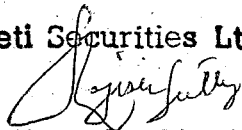


**15th
ANNUAL REPORT
2008 - 2009**

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For Peeti Securities Ltd.,



Executive Director.

PEETI SECURITIES LIMITED

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PEETI SECURITIES LIMITED**BOARD OF DIRECTORS**

Sri Sandeep Peeti	: Chairman & Managing Director
Sri Rajesh Peeti	: Executive Director
Sri Raj Kumar Agrawal	: Director
Sri Ajay Garg	: Director
Sri Rajeev Peeti	: Director

AUDITORS

: M/s. MKA Associates
1st Floor, Surabhi Sharadha Block,
Ahuja Estate, Abids,
Hyderabad -500 001.

REGISTERED OFFICE & WORKS

: Survey No.71,
Opp. BSNL Office,
Beside M.P.Hardware Lane,
Old Kurnool Road, Kattedan,
Hyderabad - 500 077.

BANKERS

: The Tamilnad Mercantile Bank Ltd.
Chenoy Trade Centre,
Secunderabad.

**REGISTRARS AND SHARE
TRANSFER AGENTS**

: CIL Securities Limited
214, Raghav Ratna
Towers, Chirag-ali-lane Abids,
Hyderabad-500 001.

LISTED AT

: The Bombay Stock Exchange Ltd
The Hyderabad Stock Exchange.

PEETI SECURITIES LIMITED

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NOTICE

Notice is hereby given that the **Fifteenth Annual General Meeting** of the members of the Company will be held on Wednesday the **30th September 2009 at 10.00 A.M. At Bhagyanagar Function Hall, L.B. Nagar, Hyderabad** to transact the following items of business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2009, Profit and Loss Account for the financial year ended on that date and the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Sri Raj Kumar Agrawal who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

BY ORDER OF THE BOARD

Place : Hyderabad

Date : 01st August 2009

Sd/-

SANDEEP PEETI

Chairman & Managing Director

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting.
2. The Register of Members and the Share Transfer Books will remain closed from Monday 28th September 2009 to Wednesday 30th September 2009 (both days inclusive).

ADDITIONAL INFORMATION ON DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT

Sri Rajkumar Agrawal is the member of Audit Committee, Remuneration Committee and the Investors Grievances Committee. He is a science graduate and a law graduate and presently he is engaged in packing business. He was former president of the Rotary Club of India.

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the **FIFTEENTH ANNUAL REPORT** together with the Audited Accounts of the company for the financial year ended 31st March, 2009.

FINANCIAL HIGHLIGHTS

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
Sales	396.38	365.80
Other Income	4.99	1.51
Profit before depreciation and tax	(2.64)	10.88
Depreciation	5.47	4.34
Net profit / (Loss) before tax	(8.11)	6.54
Prior period adjustments	0.12	
Provision for taxation		
a. Current		(2.77)
b. Deferred Tax		3.16
c. Fringe Benefit Tax	(0.54)	(0.44)
Profit after tax	(8.77)	6.49
Deficit brought forward from the previous year	(17.22)	(15.35)
Surplus/ (deficit) carried to balance sheet	(25.99)	(17.22)

OPERATIONS:

During the year under review, your company has achieved a total income of Rs. 401.37 lakhs as against previous year's income of Rs. 367.31 Lakhs and recorded a net loss of Rs.8.11 Lakhs for the financial year ending 31st March, 2009 when compared to a net Profit of Rs. 6.54 Lakhs during the previous year. Although your company projected more turnover as against the previous year's turnover, your company recorded loss on account of steep hike in the raw material cost and production cost and your company could not increase the selling price of the finished goods due to severe recession that the economy is witnessing in almost all the industries and to sustain in the market, your company did not increase the prices of the finished products. Adding to this, during the year under review, your company shifted the unit from Secunderabad to Kattedan industrial area by incurring huge expenditure. However things are restoring to normalcy and the industry is recovering from the depression and your company would do better in the years to come.

PEETI SECURITIES LIMITED

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DIVIDEND :

As your company incurred loss during the financial year 2008-09, directors of your company express their inability to recommend any dividend for the said financial year.

PARTICULARS OF EMPLOYEES :

Pursuant to Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975, as amended, no employee of your Company is in receipt of remuneration exceeding Rs.2,00,000/- per month or Rs.24,00,000/- per annum during the financial year.

DIRECTORS' RESPONSIBILITY STATEMENT :

The Directors of your Company hereby report:

- (i) that in the preparation of Annual Accounts for the financial year ended 31st March, 2009, the applicable accounting standards have been followed along with the proper explanation relating to material departures, if any, there from;
- (ii) that 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 at the end of the financial year ended 31st March, 2009 and of the profit and loss of the company for that period:
- (iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities
- (iv) that the directors have prepared the annual accounts on a going concern basis.

FIXED DEPOSITS :

Your company has neither accepted nor renewed any deposits falling within the provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 from the public during the financial year

PEETI SECURITIES LIMITED

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

A Statement giving details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure) of Particulars in the Report of Board of Directors) Rules 1988, is set out in Form - 'A' and Form - 'B' which is enclosed as Annexure - I to this report.

CORPORATE GOVERNANCE :

A separate report on Corporate Governance along with Auditor's Certificate on its compliance is enclosed as Annexure - II to this report.

DIRECTORS :

Mr. Rajkumar Agrawal, Director of your company retires by rotation at the ensuing Annual General Meeting. Being eligible for the re-appointment, offers him self for the re-appointment.

AUDITORS :

The tenure of Statutory Auditors of your company M/s. MKA Associates, Chartered Accountants comes to an end at the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

LISTING FEE :

Your Company's shares are listed on the Hyderabad Stock Exchange and The Bombay Stock Exchange Limited. Your company is regular in payment of listing fee.

MANAGEMENT DISCUSSION ANALYSIS :

Management Discussion an analysis is set out in annexure III to this report

ACKNOWLEDGEMENTS :

The Directors of Your Company would like to place on record their sincere appreciation and gratitude to the Company's Customers, Bankers, Shareholders for their support and co-operation. Your Directors express their heartfelt gratitude to the employees for their exceptional commitment and loyalty to the company.

FOR AND ON BEHALF OF THE BOARD

Sd/-

SANDEEP PEETI

Chairman &
Managing Director

Sd/-

RAJESH PEETI

Executive Director

Place : Hyderabad

Date : 01st August 2009

PEETI SECURITIES LIMITED

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ANNEXURE - I**Form - "A"****PARTICULARS UNDER THE COMPANIES (DISCLOSURES OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1998****A. Power and fuel consumption:**

1. Electricity	2008-09	2007-08
a. Purchased Units	16,509	25,594
Total Amount	95,919	1,96,778
Rate per unit	5.81	6.02
b. Own generation		
i) Through diesel generator	29,764/-	42,795/-
ii) Through steam turbine/ generator Units	Nil	Nil
Units	Nil	Nil
Cost / unit	Nil	Nil
2. Coal		
i) Quantity (tons)	Nil	Nil
Total cost	Nil	Nil
Average rate	Nil	Nil
3. Furnace Oil		
i) Quantity (K.Ltrs)	Nil	Nil
Total amount	Nil	Nil
Average rate	Nil	Nil
4. Others/ Internal generation		
i) Quantity	Nil	Nil
Total cost	Nil	Nil
Rate per unit	Nil	Nil

The company has taken adequate steps to upgrade its technology and is making sincere efforts to conserve energy during its operation.

FORM - "B"**PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION**

A. RESEARCH AND DEVELOPMENT (R&D)	:	NIL
B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION	:	NIL
C. FOREIGN EXCHANGE EARNINGS AND OUTGO	:	
1. FOREIGN EXCHANGE EARNINGS	:	NIL
2. FOREIGN EXCHANGE OUTGO	:	NIL

PEETI SECURITIES LIMITED

ANNEXURE – II REPORT ON CORPORATE GOVERNANCE (Pursuant to Clause 49 of the Listing Agreement)

Pursuant to Clause 49 of the Listing Agreement, the company presents its report on Corporate Governance.

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The Company's philosophy of Corporate Governance is aimed at assisting the top management of the company in the efficient conduct of the business and in meeting its obligation to stakeholders and is guided by a strong emphasis on transparency, accountability and integrity. Company believes in sharing the entire information about its operations with the investors. Since several years, company is committed to values and ethical business conduct. This includes its corporate and other structure, its culture its policies and the manner in which it deals with its stakeholders. Accordingly timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the company, is an important part of corporate Governance. This improves public understanding of the structure, activities and policies of the organization; consequently, the organization is able to enhance the trust and confidence of the Stakeholders.

2. BOARD OF DIRECTORS

A. Composition

As on 31st March, 2009, the Board of Directors consists of Five Directors comprising of two promoter Executive Directors, three non-executive Directors.

Name of the Director	Category	No. of Other Directorships	No of Meetings Held	No of Meetings Attended	Whether Attended last AGM
Sandeep Peeti	Promoter Managing Director	01	8	8	Yes
Rajesh Peeti	Promoter Executive Director	---	8	8	Yes
Rajkumar Agrawal	Non-Executive Independent Director	---	8	8	No
Rajeev Pittie	Non-Executive Independent Director	---	8	8	No
Ajay Garg	Non-Executive Independent Director	---	8	8	No

B Date of Board Meetings

Board of Directors met 8 times during the financial year 2008-2009 on the following dates and the gap between two board meetings did not exceed four months.

30-04-2008	29-07-2008	30-07-2008	01-08-2008
02-09-2008	15-09-2008	30-10-2008	31-01-2009

PEETI SECURITIES LIMITED

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Audit Committee :

Brief description of terms of reference

The terms of reference as per Clause 49 of the Listing Agreement are as follows

- a) to review the results announcement and the report and accounts at the end of a quarter, half year and the full year before submission to the board, focusing particularly on :
 - (i) Any changes in accounting policies and practices.
 - (ii) Compliance with accepted accounting standards.
 - (iii) Major Judgmental Decisions; etc.
- b) To consider appointment of Statutory Auditors, the Audit Fee, and any matter of resignation and dismissal.
- c) To discuss with the Statutory Auditor before the audit commences the nature and scope of the Audit.
- d) To review the effectiveness of the system of internal financial controls and discuss the same periodically with the statutory auditors.
- e) To discuss problems and reservations arising from the statutory audit and any matters the statutory auditor may wish to discuss.
- f) To consider other topics as may be delegated by the board from time to time.

Composition

The Audit Committee comprises of independent directors and composition of the committee is as follows:

Sri Rajkumar Agrawal	-	Chairman
Sri Rajeev Peeti	-	Member
Sri Ajay Garg	-	Member

Meetings during the year

During the Financial year 2008-09, the Audit Committee met on five times on

1. 30th April 2008
2. 30th July 2008
3. 01st August 2008
4. 31st October 2008
5. 31st January 2009

Remuneration Committee:

The Remuneration Committee comprises of independent directors and composition of the Committee is as follows:

Sri.Raj Kumar Agrawal	Chairman
Sri Rajeev Peeti	Member
Sri Ajay Garg	Member