

21st
Annual Report
2014-2015



INANI SECURITIES LIMITED

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INANI SECURITIES LIMITED

Corporate Information

BOARD OF DIRECTORS

Mr. SHRIGOPAL INANI

Chairman (DIN No.00885322)

Mr. LAKSHMIKANTH INANI

Managing Director (DIN No.00461829)

Mr. RAMAKANTH INANI

Director (DIN No.00458875)

Mr. VISHNUKANTH INANI

Whole Time Director (DIN No.00571377)

Mr. ANAND RAMESHCHANDRA CHANDAK

Director (DIN No.01190924)

Mr. DHANRAJ SONI

Director (DIN No.08159486)

Mrs. RAMA KABRA

Director (DIN No.06843396)

AUDITORS

M/s. G.D. UPADHYAY & CO.

Chartered Accountants
15-1-53, IInd Floor,
Opp. Goshamahal High School,
Siddiamber Bazar,
Hyderabad - 500 012.

DEMAT & PHYSICAL SHARE REGISTRARS:

Venture Capital & Corporate Investments Pvt Limited

MIG - 167, Bharat Nagar Colony
Hyderabad - 500 018.
SEBI Regn. No. INR 00001203

PRINCIPAL BANKERS

HDFC Bank Limited

Lakdi-ka-pool,
Hyderabad - 500 004.

TAMILAND MERCANTILE BANK LIMITED

Siddiamber Bazar,
Hyderabad - 500 012.

REGISTERED OFFICE

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

CORPORATE OFFICE

Office No 1408, 14th Floor,, Naman Midtown,
B-Wing, Senapati Bapat Marg, ,
Next To Indiabull Finance Centre, Eliphinstone,
Mumbai - 400 013.
E-mail : bby@inanisec.in

Visit us at : www.inanisec.in

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 21st ANNUAL GENERAL MEETING OF THE MEMBERS OF **INANI SECURITIES LTD** WILL BE HELD **ON WEDNESDAY, THE 30TH DAY OF SEPTEMBER, 2015** AT 02.30 P.M, AT RAJASTHANI GRADUATES ASSOCIATION HALL, SITUATED AT, 5-4-790/1, FIRST FLOOR, LANE OPP. TO G.PULLAREDDY SWEETS, ABIDS, HYDERABAD - 500 001 TO TRANSACT THE FOLLOWING BUSINESS:

Ordinary Business:

1. To receive, consider and adopt the Balance Sheet as at March 31, 2015 and statement of Profit and Loss for the year ended on that date, the Reports of Directors and Auditor's thereon.
2. To appoint a Director in place of Shrigopal Inani, (DIN: 00885322), who retires by rotation and being eligible, offers himself for re- appointment.
3. To consider and if thought fit, to pass, the following resolution as ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. G D Upadhyay & Co., Chartered Accountants (Firm Registration No. 05834S), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2016-17 on such remuneration as may be determined by the Board of Directors."

Special Business:

4. To consider and if thought fit, to pass with or without modifications, the following Resolution as a **Special Resolution**

"RESOLVED THAT the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose), be and is hereby authorized, in accordance with Section 180 (1)(c) of the Companies Act, 2013 (including any statutory modification or re-enhancement thereof for the time being in force) and the Articles of Association of the Company, to borrow any sum or sums of money (including non fund based facilities) from time to time at their discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other firms, bodies corporate, persons notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loan obtained from the Company's Bankers in the ordinary course of business), may, at any time, exceed upto a sum of Rs. 25.00 Crores (Rupees Twenty Five Crores Only) over and above the aggregate of the then paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) and that the Board of Directors be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such money to be borrowed from time to time as to interest, repayment, security or otherwise as they may in their absolute discretion think fit.

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulty, doubt that may arise in respect of the borrowings(s) aforesaid and further to do all such acts, deeds, and things and to execute documents and writings as may be necessary, proper, desirable or expedite to give effect to this resolution."

5. To consider and if thought fit, to pass with or without modifications, the following Resolution as a **Special Resolution**

“RESOLVED THAT pursuant to Section 180(1)(a) 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), consent of the shareholders of the Company be and is hereby accorded for creation by the Board of Directors on behalf of the Company, of such mortgages/ charges/ hypothecation and floating charges (in addition to the existing mortgages / charges / hypothecation created by the Company in favour of the lenders) in such form and in such manner as may be agreed to between the Board of Directors and the lenders, on all or any of the present and future immovable and / or movable properties of the Company wherever situated, of every nature and kind whatsoever to secure any Indian Rupee or foreign currency loans, Debentures, advances and all other moneys payable by the Company to the lenders concerned, subject, however, to an overall limit of Rs. 25.00 Crores (Rupees Twenty Five Crores only) of loans or advances already obtained or to be obtained from, in any form including by way of subscription to debentures issued or to be issued by the Company to, any financial institution, bank, body corporate, company, insurer or to the general public.”

6. To appoint Mr. Anand Rameshchandra Chandak (DIN: 01190924) as an independent director and in this regard to consider and if thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION**

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. Anand Rameshchandra Chandak (DIN: 01190924), who was appointed as a Director liable to retire by rotation under the provisions of the Companies Act, 1956 and who qualifies for being appointed as an independent director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term up to the date of the Annual General Meeting of the Company in the calendar year 2019.”

7. To appoint Mr. Dhanraj Soni (DIN: 08159486) as an independent director and in this regard to consider and if thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION**

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. Dhanraj Soni (DIN: 08159486), who was appointed as a Director liable to retire by rotation under the provisions of the Companies Act, 1956 and who qualifies for being appointed as an independent director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term up to the date of the Annual General Meeting of the Company in the calendar year 2019.”

8. To appoint Mrs. Rama Kabra (DIN: 06843396) as an independent director and in this regard to consider and if thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION**

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Rama Kabra (DIN: 06843396), who was appointed as a Director liable to retire by rotation under the provisions of the Companies Act, 1956 and who qualifies for being appointed as an independent director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term up to the date of the Annual General Meeting of the Company in the calendar year 2019.”

9. To consider and, if thought fit, to pass, with or without modification, the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT in pursuance to the provisions of Sections 196, 197 and other applicable provisions, if any of the Companies Act, 2013 read with Schedule V prescribed under the Companies Act, 2013 and in pursuance to the provisions of Articles of Association of the Company, Mr. Lakshmikanth Inani be and is hereby reappointed as Managing Director of the Company for a period of Three Years w.e.f. 01/04/2015 at a remuneration and other terms and conditions as mentioned below: [including ratification of remuneration payable for balance of his previous tenure that is from 01/10/2014 to 31/03/2015]:

Consolidated Salary of Rs. 1,25,000/- per month

Mr. Lakshmikanth Inani will also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits / amenities and other privileges as may be decided by the Board from time to time.”

10. To consider and, if thought fit, to pass, with or without modification, the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT in pursuance to the provisions of Sections 196, 197 and other applicable provisions, if any of the Companies Act, 2013 read with Schedule V prescribed under the Companies Act, 2013 and in pursuance to the provisions of Articles of Association of the Company, Mr. Vishnukanth Inani be and is hereby reappointed as Whole time Director of the Company for a period of Three Years w.e.f. 01/04/2015 at a remuneration and other terms and conditions as mentioned below: [including ratification of remuneration payable for balance of his previous tenure that is from 01/10/2014 to 31/03/2015]:

Consolidated Salary of Rs. 1,00,000/- per month

Mr. Vishnukanth Inani will also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits / amenities and other privileges as may be decided by the Board from time to time.”

11. To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, a new set of Articles of Association, placed before the Members, be and is hereby adopted and substituted in place of the existing Articles of Association of the Company.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to perform and execute all such acts, deeds, matters and things, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto.”



INANI SECURITIES LIMITED

NOTES :

- a) The Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013 in respect of the Special Business under item no.s 4 to 11 as stated above in annexed hereto.
- b) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. The proxies should, however, be deposited at the registered office of the Company not later than 48 hours before the commencement of the meeting.
- c) The Register of Members and Share Transfer Books of the Company will remain closed from **23rd September, 2015 to 30th September 2015** (both days inclusive).
- d) Shareholders desiring any information as regards the Accounts are required to write to the Company at least seven days in advance of the meeting so that the information, to the extent practicable, can be made available at the meeting.
- e) Members are requested to notify immediately changes, if any, in their registered addresses to the Company's Registrar and Share Transfer Agents M/s. Venture Capital and Corporate Services Limited, 12-10-167, Bharat Nagar, Hyderabad – 500 018.
- f) Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting and number of shares held by them.

By Order of the Board
Sd/-

SHRIGOPAL INANI
Chairman

Place : Hyderabad
Date : 31.07.2015.

REGISTERED OFFICE

G-15, Raghava Ratna Towers,
5-8-352/14 & 15,
Chirag Ali Lane,
Hyderabad - 500 001

CIN:L67120AP1994PLC017583

Mr. Shrigopal Inani, director retire by rotation and, being eligible, offer for re-appointment at the Annual General Meeting. A brief resume of the said directors is given below.

Name	Shrigopal Inani
Directors Identification Number (DIN)	00885322
Age	72 years
Qualification	B.com
Expertise in Specific Area	Vast Experience in Accounts & Finance
Date of first Appointment on the Board of the Company	31.08.1995
Shareholding in Inani Securities Limited	NIL
List of Directorship held in other companies	Inani Real Estates & Developers (P) Ltd
Membership/Chairmanships of Audit and stake holders relationship committees	NIL

**ANNEXURE TO THE NOTICE:
EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

Item No. 4 and 5

Increase in Borrowing Limits

In terms of the provisions of Sections 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company, cannot except with the consent of the Company in general meeting; borrow moneys, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of aggregate of the paid up capital and its free reserves that is to say reserves not set apart for any specific purpose. Section 180(1)(c) of the Companies Act, 2013 inter alia provides that the Board of Directors can borrow in excess of the paid up capital and its free reserve/s if authorized by members, hence the resolution is proposed for approval.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) read with Section 180 (1)(a) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 4 & 5 of the Notice. The Board recommends these resolutions for approval by the members of the Company.

None of the Directors is in any way concerned or interest in the Resolution.

Item No. 6, 7 and 8

Mr. Anand Rameshchandra Chandak, Mr. Dhanraj Soni and Mrs. Rama Kabra are Independent Directors of the Company appointed pursuant to the requirements of erstwhile Clause 49 of the Listing Agreement. Their period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. Section 149(10) of the Act, which is effective from April 1, 2014, provides that an independent director shall hold office for a term of up to five consecutive years on the Board. Section 149(13) of the Act states that the provisions relating to retirement of directors by rotation shall not apply to the appointment of independent directors.

It is proposed to appoint Mr. Anand Rameshchandra Chandak, Mr. Dhanraj Soni and Mrs. Rama Kabra as independent directors under section 149 of the Act and clause 49 of the Listing Agreement to hold office for 4 (Four) consecutive years for a term up to the conclusion of Annual General Meeting of the company in the calendar year 2019.

Mr. Anand Rameshchandra Chandak, Mr. Dhanraj Soni and Mrs. Rama Kabra are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Anand Rameshchandra Chandak, Mr. Dhanraj Soni and Mrs. Rama Kabra for the office of Independent Directors of the Company.

The Company has also received declarations from Mr. Anand Rameshchandra Chandak, Mr. Dhanraj Soni and Mrs. Rama Kabra that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Brief resume of Mr. Anand Rameshchandra Chandak, Mr. Dhanraj Soni and Mrs. Rama Kabra, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement is annexed to the Notice.

Copy of draft letters of appointment of Mr. Anand Rameshchandra Chandak, Mr. Dhanraj Soni and Mrs. Rama Kabra setting out the terms and conditions are available for inspection by the members at the registered office of the Company.

The Board considers that continued association of Mr. Anand Rameshchandra Chandak, Mr. Dhanraj Soni and Mrs. Rama Kabra would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreements with the Stock Exchanges.

Mr. Anand Rameshchandra Chandak, Mr. Dhanraj Soni and Mrs. Rama Kabra are interested in the resolutions set out respectively at Item Nos.6, 7 and 8 of the Notice with regard to their respective appointments.

The relatives of Mr. Anand Rameshchandra Chandak, Mr. Dhanraj Soni and Mrs. Rama Kabra may be deemed to be interested in the resolutions to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item Nos. 6, 7 and 8 of the Notice for approval by the shareholders.

Name	Mr. Anand Rameshchandra Chandak	Mr. Dhanraj Soni	Mrs. Rama Kabra
Directors Identification Number (DIN)	01190924	08159486	06843396
Age	43 Years	50 Years	41 Years
Qualification	M.B.A	B.COM	B.COM
Expertise in Specific Area	Vast Experience in Accounts & Finance	Vast Experience in Finance	Vast Experience in Accounts & Finance
Date of first Appointment on the Board of the Company	29.08.2005	29.09.2007	25.03.2014
Shareholding in Inani Securities Limited	NIL	NIL	21,510
List of Directorship held in other companies	NIL	SDS AGRO FARMS (P) Ltd	NIL
Membership/Chairmanships of Audit and stake holders relationship committees	Audit committee: Chairman. Stake Holder: Member	Audit committee: Member Stake Holder: Chairman.	Audit committee: Member Stake Holder: Member

Item No 9 and 10

The Board of Directors of the Company at its meeting held on 30th May 2015, has subject to the approval of Members, re-appointed Mr. Lakshmikanth Inani, as Managing Director and Mr. Vishnukanth Inani, as Whole Time Director for a period of 3 years on the remuneration as set out in the resolution. The terms of his remuneration as set out in the resolution are considered to be fair, just and reasonable.

The remuneration committee in its meeting held on 31.10.2014 had revised the remuneration payable for balance of their tenure [from 01-10-2014 to 31-03-2015] to Mr. Lakshmikanth Inani, Managing Director and Mr. Vishnukanth Inani, Whole time director from Rs. 25,000/- per month to Rs. 1,25,000/- per month and from Rs. 20,000/- per month to Rs. 1,00,000/- per month respectively.

A brief resume of Mr. Lakshmikanth Inani and Mr. Vishnukanth Inani as required in terms of Clause 49 of the Listing Agreement in enclosed with the Notice.

The Board commends the Resolution set out in Item No 9 and 10 for your approval.

The following additional information as required by Schedule V of the Companies Act, 2013 is given below:

1. General information:

- (1) Nature of Industry: Stock Broking Industry. The main activity of the Company is Stock Broking
- (2) Date of Commencement: 19.05.1994
- (3) Financial Performance (as in table below).

Particulars	2012-13	2013-14	2014-15
Sales and other income	198.93	171.67	237.06
Profit before Tax and prior period items	10.77	16.98	38.38
Finance Charges	46.63	37.99	36.95
Depreciation	12.60	14.29	33.26
Prior period items	1.00	0.18	0
Profit after Tax	19.07	35.08	42.50

(4) Foreign Investment: NIL

II. Information about the appointee

(a) Lakshmikanth Inani: Managing Director

Background details: Mr. Lakshmikanth Inani is a commerce graduate with 25 years of experience in the field of Stock Broking.

Past remuneration: Rs. 25000/- per month

Remuneration proposed: Rs 1,25,000/- per month

Comparative Remunerative profile - It is similar or lower than in equivalent firms.

Pecuniary relationship: Mr. Lakshmikanth Inani is a promoter director of the Company.

II. Other Information:

- (i) Reasons of loss or inadequate profits - The Company has recorded a subdued performance during the financial year 2014-15, amidst weak economic conditions.
- (ii) Steps taken or proposed to be taken for improvement - The steps taken or proposed to be taken for improvement in financial performance inter alia include opening of new branches and taking up cost reduction drive.
- (iii) Expected increase in productivity and profitability - The Company is hopeful of reporting better financial results.

(b) Vishnukanth Inani: Whole Time Director

Background details: Mr. Vishnukanth Inani is a commerce graduate with 15 years of experience in the field of Stock Broking.

Past remuneration: Rs. 20000/- per month

Remuneration proposed: Rs 1,00,000/- per month

Comparative Remunerative profile - It is similar or lower than in equivalent firms.

Pecuniary relationship: Mr. Vishnukanth Inani is a promoter director of the Company.