



INVENTURE

GROWTH & SECURITIES LTD.

Enhancing Fortunes. Enriching Lives.

2014 ANNUAL REPORT

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CORPORATE INFORMATION

BOARD OF DIRECTORS:

| | |
|-------------------------------|------------------------------|
| 1. Shri Nagji K. Rita | Chairman & Managing Director |
| 2. Shri Kamlesh S. Limbachiya | Whole Time Director |
| 3. Shri Virendra D. Singh | Director |
| 4. Shri Harilal B. Rita | Director |
| 5. Shri Deepak M. Vaishnav | Independent Director |
| 6. Shri Ajay Khera | Independent Director |
| 7. Shri Dilip C. Shah | Independent Director |
| 8. Shri Bharat P. Shah | Independent Director |

AUDIT COMMITTEE

Shri Deepak M. Vaishnav
 Shri Ajay Khera
 Shri Nagji K. Rita

NOMINATION & REMUNERATION COMMITTEE

Shri Ajay Khera
 Shri Deepak M. Vaishnav
 Shri Virendra D. Singh

INVESTORS GRIEVANCES COMMITTEE

Shri Ajay Khera
 Shri Deepak M. Vaishnav
 Shri Nagji K. Rita

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Shri Bharat P. Shah
 Shri Nagji K. Rita
 Shri Kamlesh S. Limbachiya

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Bhavi R Gandhi

STATUTORY AUDITORS

M/s. PHD & Associates
 Chartered Accountants
 Radha Chambers, Level 3, Teli lane,
 Andheri-East, Mumbai

INTERNAL AUDITORS

M/s. Shah & Ramaiya Chartered Accountants

BANKERS

Bank of India
 HDFC Bank Ltd.
 Kotak Mahindra Bank Ltd.
 Axis Bank Ltd.
 Punjab National Bank
 Syndicate Bank
 State Bank of India
 ICICI Bank Ltd.
 Canara Bank

REGISTERED OFFICE

201, 2nd floor, Viraj Towers,
 Western Express Highway,
 Andheri – East, Mumbai – 400069

REGISTRAR AND SHARE TRANSFER AGENT

LINKINTIME INDIA PRIVATE LIMITED
 C -13, Pannalal Silk Mills Compound
 L.B.S Marg, Bhandup (West), Mumbai – 400 078

Chairman Message

Dear Shareholders,

Welcome to the 19th Annual General Meeting of your company. It is always a pleasure to share with you a review of our performance last year as well as for the future.

In continuation of our theme of reinvention, we have decided to take a new outlook on business. It is my privilege to place before you highlights of your company's performance during the financial year 2013-14. Details of achievements & initiatives taken by your company are provided in the enclosed Annual Report for the year 2013-14. The past year was also characterized by a period of political uncertainty due to General Election in the second half of the year. The major concern, however, is raising global oil and commodity prices that are fanning inflation and inflation expectation. Inventure Growth & Securities Limited successfully navigated these crosscurrents for the better part of the year & capitalized a more conducive manner environment during the last few month of FY14.

Despite of loss incurred by company in these operational environments in FY13-14, we worked actively to strength our position by focusing in the following key areas:

- Building our distribution reach by focusing on quality business partners and untapped pools of wealth across India.

- Given our emphasis on knowledge, we introduced in innovative funds and equity strategies as well as conducted investor education seminars.

- Leveraging technology to provide an enhanced service experience to our clients across the entire customer engagement process.

- Using our funds and strategies, a wide product bouquet, trading platforms and strong on-ground relationships across all our verticals to build clients assets

- Effectively managing those costs that can be controlled and deliver consistent profit margins despite these challenging times.

- Using capital judiciously to ensure strong, risk-free balance sheet, which gives us the ability to tap any viable opportunities that arise.

I assure you, our cherished shareholders, that Inventure Growth & Securities Ltd will overcome the misgivings of the past & move on and forge a bright and strong future.

Nagji K. Rita

(Chairman & Managing Director)

NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of Inventure Growth & Securities Limited will be held on Thursday, 25th September 2014 at 4th Floor, Sterling Banquet Hall, Station Road, Goregaon West, Mumbai

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Statement of Profit & Loss for the financial year ended March 31, 2014 and the Balance Sheet as on that date and the Report of the Directors' and Auditor's thereon.
2. To appoint a Director in place of Mr. Harilal B. Rita (holding Din No: 02750900) who retires by rotation and being eligible offers himself for re-appointment
3. To appoint a Director in place of Mr. Virendra D. Singh (holding Din No; 00656302) who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 139 and other applicable provisions, if any of the Companies Act, 2013, and the Rules made there under, (including any amendment thereto or re-enactment thereof), M/s PHD & Associates Chartered Accountant(Registration No: 111236W), Mumbai, be and are hereby appointed as the Statutory Auditors of the Company to hold office from conclusion of the this Meeting till the conclusion of the Next Annual General Meeting of the Company, subject to ratification by the members annually, at a remuneration as may be decided by the Board of Directors".

Special Business:

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

The Board discussed regarding Re-appointment of Mr. Nagji K. Rita (holding DIN No: 00117052) as the Managing Director of the company. His term of office expires on 31st March 2014. During the tenure of Mr. Nagji K. Rita as the Managing Director, the Company has made progress in all spheres. It was suggested that he be re-appointed as the Managing Director for a further period of One year commencing from 1st April 2014 to 31st March 2015. The Board agreed with the proposal of re-appointment and remuneration payable to the Managing Director subject to such approvals as may be necessary under the Companies Act, 2013 and passed the following resolution:

" RESOLVED THAT subject to the provisions of Section 196, 197, 203, Schedule V, and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under (corresponding to Sections 198, 269, 309 and any other applicable provisions of Companies Act,

1956 read with Schedule XIII to the Companies Act, 1956) and subject to the approval of the Central Government and further subject to the approval of the Reserve Bank of India, if required, the consent of the Company is hereby accorded for the re-appointment of Mr. Nagji K. Rita (DIN 00117052) as the Managing Director for a period of one year commencing from 1st April, 2014 to 31st March, 2015 with a liberty to the Board of Directors to alter and vary the terms of appointment and remuneration package so as to not exceed the limits specified in Schedule V to the Companies Act, 2013 (corresponding to Schedule XIII of the Companies Act, 1956) as may be agreed between the Board of Directors and Mr. Nagji K. Rita.

"RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Nagji K. Rita, Managing Director of the Company a Company has no profits or the profits are inadequate it may pay remuneration to the Managing Director by way of salary, dearness allowances, perquisites and other allowances as detailed above."

"RESOLVED FURTHER THAT the Board, may subject to the requisite approvals, if required of the Central Government, increase, augment, vary and modify the remuneration payable and the benefits and amenities provided to Mr. Nagji K. Rita including the monetary value thereof upto the limits prescribed in that behalf under or pursuant to the Companies Act, 2013 or any statutory amendment, modification or re-enactment thereof from time to time in force and/or the Guidelines for managerial remuneration issued by the Central Government from time to time, from the date of the statutory amendment, modification, re-enactment and/or the guidelines coming into force"

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take such steps as may be necessary to give effect to this resolution."

6. To consider and if thought fit to pass, with or without modification, the following resolution as an Special Resolution:

The Board discussed regarding appointment of Mr. Kamlesh Limbachiya (holding Din No: 02774663) as Whole-Time Director of the company with effect from 1st April 2014 for a period of Three Years It was suggested that as per Article 133 of Articles of Association of the company, he be appointed as Whole-Time Director for a period of Three years w.e.f. 1st April 2014. The Board agreed with the proposal of appointment of Mr. Kamlesh Limbachiya and remuneration payable to the Whole Time Director subject to such approvals as may be necessary under the Companies Act, 2013 and passed the following resolution:

"RESOLVED THAT subject to the provisions of sections 196, 197, 203 and other applicable provisions, if any of the Companies Act, 2013 read with Section II of Part II of schedule V thereto and all guidelines for managerial remuneration issued by the Central Government from time to time and such other approvals as may be necessary, approval of the Board be and is hereby accorded to the Appointment of Mr. Kamlesh Limbachiya as Whole -time Director for a period of Three years commencing from 1st April 2014 to 31st March 2017 and on such remuneration as may be decided in consultation with Mr. Kamlesh Limbachiya provided that the remuneration including

the perquisite and other terms of appointment shall not be inconsistent with the terms specified herein below and shall not exceed the overall limits specified hereunder and subject to the approval of members in ensuing general meeting of the Company:

1) Salary, allowances and perquisites not exceeding Rs. 2,00,000 (Rupees Two Lacs only) per month with an authority to the Board to increase the same from time to time in accordance with the limits specified in Part II of Schedule V of the Companies Act, 2013, as amended from time to time.

2) Mr. Kamlesh Limbachiya shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration as specified above:

(a) Contribution to provident fund, super annuation fund or annuity fund to the extent these either singly or put together are not taxable under Income Tax Act, 1961.

(b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and

(c) Encashment of leave at the end of the tenure

3) Other benefits and perquisites:

a) Housing:

The expenditure to the Company on hiring furnished accommodation shall not exceed 60% of the salary. In case the Managing Director is provided accommodations owned by the Company, he will pay 10% of his salary towards house rent.

b) Gas, Electricity, Water and Furnishings:

Besides housing benefits referred to above, the expenditure on gas, electricity, water, and furnishing will be borne by the Company and the market value will be evaluated as per Income Tax Rules, 1962

c) Medical Reimbursement:

Medical expenses incurred by the appointee on self, spouse and dependent children will be reimbursed to him subject to a ceiling of one month's salary in a year or three month's salary over a period of three years

d) Club Fees:

Fees of two clubs subject to a maximum of two clubs excluding admission and life membership fees

e) Leave with full pay and allowances shall be allowed as per the Company's policy

f) Leave Travel Concession:

For self and family once a year in accordance with the rules of the Company

g) Personal Accident Insurance:

Personal accident insurance cover shall be payable as per rules of the Company

h) Car with Driver:

The Whole Time Director will be provided with a car with driver for use on Company's business. Use of car for private purpose, if any will be billed by the Company. The provision of car for official use and telephone at residence will not be considered as perquisite

i) Telephone:

Free telephone(s) at his residence; Personal long distance calls will be billed to the managing director

j) The Company shall reimburse actual entertainment and traveling expenses incurred by the Whole Time Director in connection with the Company's business.

4) As Whole Time Director, he is not entitled to any sitting fees for attending any meetings of Board of Directors or committee thereof.

5) The remuneration including perquisites stated above shall be subject to and within the overall limits for managerial remuneration in Section II of Part II of Schedule V of the Companies Act, 2013 read with section 196,197 of the said Act.

6) The nature of appointment shall be contractual, terminable by either party giving notice of three months.

Minimum Remuneration:

"RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Kamlesh Limbachiya, Whole Time Director of the Company a Company has no profits or the profits are inadequate it may pay remuneration to the Whole Time Director by way of salary, dearness allowances, perquisites and other allowances as detailed above."

7. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (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. Bharat Popatlal Shah (holding DIN: 02360505), who was appointed by the Board of Directors as an Additional Director under the provisions of Section 161 of the Companies Act, 2013 with effect from 28th May, 2014 and holds office up to the date of this Annual General Meeting of the Company, , and in respect of whom the Company has received a notice in writing from a member under the provisions of section 160 of the Companies Act, 1956, proposing his candidature for the office of a director, be and is hereby appointed as an Independent Director of the Company to hold office for Five consecutive years for a term up to AGM in the year 2019."

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

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (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. Ajay Khara(holding DIN: 00695146), Director of the Company, whose period of office was liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013,

proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years i.e. up to AGM in the year 2019".

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (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. Deepak M. Vaishnav (holding DIN: 02889935), Director of the Company, whose period of office was liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years up to AGM in the year 2019".

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (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. Dilip C. Shah (holding DIN: 05202642), Director of the Company, whose period of office was liable to determination by retirement of directors by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years up to AGM in the year 2019".

11. To alter other object under Clause III B of the Memorandum of Association of the Company in conformity with the Companies Act 2013 and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

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

"RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, (hereinafter referred to as "the Act"), read with relevant provisions of Listing Agreement (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and Articles of Association of the Company, and subject to the necessary approvals, required if any, in this regard from appropriate authorities, consent of the Members of the Company be and is hereby accorded for Amendment of the existing Clause III B (Objects incidental or ancillary to the attainment of the main objects) of the Memorandum of Association of the Company in the following manner:

I. by insertion of the following new sub-clause (67) after the existing sub-clause (66) of Clause III (B) of Memorandum of Association of the Company:

(67) To provide technical services such as Website Maintenance LMS (Lead Management System), CMS (Content Management System), Online Trading, App Development, M-site Development, Mass Mailing, Client Support, Designing, Printing etc.

“RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as “the Board” which term shall also include its duly authorised Committee or Individual Directors) be and is hereby authorised to accept such terms and condition(s), alteration(s), suggestion(s), stipulation(s), amendment(s) and modification(s) as maybe required by the Registrar of Companies or such other statutory and regulatory authorities in this regard.”

“RESOLVED FURTHER THAT the existing Memorandum of Association of the Company, duly modified as aforesaid, or as suggested by any appropriate authority and accepted by the Board, be adopted as the Memorandum of Association of the Company.”

“RESOLVED FURTHER THAT the approval of the Members of the Company be and is hereby accorded pursuant to the provisions of Companies Act, 2013, for commencing and carrying on all or any of the new business(es) and activities as included in the Object Clause of the Company as amended above, at such time or times as the Board may in its absolute discretion deems fit.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any of the directors of the company, be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary and settle any or all questions/matters arising with respect to the above matter, and to execute all such deeds, documents, agreements and writings as may be necessary for the purpose of giving effect to this resolution, take such further incidental and ancillary steps in this regard, as may be considered desirable or expedient by the Board in the best interests of the Company and its shareholders.”

12.To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors

For Inventure Growth & Securities Limited

Place: Mumbai

Date 14.08.2014

Registered office:

201, 2nd Floor, Viraj Tower, Near Landmark,
Western Express Highway, Andheri (E),
Mumbai-400069

Shri Nagji K. Rita

Chairman & Managing Director