,24,62,500	25,22,03,000
Sub - Total (B)	13,24,62,500	25,22,03,000
Total	14,74,51,198	25,91,50,907

Notes on Consolidated Financial Statement (Contd.)

Note 15

INVENTORIES

	F.V. in ₹	2013-14		2012-13	
		Qty.	Amount In ₹	Qty.	Amount In ₹
<u>Shares (Non Traded, Quoted) Fully Paid up</u>					
<u>Name of the Company</u>					
3I InfoTech Limited	10	-	-	500	2,775
A2Z Maintenance and Engineering Services Limited	10	-	-	1,000	19,150
Acropetal Metaliks Limited	10	-	-	2,298	13,443
Adani Ports and Special Economic Zone Limited	2	3	536	-	-
Adhunik Metaliks Limited	10	200	8,870	200	5,840
Aegis Logistics Limited	10	100	15,988	-	-
Aksh Optifibre Limited	5	10,000	1,53,500	10,000	1,71,500
Alok Industries Limited	10	-	-	5,100	41,820
Alps Industries Limited	10	1,500	2,175	1,500	2,175
Ambuja Cements Limited	2	1	202	-	-
Anco Communications Limited	10	1,000	2,150	1,000	2,150
Ansal Properties & Infrastructure Limited	5	-	-	600	13,290
Archies Limited	2	2,500	41,522	1,000	14,900
Arshiya International Limited	2	13,612	2,06,526	20,870	3,96,530
Arvind Limited	10	2	334	-	-
Arvind Remedies Limited	1	10,000	2,30,000	10,000	2,30,000
Ashok Alco Chemical Limited	10	-	-	500	7,300
Ashok Leyland Limited	1	7	155	5,592	1,22,185
Assam Company Limited	1	-	-	2,800	14,700
Avon Organics Limited	10	-	-	2,750	49,500
Axis Bank Limited	10	4	5,702	-	-
Bajaj Hindustan Limited	1	-	-	500	9,475
Balrampur Chini Mills Limited	1	-	-	1,000	17,250
Baroda Rayon Corporation Limited	10	485	1,431	485	1,431
Bhanshali Engineering Polymers Limited	1	-	-	1,000	14,850
Bharat Heavy Electricals Limited	10	-	-	900	1,59,300
Bharat Heavy Electricals Limited	2	-	-	300	72,695
Bharat Petroleum Corporation Limited	10	4	1,810	-	-
Bharati Airtel Limited	5	200	63,197	50	14,516
Bhourkla Aluminum Limited	2	8,000	5,600	8,000	8,960
Birla Power Solution Limited	1	30,000	3,300	30,000	7,500
Bodal Chemicals Limited	10	2,500	18,550	2,500	14,750
Burnpur Cement Limited	10	-	-	4,000	23,400
C Mahindra Exports Limited	10	-	-	900	73,701
Cals Refinery Limited	1	20,994	1,889	20,994	2,309
Cals Refinery Limited	1	4,00,000	80,000	4,00,000	80,000
Canara Bank Limited	10	3	750	-	-

Notes on Consolidated Financial Statement (Contd.)

Note 15

INVENTORIES

	F.V. in ₹	2013-14		2012-13	
		Qty.	Amount In ₹	Qty.	Amount In ₹
Castrol India Limited	5	1,000	3,05,000	-	-
Century Plyboards Limited	1	700	19,005	-	-
Century Textiles and Industries Limited	10	2	711	-	-
Chambal Fertilizers & Chemicals Limited	10	-	-	197	9,810
Coal India Limited	10	3	841	-	-
Cochin Minerals & Rutilles Limited	10	1,050	1,10,618	2,176	3,69,811
CORE Education & Technologies Limited	2	875	10,763	350	17,973
Crompton Greaves Limited	2	5	801	-	-
Crompton Greaves Limited	2	-	-	250	28,750
Dewan Housing finance Corporation Limited	10	-	-	150	24,315
Dish TV India Limited	1	500	26,050	-	-
Divine Multimedia (India) Limited	1	-	-	250	1,700
DLF Limited	2	6	1,042	325	76,278
Dolat Investments Limited	1	50,000	79,000	50,000	80,500
East India Hotels Limited	2	1,000	70,884	3,002	1,65,560
Easun Reyrolle Limited	2	12,801	7,72,438	17,000	9,77,421
Eros International Media Limited	10	200	33,840	150	25,480
Escorts Limited	10	-	-	6,000	2,96,868
Eveready Industries India Limited	5	400	9,820	400	6,680
Exide Industries Limited		1,998	2,37,463	-	-
Expo Gas Containers Limited	10	-	-	500	4,520
Fame India Limited	10	-	-	155	5,503
Financial Technologies (India) Limited	2	-	-	50	52,395
First Solutions Limited	10	1,000	25,250	-	-
Foundary Fuel Industries Limited	10	29,362	3,22,406	29,362	3,22,406
Foundry Fuel Products Limited	10	6,998	64,522	6,998	44,997
G V Films Limited	10	15,000	6,000	15,000	6,150
Gabriel India Limited	1	-	-	5,356	1,02,567
GMR Infrastructure Limited	1	10,006	2,17,667	9,997	1,92,437
Gokaldas Exports Limited	5	16,252	8,85,734	2,097	77,811
Goldman Sachs Gold Exchange Traded Scheme	10	50	1,00,679	50	94,574
Goodyear India Limited	10	-	-	650	1,56,650
Gradiente Infotainment Limited	10	1,23,082	64,003	1,23,082	5,26,791
Greenply Industries Limited	5	3,400	5,93,300	3,400	5,94,218
GTL Infrastructure Limited	10	1,700	2,465	1,700	4,505
GTL Limited	10	1,500	21,450	1,500	22,275
Gujarat Fluorochemicals Limited	1	-	-	100	41,995
Gulf Oil Corporation Limited	2	-	-	568	33,249
Harrisons Malyalam Limited	10	24,138	11,55,003	-	-
HCL Technologies Limited	2	2	2,768	-	-

Notes on Consolidated Financial Statement (Contd.)

Note 15

INVENTORIES

	F.V. in ₹	2013-14		2012-13	
		Qty.	Amount In ₹	Qty.	Amount In ₹
HDFC Bank Limited	2	3,002	22,47,799	-	-
Hercules Hoists Limited	1	-	-	3,389	3,53,404
Hexa Tradex Limited	2	8	215	8	215
Himachal Futuristic Communication Limited.	1	7,000	57,400	7,000	57,400
Himatsingha Seide Limited	5	-	-	6,962	2,03,503
Hind Rerctifiers Limited	2	-	-	950	48,403
Hindalco Industries Limited	1	-	-	1,500	1,35,632
Hinduja Foundries Limited	10	19,221	6,03,539	17,525	7,04,194
Hindustan Copper Limited	5	200	13,730	100	9,250
Hindustan Motors Limited	5	3,200	23,040	2,200	19,140
Hindusthan Petroleum Corporation Limited	10	1	298	-	-
Housing Development and Infrastructure Limited	10	-	-	100	4,518
ICICI Bank Limited	10	5	6,225	-	-
ICICI Bank Limited (pledged)	10	150	1,28,310	150	1,28,519
IDBI Bank	10	2	127	-	-
Idea Cellular Limited	10	4	550	-	-
IFCI Limited	10	847	20,582	844	22,028
IFCI Limited	10	-	-	700	26,535
IG Petrochemicals Limited	10	6,572	1,55,099	6,572	1,56,414
IKF Technologies Limited	1	14,900	13,112	14,900	15,794
Indage Restaurants & Leisure Limited	3	85,500	6,92,550	85,500	6,92,550
India Cements Limited	10	2,400	1,45,440	1,000	83,550
Indiabulls Infrastructure and Power Limited	2	3,687	23,781	3,687	23,781
Indian Tobacco Company Limited	1	-	-	52	15,752
Information Technologies India Limited	5	100	105	100	105
Infrastructure Development Finance Company Limited	10	3,499	4,27,753	3,500	5,01,684
Integra Garments and Textiles Limited	10	1,265	1,404	1,265	3,795
Intra Décor Limited	1	8,333	1,167	8,333	1,667
Jagatjit Cotton & Textile Mills Limited	2.50	6,058	4,548	2,07,710	1,64,091
Jai Mata Glass Limited	1	8,299	1,826	12,000	4,560
Jai Prakash Associates Limited	2	5,250	12,02,775	5,250	7,33,290
Jain Irrigation System Limited	2	2,000	1,51,100	2,000	1,51,100
Jain Irrigation Systems Limited	2	4	248	-	-
Jaiprakash Associates Limited	2	7	347	-	-
Jaykay Enterprises Limited	10	21,485	59,513	21,485	75,198
Jaysynth Dyestuff (India) Limited	1	5,000	39,500	5,000	39,500
Jhagadia Copper Limited		7,866	9,833	-	-
K S Oils Limited	1	500	615	500	1,100

Notes on Consolidated Financial Statement (Contd.)

Note 15

INVENTORIES

	F.V. in ₹	2013-14		2012-13	
		Qty.	Amount In ₹	Qty.	Amount In ₹
Kaashyap Technologies Limited	1	43,721	7,433	43,721	8,744
King Fisher Airlines	10	1,000	5,450	-	-
King Fisher Airlines	10	5,000	25,500	-	-
Kingfishers Airlines Limited	10	1,300	2,925	1,600	12,800
Kirloskar Ferrous Industries Limited	5	-	-	14,514	3,13,337
L&T Finance Holdings Limited	10	3	221	-	-
Lanco Infratech Limited	1	300	2,125	-	-
Larson & Turbo Limited	2	4	5,088	-	-
Lee and Nee Software (Exports) Limited	10	-	-	500	820
LIC Housing Finance	2	-	-	1	218
Lovable Lingerie	10	-	-	50	12,213
Magnum Ventures Limited	10	1,000	2,300	1,000	3,350
Mahindra Forgings Limited	10	-	-	14,544	5,43,218
Mahindra Lifespace Developers Limited	10	-	-	700	2,38,175
Maruti Suzuki India Limited	5	3	5,800	-	-
Mavens Biotech Limited	1	-	-	6,75,000	5,33,250
MMTC Limited	1	199	10,577	-	-
Monnet Ispat Limited	10	1,000	77,707	-	-
Morarjee Textiles Limited	10	1,265	8,855	1,265	8,855
Mukand Limited	10	-	-	29,908	8,00,039
Multi Commodity Exchange Of India	10	400	1,97,640	-	-
Nagarjuna Oil Refinery Limited*	1	300	1,080	6,300	19,215
National Thermal Power Corporation Limited	10	-	-	500	70,975
Nextgen Animation Media Limited	10	80	136	80	136
NHPC Limited	10	3,497	66,746	4,500	89,325
Nissan Copper Limited	10	-	-	1,000	16,200
Nocil Limited	10	3,000	46,500	3,000	42,000
OM Metals Infraprojects Limited	1	500	9,250	1,000	21,000
Omax Auto Limited	10	1,214	43,097	-	-
Oracle Financial Services Software Limited	5	-	-	25	64,008
Orchid Chemicals and Pharmaceuticals Ltd	10	1,000	1,05,950	1,500	1,64,150
Orient Abrasives Limited	1	-	-	1,000	9,250
Orient Cement Limited	1	6,110	2,53,565	6,110	2,53,565
Orient Paper & Industries Limited	1	6,110	96,233	6,110	38,188
Orient Refractories Limited	1	1,000	10,160	1,000	10,160
P C Jeweller Limited	10	250	33,750	750	1,18,900
Paramount Communication Limited	2	2,000	2,700	2,000	2,900
Pennar Aluminum Company Limited.	10	3,500	700	3,500	1,260
Petronet LNG Limited	10	50	6,850	51	6,911

Notes on Consolidated Financial Statement (Contd.)

Note 15

INVENTORIES

	F.V. in ₹	2013-14		2012-13	
		Qty.	Amount In ₹	Qty.	Amount In ₹
Pidilite Industries Limited	1	150	39,900	-	-
Porwal Auto Components Limited	10	3,000	10,020	3,000	12,510
Power Finance Corporation Limited	10	965	1,47,781	-	-
Power Grid Corporation Limited	10	-	-	300	31,735
Praj Engineers Syndicate Limited	10	400	2,800	400	2,940
Prudential Sugar Corporation Limited.	10	200	274	200	274
Punj Lloyd Limited	2	-	-	23,993	10,77,267
Quadrant Televentures Limited	10	2,000	5,500	2,000	7,200
Ramsarup Industries Limited	10	1,590	3,101	3,200	6,560
Rana Sugars Limited	10	20,000	47,000	20,000	56,000
Ranbaxy Laboratories Limited	5	5	1,734	-	-
Reliance Capital Limited	10	3	1,012	-	-
Reliance Communications Limited	5	3	371	-	-
Reliance Industries Limited	10	4	3,585	243	1,87,815
Reliance Infra Limited	10	3	1,260	-	-
Reliance Power Limited	10	98	6,909	98	6,027
S Kumars Nationwide Limited	10	9,000	32,400	13,500	1,11,375
Sahara One Media and Entertainment Limited	10	95	6,261	95	8,127
Sanraa Media Limited	1	50,000	3,500	50,000	4,500
Schneider Electric Infrastructure Limited	2	-	-	98	9,124
Shanti Gears Limited	1	60,885	39,93,184	-	-
Shipping Corporation of India Limited	10	1,500	62,250	2,150	86,538
Shoppers Stop Limited	5	-	-	727	2,91,709
Shree Ashtavinayak Cine Vision Limited	1	-	-	6,025	7,531
Shree Mahaganga Sugar Limited	1	2,000	440	2,000	440
Shree Synthetics Limited	10	20	19	20	19
Shristi Infrastructure Development Corporation Limited	10	100	6,740	100	9,000
Sical Logistics Limited	10	5,258	2,88,664	-	-
Sintex Industries Limited	1	-	-	1,600	72,646
Solar Industries (I) Limited	10	16	6,791	16	6,791
Southern Petrochemicals Industries Corp Limited	10	1,000	18,200	1,000	18,200
State Bank of India Limited	10	3	5,490	14	29,019
Steel Authority of India Limited	10	7	447	-	-
Subex Limited	10	100	1,420	100	1,415
Sujan Towers Limited	5	300	2,142	7,000	16,100
Sun TV Network Limited	5	-	-	2,000	7,81,000
Supertex Industries Limited	1	400	680	400	1,060
Surat Textiles Mills Limited	1	10,000	14,400	10,000	14,400

Notes on Consolidated Financial Statement (Contd.)

Note 15

INVENTORIES

	F.V. in ₹	2013-14		2012-13	
		Qty.	Amount In ₹	Qty.	Amount In ₹
Surya Chakra Power Corporation	10	128	147	-	-
Suzlon Energy Limited	2	2,000	22,200	2,999	40,786
Swil Limited	10	-	-	7,866	9,833
T Spiritual World Limited	10	-	-	300	177
Talwalkars Better Value Fitness Limited	10	-	-	91	12,968
Taneja Aerospace and Aviation Limited	5	-	-	2,000	33,800
Tanla Solutions Limited	1	500	2,175	500	1,575
Tantia Constructions Limited	10	-	-	1,000	31,924
Tata Global Beverages Limited	1	-	-	300	38,005
Tata Motors Limited	10	-	-	200	53,830
Tata Power Company Limited	1	-	-	4	382
Tata Steel Limited	10	-	-	650	2,03,353
Tata Teleservices (Maharashtra) Services Limited	10	7,933	51,800	7,000	54,950
Tayo Rolls Limited	10	8,260	3,76,656	7,260	3,19,214
TeleData Info Marin Limited	2	1,000	290	1,000	350
Texmaco Rail and Engineering Limited	1	-	-	1,300	63,100
The Indian Seamless Metal Tubes Limited	5	-	-	1,22,699	12,49,466
The South Indian Bank Limited	1	-	-	6,000	1,58,900
TIL Limited	10	1,174	1,72,143	-	-
Transport Corporation Of India Limited	2	100	10,200	-	-
Trigyn Technologies Limited	10	2,500	53,500	2,500	17,375
TV 18 Broadcast Limited	2	-	-	900	23,870
Ultra Cement Co. Ltd.	10	100	2,15,487	-	-
Union Bank Of India	10	1	122	-	-
Unitech Limited	2	1,799	19,912	797	18,765
United Breweries (Holdings) Limited	10	-	-	700	78,840
Valiant Communications Limited	10	34,600	5,70,900	34,600	5,01,700
Vinyl Chemicals (India) Limited	1	-	-	1,000	9,050
Voltas Limited	1	5	776	-	-
Welspun Corporation Limited	5	-	-	100	5,035
Welspun Global Brands Limited	10	100	-	100	-
Welspun Investments & Commercial Limited	10	50	-	50	-
Welspun Projects Limited	10	100	1,084	100	1,241
Wockhard Limited	5	400	1,78,300	-	-
Yes Bank Limited	10	5	1,966	-	-
Zee Entertainment Enterprises Limited	1	84	-	-	-
Sub - Total (A)		13,34,260	1,94,36,506	24,10,960	1,95,37,221

Notes on Consolidated Financial Statement (Contd.)

Note 15

INVENTORIES

	F.V. in ₹	2013-14		2012-13	
		Qty.	Amount In ₹	Qty.	Amount In ₹
Shares (Non Traded, Non Quoted) Fully Paid up					
Name of the Company					
Bharat Starch Product Ltd.	10	11	1,989	11	1,989
Nagarjuna Fertilizer & Chemicals Limited	1	7,040	-	7,040	-
Sub - Total (B)		7051	1,989	7051	1,989
Commodities					
Gold Mini			-	100gms	2,24,746
Sub - Total (C)			-		2,24,746
Total (A+B+C)			1,94,38,495		1,97,63,956
Market value of Quoted Shares			1,97,24,602		1,99,36,756
Market value Commodities			-		2,93,820

Out of the above, shares valuing to ₹ 9,47,846/- has been pledge with HDFC Bank for taking bank over draft facility.

Notes on Consolidated Financial Statement (Contd.)

	As at 31.03.2014 Amount in ₹	As at 31.03.2013 Amount in ₹
Note 18		
SHORT TERM LOANS AND ADVANCES		
Unsecured loan (Considered Good)	79,00,000	-
<u>Advances</u>		
Income Tax (Net)	69,57,759	61,18,895
Prepaid Expenses	34,22,227	25,80,096
Margin With Exchange & Clearing Member	1,49,75,000	91,00,000
Security Deposits	7,500	2,20,810
Net Option Premium Paid for unexpired Options Contracts	35,81,356	54,10,224
MAT Credit Entitlement	10,98,910	-
Other Advances	52,64,696	46,48,285
Total	4,32,07,447	2,80,78,310
Note 19		
OTHER CURRENT ASSETS		
Interest Receivable	25,49,576	40,47,784
Unamortized Expenses	-	4,102
Stamp In Hand	1,54,129	2,63,368
Total	27,03,705	43,15,254

Notes on Consolidated Financial Statement (Contd.)

	Current Year Amount in ₹	Previous Year Amount in ₹
Note 20		
REVENUE FROM OPERATION		
From Sales of Product		
Sales of Shares	12,63,47,680	37,53,40,247
Sales of Mutual Fund	-	5,01,487
Sales of Commodities	2,86,249	6,084
Profit/(Loss) from Equity Derivative Transactions	12,38,40,381	11,29,72,323
Profit/(Loss) from Currency Derivative Transactions	(42,05,134)	1,66,03,840
Profit/(Loss) from Commodities Derivative Transactions	12,58,927	67,75,428
Profit/(Loss) from Non Delivery Transactions	(7,91,080)	(25,87,818)
Sub Total (A)	24,67,37,024	50,96,11,592
From Sale of Services		
Brokerage Income	1,81,86,771	1,92,07,155
Depository Income	20,44,734	18,63,159
Rental Income	3,60,000	-
Sub Total (B)	2,05,91,505	2,10,70,314
Other Operating Revenue		
Demat Charges Recovered	40,300	48,650
Charges Recovered from Clients	6,68,185	5,95,687
Premium on Cancellation of Property	-	7,00,000
Incentive on Trading	1,47,516	5,28,186
Sub Total (C)	8,56,001	18,72,523
Total (A+B+C)	26,81,84,530	53,25,54,428
Note 21		
OTHER INCOME		
Interest Income	1,98,87,847	2,57,54,110
Dividend from Non Current Investments	46,000	1,05,750
Dividend from Shares lying as inventories	3,01,569	2,33,939
Net Gain on Sale of Non Current Investment	34,50,000	34,50,000
Net Gain on Sale of Current Investments	-	16,05,226
Net Gain on Sale Of Fixed Assets	59,30,905	-
Other Non Operation Income	6,31,740	13,16,779
Total	3,02,48,061	3,24,65,804
Note 22		
PURCHASE OF STOCK IN TRADE		
Purchases of Shares	12,39,23,971	36,66,21,322
Purchases of Mutual Fund	-	5,00,000
Total	12,39,23,971	36,71,21,322

Notes on Consolidated Financial Statement (Contd.)

	Current Year Amount in ₹	Previous Year Amount in ₹
Note 23		
(INCREASE)/DECREASE IN STOCK IN TRADE		
Opening Stock	1,97,63,957	3,35,66,966
Less: Closing Stock	1,94,38,495	1,97,63,956
Total	3,25,462	1,38,03,009
Note 24		
EMPLOYEE BENEFIT EXPENSES		
Salary & Bonus	3,25,33,606	3,62,10,546
Contribution to Provident and Other Funds	2,34,311	9,32,438
Staff Welfare Expenses	21,09,902	21,66,122
Total	3,48,77,819	3,93,09,106
Note 25		
FINANCE COST		
Interest Cost	1,94,08,894	2,47,80,961
Other Borrowings Cost	17,30,564	15,96,724
	2,11,39,458	2,63,77,685

Notes on Consolidated Financial Statement (Contd.)

	Current Year Amount in ₹	Previous Year Amount in ₹
Note 26		
OTHER EXPENSES		
Bad Debts	-	11,86,517
Broker Note Stamp Expenses	11,84,628	13,72,280
Car Expenses	1,12,628	4,82,376
Communication & Connectivity Expenses	37,44,862	72,35,525
Commodity Transaction Tax	13,51,424	-
Computer & Software Expenses	17,09,195	22,80,498
Contingent Provision for Standard Assets	59,015	-
Delivery & Warehouse Charges	612	905
Depository Charges	4,89,690	58,866
Donation	5,000	27,800
Electricity Charges	43,91,191	50,19,709
Fees & Subscription	9,61,669	8,94,495
General Expenses	6,45,425	9,80,106
Insurance Charges	1,86,927	1,32,198
Legal & Professional Fees	17,28,378	13,66,412
Loss on Sale of Non Current Investments	-	74,938
Loss on Valuation of Inventories	3,65,763	43,466
Postage & Courier Expenses	1,22,223	1,31,477
Printing & Stationery	5,31,247	6,59,744
Professional Charges	5,12,57,284	4,76,44,899
Provisions for Bad & Doubtful Debts	4,59,540	1,00,026
Rates & Taxes	7,71,041	7,92,052
Rent	37,94,215	41,03,486
SEBI & Exchanges Other Charges	6,49,646	15,17,546
SEBI & Exchanges Transaction Charges	1,66,86,037	2,08,08,430
Securities Transaction Tax	1,57,72,019	2,62,34,870
Auditor Remuneration		
-Statutory Audit Fees	1,18,708	1,04,101
-Tax Audit Fees	25,000	28,371
-Certification Charges	10,500	39,500
-Others	11,500	-
Office Maintenance Charges	13,85,817	14,79,769
Maintenance Charges for Computers & Equipments	16,52,055	13,66,432
Others Maintenance Charges	7,25,690	16,22,834
Sub-Brokerage	16,840	1,13,717
Sales Promotions	3,92,899	4,48,095
Travelling & Conveyance Expenses	4,62,143	7,03,043
Total	11,17,80,812	12,90,54,483
Note 27		
EXCEPTIONAL ITEM		
Profit on Sale of Fixed Assets	63,59,666	-
	63,59,666	-

Notes on Consolidated Financial Statement (Contd.)

Note 28

DETAILS OF SUBSIDIARIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Sl.No.	Name of the Subsidiaries	Country of Incorporation	Share of ownership
1	Trade City Securities (P) Ltd.	India	100%
2	Trade City Commodities (P) Ltd.	India	100%
3	Trade City Real Estate (P) Ltd.	India	100%
4	Trade City Barter (P) Ltd.	India	100%

Note 29

Details as required under general circular no. 2/2011 dated 8th February 2011 for each subsidiaries are as follow:

Amount in ₹

Sl.No	Particulars	Trade City Securities (P) Ltd	Trade City Commodities (P) Ltd	Trade City Real Estate (P) Ltd.	Trade City Barter (P) Ltd.
1	Share Capital	3,25,00,000	1,55,50,000	1,45,00,000	42,52,000
2	Reserves	(1,20,92,189)	(7,92,429)	3,52,67,836	52,24,438
3	Total Assets	6,08,05,249	1,61,29,607	6,37,44,774	3,23,11,248
4	Total Liabilities	6,08,05,249	1,61,29,607	6,37,44,774	3,23,11,248
5	Non Current Investments				
	-In Land	-	-	7,45,199	-
	-In Office Space			4,33,12,915	
	-In Equity Instruments	-	-	99,24,760	28,00,000
6	Current Investments				
	-In Equity Instruments	-	-	-	29,23,685
7	Turnover	91,82,442	18,37,355	3,60,000	38,57,293
8	Profit before Tax	15,20,171	16,40,249	(1,41,831)	5,03,385
9	Provisions for Taxation				
	-Current Tax	-	(3,50,000)	-	(1,80,000)
	-MAT Credit Entitlement	-	2,31,791		1,72,448
	-Deferred Tax	(5,68,811)	(1,29,000)	-	-
10	Profit After Tax	9,51,360	13,93,040	(1,41,831)	4,95,833
11	Proposed Dividend	Nil	Nil	Nil	Nil

Notes on Consolidated Financial Statement (Contd.)

Note 30

Contingent Liabilities

Sl.No	Particulars	Amount in ₹
1	Bank Guarantee	19,43,75,000
2	Corporate Guarantee	5,00,00,000
3	Capital Commitment	35,00,000
4	Interest	37,70,032
5	Income Tax	84,38,155

Note 31

Other Bank Balances

Other bank Balances represents:

a) Bank Deposits valuing to ₹ 2,91,00,000/- given as margin money to National Securities Clearing Corporation Ltd. (NSCCL)

b) Bank Deposits valuing to ₹ 8,00,000/- given as margin money and security deposits to MCX Stock Exchange Limited

c) Bank Deposits valuing to ₹ 50,00,000/- pledge with HDFC Bank for obtaining term loan (refer note no 6A(1))

d) Bank Deposits valuing to ₹ 9,75,62,500/- pledge with bank for obtaining bank guarantee . The said bank guarantee has been given to NSCCL, ICCL, NCDEX & MCX as margin money

Note 32

As M/s. Trade City Barter (P) Ltd have 2,05,000 equity shares of Lohia Securities Limited, henceforth share capital of the company to the extent held by Trade City Barter (P) Ltd has been reduced during consolidation.

Note 33

Previous Year figure has been regrouped or reclassified wherever considered necessary.

Signature to Notes 1 to 33

As per our attached report of even date
For Patni & Co.
Chartered Accountants
(Firm Registration No. 320304E)

SASHI SUREKA
(Partner)
Membership No. 57918
Place : Kolkata
Date : 29th May 2014

For and on behalf of Board

Hari Kishan Lohia
Director

Mahesh Kumar Bajaj
Director

Sudheer Kumar Jain
Whole-time Director

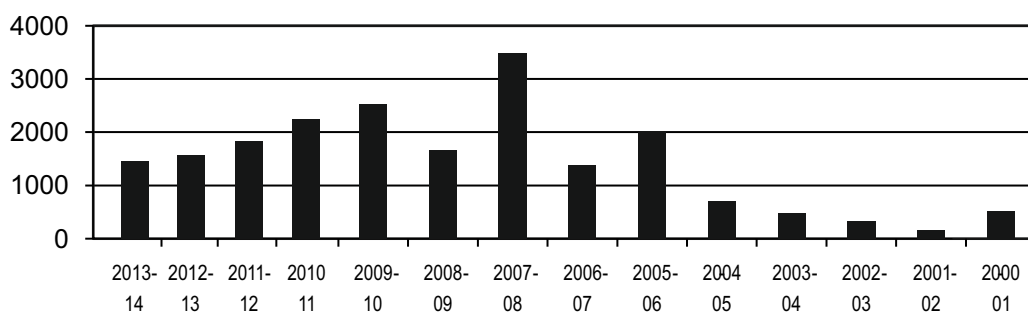
Narendra Kumar Rai
Company Secretary

Financial Snapshot

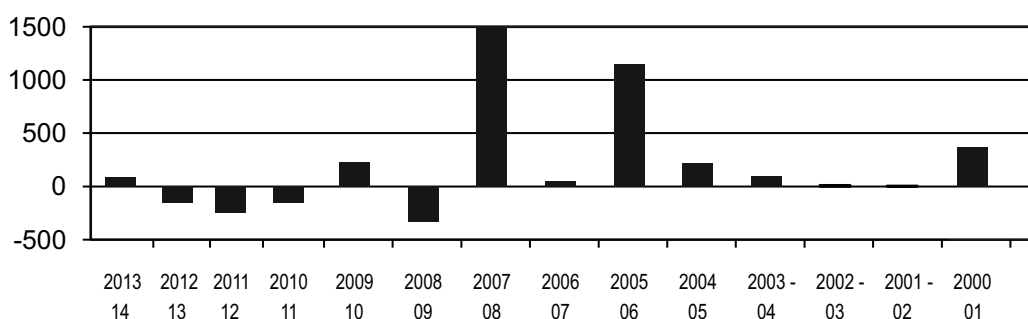
Standalone	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01
Financial Years														
Total Income	1523.00	1685.22	1837.86	2221.01	2534.32	1652.39	3491.66	1387.24	2025.86	705.45	485.06	338.21	150.50	525.75
Employee Cost	280.22	298.02	327.34	333.79	300.94	391.72	241.35	124.00	55.31	20.65	17.68	14.66	14.57	12.11
Administration & Other Exp.	1003.05	1194.94	1361.26	1817.01	1680.80	1408.84	846.63	487.08	442.82	319.84	282.92	259.56	102.10	133.06
EBITDA	239.73	192.26	149.26	70.21	552.58	-148.17	2403.68	776.16	1527.73	364.96	184.46	63.99	33.83	380.58
Interest	158.00	238.50	207.60	117.06	91.31	133.38	109.34	72.86	60.84	40.97	24.67	15.29	10.30	29.04
Depreciation	48.09	64.43	79.93	92.43	110.73	140.95	137.03	49.65	45.40	38.06	33.69	36.34	33.40	24.09
PBT	33.64	-110.67	-138.27	-139.28	350.54	-422.50	2157.31	653.65	1421.49	285.93	126.10	12.36	-9.87	327.45
Tax		-39.34	-5.05	-22.72	152.98	-131.79	872.85	607.32	428.49	97.22	39.52	2.66	-3.35	8.64
PAT	33.64	-71.33	-133.22	-116.56	197.56	-290.71	1284.46	46.33	993.00	188.71	86.58	9.70	-6.52	318.81
Equity Share Capital	498.73	498.73	498.73	498.73	498.73	498.73	498.10	497.96	497.78	497.78	497.78	497.72	497.72	488.77
Reserve & Surplus		2319.91	2402.89	2547.70	2722.17	2582.71	2931.06	1716.44	1728.43	758.24	580.94	506.22	507.79	522.26
Net Worth	498.73	2818.64	2901.62	3046.43	3220.90	3081.44	3429.16	2214.40	2226.21	1256.02	1078.72	1003.94	1005.51	1011.03
Basic EPS	0.67	-1.43	-2.67	-2.34	3.96	-5.83	25.79	0.93	19.95	3.79	1.74	0.19	-0.13	6.52
NPM (%)	2.21	-4.23	-7.25	-5.25	7.80	-17.59	36.79	3.34	49.02	26.75	17.85	2.87	-4.33	60.64
RONW (%)	6.75	-2.53	-4.59	-3.83	6.13	-9.43	37.46	2.09	44.60	15.02	8.03	0.97	-0.65	31.53
Dividend (%)	2.00	2.00	2.00	10.00	10.00	10.00	12.00	10.00	4.00	2.00	2.00	2.00	2.00	3.00

Financial Graph

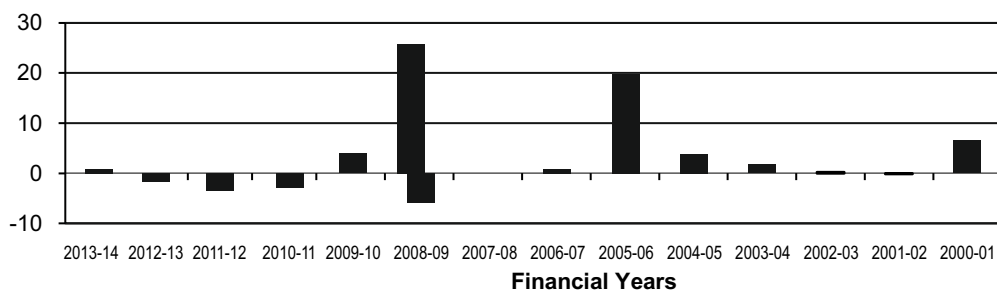
Total Income



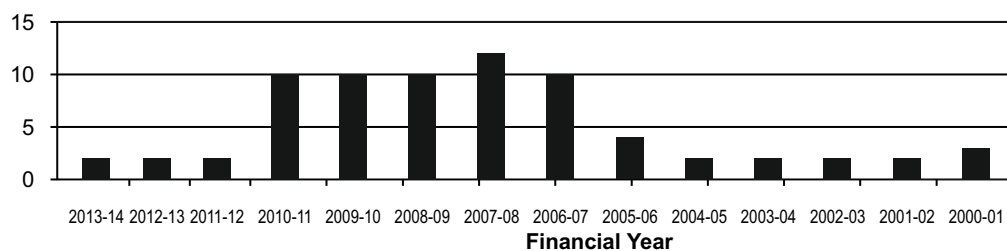
PAT



Basic EPS (Rs.)



Dividend (%)



Proxy Form



LOHIA SECURITIES LIMITED

CIN: L67120WB1995PLC067195

Registered Office: 4 Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5th floor, Kolkata 700 001

Phone No. +91 4002 6600/ 6700, Fax: +91 4002 6800,

Website: www.lohiasecurities.com, E-mail : info@lohiasecurities.com

Form No. MGT-11

Proxy form

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

Name of the member(s):	
Registered address:	
E-mail Id:	
Folio No./ Client ID: DP Id:	

I/We, being the member (s) 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:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual general meeting of the company, to be held on the Saturday, 27th day of September, 2014 At 10.30 a.m. at 4 Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5th floor, Kolkata 700 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	Optional	
Ordinary Business	For	Against
1. Consideration and Adoption Audited Financial Statements, Reports of the Board of Directors and Auditors, as an Ordinary Resolution		
2. Declaration of Dividend, as an Ordinary Resolution		
3. Re-appointment of Mr. Mahesh Kumar Bajaj who retires by rotation and being eligible offers himself for re-appointment, as an Ordinary Resolution		
4. Appointment of Auditors and fixing their remuneration, as an Ordinary Resolution		
Special Business		
5. Appointment of Mr. Sameer Bajaj as an Independent Director, as an Ordinary Resolution		
6. Appointment of Mr. Vineet Goenka as an Independent Director, as an Ordinary Resolution		
7. Re-appointment of Mr. Sudheer Kumar Jain as Whole-time Director and fixation of his remuneration, as an Ordinary Resolution.		

Signed this _____ day of _____ 2014

Signature of Shareholder: _____

Signature of First Proxy holder(s)

Affix
Revenue
Stamp

Notes :

1. THIS FORM OF PROXY, IN ORDER TO BE EFFECTIVE, SHOULD BE DULY COMPLETED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT 4 BIPLABI TRAILOKYA MAHARAJ SARANI (BRABOURNE ROAD), 5th FLOOR, KOLKATA 700001 NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. For the Resolutions, Explanatory Statement and Notes, Please refer to the Notice of the 20th Annual General Meeting.

Attendance Slip


LOHIA SECURITIES LIMITED

CIN: L67120WB1995PLC067195

 Registered Office: 4 Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5th floor, Kolkata 700 001

Phone No. +91 4002 6600/ 6700, Fax: +91 4002 6800,

 Website: www.lohiasecurities.com, E-mail : info@lohiasecurities.com
ATTENDANCE SLIP

TWENTIETH ANNUAL GENERAL MEETING

SATURDAY, SEPTEMBER 27, 2014

(To be handed over at the entrance of the Meeting Hall)

Registered Folio/ DP ID and Client ID :

Name and Address of the Shareholder:

Joint Holders :

No. of Shares:

I hereby record my presence at the 20th Annual General Meeting of the above named Company being held at 4 Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5th floor, Kolkata 700 001 on Saturday 27th day of September, 2014 at 10.30 a.m.

Signature of the Member / Proxy

(To be signed at the time of handing over this slip)

Members/ Proxies, who come to attend the meeting, are requested to bring their copies of the Annual Report with them.

ELECTRONIC VOTING PARTICULARS

EVSN	User ID	Password
140830015	Please refer to Note No. 18 - III in the Notice of the AGM	

Note:

Please refer to note no. 18 to the Notice of the 20th Annual General Meeting dated 14th August, 2014 being sent herewith, in respect of the instructions for voting through electronic means. The voting period starts from 10.00 a.m. on September 22 and ends at 6.00 p.m. on September 23, 2014.



LOHIA SECURITIES LTD.

■ MEMBER : NSE, BSE, MCX-SX, USE, CSE

■ DEPOSITORY PARTICIPANT : NSDL, CDSL



Regd. Office : 4, Biplabi Trailokya Maharaj Sarani, (Brabourne Road), 5th Floor, Kolkata - 700 001
Phone : +91 4002 6600 / 6700, Fax : +91-4002 6800 Website : www.lohiasecurities.com
Email : info@lohiasecurities.com Complaint : grievance@lohiasecurities.com

CIN No. L87120WB1995PLC067195

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1	Name of the Company	Lohia Securities Limited
2	Annual financial statements for the year ended	31st March, 2014
3	Types of Audit observation	Un-qualified
4	Frequency of observation	Not Applicable
5	To be Signed by:	
	• CEO / Managing Director	For Lohia Securities Limited <i>Mahesh Kumar Bajaj</i> Mahesh Kumar Bajaj Director
	• CFO	For Lohia Securities Limited <i>Sudheer Kumar Jain</i> Sudheer Kumar Jain Whole-time Director
	• Auditor of the Company	For Patni & Co. Chartered Accountants Firm Registration Number: 301003E <i>S. Sureka</i> S. Sureka Partner Membership Number: 57918
	• Audit Committee Chairman	For Lohia Securities Limited <i>S. Bajaj</i> Sameer Bajaj Audit Committee Chairman

LOHIA SECURITIES LTD

Sudheer Kumar Jain

Director

Institutional Dealing Office :

1602-B, Lady Ratan Tower, 72, Dainik Shivner Marg, Gandhinagar, Worli, Mumbai - 400 018
Phone : +91 22 2261 0552/0562, 2492 4449/4462, 2490 1308, Fax : +91 22 2490 1310