

INANI SECURITIES LIMITED

**2017-18
24TH ANNUAL REPORT**

CORPORATE INFORMATION**CORPORATE IDENTITY NUMBER (CIN)**

L67120AP1994PLC017583

BOARD OF DIRECTORS**MANAGING DIRECTOR**

Mr.Lakshmikanth Inani Din (00461829)

WHOLE-TIME DIRECTOR

Mr.Vishnukanth Inani Din (00571377)

DIRECTORS

Mr. Ramakanth Inani Din (00458875)

INDEPENDENT DIRECTORS

Mr. Dhanraj Soni Din (01859486)

Mrs. Rama Kabra Din (06843396)

Mr.Anand Rameshchandra
Chandak Din (01190924)**STATUTORY AUDITORS**

M/S. JEEDIGUNTA & Co. CHARTERED

ACCOUNTANTS

15-1-53 2ND Floor (Upstairs Andhra Bank)

Opp. Goshamahal High School Siddiamber

Bazar Hyderabad-500012

**REGISTRAR & SHARE TRANSFER
AGENT****VENTURE CAPITAL AND CORPORATE
INVESTMENTS PRIVATE LIMITED**

12-10-167

Bharat Nagar

Hyderabad-500018

Tel : +91-040-23818475/23818476

REGISTERED OFFICEG-15 Raghav Ratna Towers, 5-8-352/14
& 15, Chirag Ali Lane,
Hyderabad-500001, Telangana.**CORPORATE OFFICE**Office No. 1408, 14th Floor, Naman
Midtown B-wing Senapati Bapat Marg
Next to Indiabulls Finance Centre
Ephinstone, Mumbai-400013.**LISTED AND TRADING AT**

Bombay Stock Exchange of India Ltd.

BANKERS

Tamilnad Mercantile Bank Limited

Karur Vysya Bank Limited

HDFC Bank Limited

ICICI Bank

Axis Bank

SECRETARIAL AUDITORS

Mr. Chava Sai Krishna

Company Secretary in Practice

B-20, Second floor, Amrutha Arcade,

Opp to Venkataramana Theatre,

Kachiguda, Hyderabad - 500027.

ANNUAL GENERAL MEETING**Date : 28th September, 2018****Time : 12:30 P.M**Venue : Rajasthani Graduates Association
Hall5-4-790/1 First Floor, Lane Opp. To G.Pulla
Reddy Sweets. Hyderabad-500001

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ABOUT US

Inani Securities Limited generally known as ISL, established in 1994 and listed on BSE in 1996. ISL has evolved one of the paramount Stock Broking & Financial Services Firm in India. Having its Corporate Office in Mumbai.

ISL provides wide range of wealth generation solutions to individual & institutions based on creative value investing ideas. Our power lies with our customer-centric approach and a firm commitment to make the money work for them.

ISL is affiliated with the major stock exchange in India for equities and commodities, i.e. BSE. These affiliations has resulted our growth in the market, which makes ISL one of the leading stock broking & financial services in the market.

ISL is accomplished to provide incomparable services to all its clients & associates, by providing all the dealings in transparent manner and maintaining the ethical standards. Our aim is to protect and encourage long term relationship with our clients and associates

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 24TH ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S. **INANI SECURITIES LIMITED** WILL BE HELD ON FRIDAY THE 28TH SEPTEMBER, 2018 AT 12.30 P.M AT RAJASTHANI GRADUATES ASSOCIATION HALL, SITUATED AT 5-4-790/1, FIRST FLOOR, LANE OPP.TO G.PULLA REDDY SWEETS, ABIDS HYDERABAD-500001 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at March 31, 2018 and Statement of Profit and Loss for the year ended on that date, the Reports of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. Vishnukanth Inani, (DIN: 00571377), who retires by rotation at this Annual General Meeting and being eligible for reappointment.
3. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Rules made thereunder, as amended from time to time, the Company hereby ratifies the appointment of Jeedigunta & Co, Chartered Accountants, (Firm Registration No. 0013225 PAN: ACZCJ4130H), as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the AGM of the Company to be held in the year 2022 at such remuneration as shall be fixed by the Board of Directors of the Company".

By Order of the Board of Directors

For Inani Securities Limited

Sd/-

Lakshmikanth Inani

Managing Director

Din 00461829)

Date: 31-07-2018

Place: Hyderabad

IMPORTANT NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
2. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
3. Members / proxies should bring the duly filled Attendance slip enclosed herewith to attend the meeting. Shareholders are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall. The shareholder needs to furnish the printed 'attendance slip' along with a valid identity proof such as the PAN card, passport, AADHAR card or driving license, to enter the AGM hall.
4. The Register of Members and the Share Transfer books of the Company will remain closed from Tuesday, 25th September, 2018, to 27th September, 2018, Thursday (both days inclusive), for the purpose of Annual General Meeting.
5. Members are requested to immediately notify the changes, if any, in their registered address to the Company's Registrar and shares transfer agents, M/s. Venture Capital Corporate and Investment Pvt. Ltd, 12-10-167, Bharat Nagar, Hyderabad - 500 088.
6. Electronic copy of the 24th Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the 24th Annual Report for 2018 are being sent in the permitted mode.
7. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Hyderabad for inspection during normal business hours on working days. For any communication, the shareholders may also send requests to the Company's investor email id: investors@inanise.c.in
8. **Voting through electronic means:**

In compliance with provision of section 108 of the Companies Act, 2013 and Rules 20 of the Companies (Management and Administration) Rules, 2014, the company will provide its members the facility to exercise their right to vote in the 24th Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-voting services provided by Central Depository Services (India) Limited (CDSL).

THE INSTRUCTIONS FOR MEMBERS FOR VOTING ELECTRONICALLY ARE AS UNDER:-

- (i) The voting period begins on Tuesday, 25th September, 2018 (09.00 AM. IST) and ends on Thursday, 27th September, 2018 (5.00 PM. IST). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Saturday 22nd September, 2018 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

Particulars	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the INANI SECURITIES LIMITED.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- (xviii) If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian 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, a Compliance User should be created 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 linked in the login 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 favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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
9. Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as of the cut-off date i.e. Thursday 27th September, 2018, may obtain the login ID and password by sending a request at evoting@cdslindia.com and helpdesk.evoting@cdslindia.com. However, if you are already registered with CDSL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset the password by using ‘Forgot User Details / Password’ option available on www.evotingindia.com.
10. A member may participate in the AGM even after exercising his right to vote through remote e-voting, but shall not be allowed to vote again at the AGM.
11. The facility for voting through ballot will also be made available at the AGM, and members attending the AGM who have not already cast their vote by remote e-voting will be able to exercise their right at the AGM. Shareholders who have not cast their vote electronically, by remote e-voting may cast their vote at the AGM through ballot paper
12. At the AGM, at the end of the discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, order voting through ballot paper for all those members who are present but have not cast their votes electronically using the remote e-voting facility.
13. **Scrutiny of the Voting Process:**
- a. The Board of directors has appointed **Mr. Chava Sai Krishna, Company Secretary in Practice**, as a scrutinizer to scrutinize the voting process (both electronic and physical) in a fair and transparent manner.
 - b. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favor of or against, if any, not later than three days after the conclusion of the AGM to the Chairman of the Annual General Meeting. The Chairman, or any other person authorized by the Chairman, shall declare the result of the voting forthwith.

- c. The result, along with the Scrutinizer's Report, will be placed on the Company's website, www.inaniseq.in and on the website of CDSL immediately after the result is declared by the Chairman or any other person authorized by the Chairman, and the same shall be communicated to the BSE Ltd.

By Order of the Board of Directors
For Inani Securities Limited

Sd/-

Lakshmikanth Inani
Managing Director
Din (00461829)

Date: 31-07-2018

Place: Hyderabad

DIRECTORS' REPORT

To
The Members,

The Directors have pleasure in presenting the 24th Annual Report of the Company, together with the financial statements for the year ended March 31, 2018.

RESULTS OF OUR OPERATIONS:

The Company's financial performance for the year ended 31st March, 2018 is summarized below:

Particulars	Rs. in Lakhs	
	Year Ended 31 st March, 2018	Year Ended 31 st March, 2017
Total Revenue	285.38	325.11
Profit before Interest, Depreciation & Tax	148.23	175.87
Profit before Depreciation & Tax	115.66	149.42
Profit before Tax & Exceptional Item	102.36	133.02
Prior year Adjustment & Exceptional Items	6.15	0.53
Net Profit before taxation	108.52	132.49
Provision for Tax		
Current Tax	24.70	28.52
Deferred Tax	0.77	0.23
Net Profit	83.05	103.74
Balance brought forward from the last year	1047.14	943.40
Earlier Year Tax	0	0
Depreciation/Deferred Tax Adjustments	0	0
Profit available for appropriation	1130.18	1047.14
Proposed Dividend	NIL	Nil
Balance carried to Balance Sheet	1130.18	1047.14

Company Performance

During the year under review, the company did not perform well as the net profit of the company decreased to Rs.83.05 Lakhs when compared with the previous year Net profit of Rs.103.74 Lakhs.

Dividend:

Your Directors do not recommend any dividend for the year under review, and has decided to retain the surplus with the company for furthering the growth of the Company.

Reserves:

The entire Net Profit of the company for the FY 2017-18 is retained as Surplus. The Company has not proposed to transfer any amount to any reserve.

Deposits:

During the year under review, your Company has not accepted any deposits from the public within the meaning of section 73 of the Companies Act 2013 and the Companies (Acceptance of Deposits) rules 2014. There are no public deposits, which are pending for repayment.

Particulars of loans, guarantees or investments:

Loans and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the Financial Statements provided in this Annual Report.

Further, it is informed that the Company has neither given any guarantees nor provided any security during the financial year under review.

Director's Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- (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 at the end of the financial year and of the profit and loss of the Company for that period;
- (iii) the directors have taken proper and sufficient care for the maintenance of a dequate accounting records in accordance with the provisions of the Companies Act, 2013 (erstwhile 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;
- (v) the directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- (vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Particulars of contracts or arrangements made with related parties:

During the year, the Company has not entered into any contract or arrangement with related parties which could be considered 'material' according to the policy of the Company on Materiality of Related Party Transactions.

HUMAN RESOURCE MANAGEMENT:

To ensure good human resources management at Inani Securities Limited, we focus on all aspects of the employee life cycle. This provides a holistic experience for the employee as well. During their tenure at the Company, employees are motivated through various skill-development, engagement and volunteering programmes. All the while, we create effective dialogues through our communication channels to ensure that the feedback reach the relevant teams, including the leadership.

Ratio of Remuneration to each Director:

Under section 197(12) of the Companies Act, 2013, and Rule 5(1)(2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014, a remuneration of Rs.6,00,000/- is being paid to Mr. Vishnukanth Inani, whole time director of the Company and a remuneration of Rs. 6,00,000/ - is being paid to Mr. Lakshmikanth Inani, Managing Director of the Company.

Particulars of employees:

The provisions of Section 197 (12) read with the relevant rules are not applicable to the Company during the year under review.

The Company continues its focus on retention through employee engagement initiatives and provides a holistic environment where employees get opportunities to realize their potential.

Key Managerial Personnel:

Managing Director or Chief Executive Officer or Manager and in their absence, a Whole-Time Director

- (i) Mr. Lakshmikanth Inani Din (00461829) is the Managing Director of the Director of the Company.
- (ii) Mr. Vishnukanth Inani Din (00571377) is the Whole time Director of the Company.

CORPORATE GOVERNANCE:

The report on Corporate Governance as stipulated under (Listing Obligations and Disclosure Requirement) Regulation 2015 is not appended to this report as it is not applicable to the company. Since the paid up capital of the Company is less than Rs. 10 Crores and Net worth of the Company is less than Rs. 25 Crores, Corporate Governance is not applicable.

Auditors' certificate on corporate governance:

As required under (Listing Obligations and Disclosure Requirement) Regulation 2015, the Auditors' Certificate on Corporate Governance is not appended to this report as it is not applicable to the company.

Compliance Department:

During the year under review, Mr. Lakshmikanth Inani, is the Managing Director cum Compliance Officer of the Company. Details of complaints/ requests received, resolved and pending during the Financial Year 2017-18:

During the Quarter	Received	Resolved	Pending
NIL	NIL	NIL	NIL

The compliance department of the company is responsible for independently ensuring that the operating and business units comply with regulatory and internal guidelines. New instructions/guidelines issued by the regulatory authorities were disseminated across the company to ensure that the business and business units operate within the boundaries set by the regulators and that compliance risks are suitably monitored and mitigated in course of their activities & processes

➤ **Information on the Board of Directors of the Company:**

During the year under review,

- (i) The Shareholders at the Annual General Meeting of the Company held on 28th September, 2017 approved the following:

Mr. Ramakanth Inani (Din: 00458875) as Director of the Company to hold office for five consecutive years, for a term up to the calendar year 2020.

Composition of the Board of Directors as on the date of 31st March, 2018 is mentioned below;

Name of the Director	Designation	Category
Lakshmikanth Inani	Managing Director	Executive Director
Vishnukanth Inani	Whole Time Director	Executive Director
Ramakanth Inani	Director	Director
Anand Rameshchandra Chandak	Director	Independent Director
Dhanraj Soni	Director	Independent Director
Rama Kabra	Director	Independent Director

Board Diversity:

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage.

Details with regards to meeting of Board of Directors of the Company:

During the FY 2017-2018, 5 (Five) meetings of the Board Of Directors of the Company were held as on 31st May 2017, 31st July 2017, 31st October 2017, 12th February 2018, 31st March 2018.

Name of the Director	Board Meetings attended during the year	Whether last AGM attended
Mr. Lakshmikanth Inani	5	Yes
Mr. Ramakanth Inani	3	Yes
Mr. Vishnukanth Inani	3	No
Mr. Anand Rameshchandra Chandak	5	No
Mr. Dhanraj Soni	4	Yes
Mrs. Rama Kabra	3	Yes

Policy on directors' appointment and remuneration:

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on 31st July, 2018, the Board consists of 6 Members, 2 of whom are Executive Directors, 3 are Independent Directors and 1 is a Director. The Board periodically evaluates the need for change in its composition and size.

Declaration by Independent Directors on Annual Basis:

The Company has received necessary declarations from each Independent Director i.e Mr. Anand Rameshchandra Chandak, Mr. Dhanraj Soni and Mrs. Rama Kabra under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013, and the same are enclosed to this Annual Report.

Board's Committees:

Currently, the Board has three committees: the Audit Committee, The Nomination and Remuneration Committee, The Stakeholders Relationship Committee. All the committees are appropriately constituted.

A detailed note on the Board and its committees, including the details on the dates of Committee Meetings is provided below in this Annual Report. The composition of the committees and compliances, as per the applicable provisions of the Act and Rules, are as follows:

➤ **AUDIT COMMITTEE:**

The Primary purpose of the Audit Committee of the Company as per the provisions of Section 177 of the Companies Act, 2013 is to assist the Board of Directors (the "Board") of M/s. Inani Securities Limited, (the "Company") in fulfilling its oversight responsibilities with respect to –

- overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- reviewing and examination with management the quarterly financial results before submission to the Board;
- reviewing and examination with management the annual financial statements before submission to the Board and the auditors' report thereon;
- review management discussion and analysis of financial condition and results of operations;
- scrutiny of inter-corporate loans and investments made by the Company;
- reviewing with management the annual financial statements as well as investments made by the unlisted subsidiary companies;
- reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- approving the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- discussing with Statutory Auditors, before the audit commences, on the nature and scope of audit as well as having post-audit discussion to ascertain area of concern, if any;
- reviewing with management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems;
- recommending appointment, remuneration and terms of appointment of Internal Auditor of the Company;
- reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
- evaluating internal financial controls and risk management systems;
- valuating undertaking or assets of the Company, wherever it is necessary;
- reviewing the functioning of the Whistle Blowing mechanism;

Composition

The Audit Committee consist of the three Independent Director, Mr Anand Rameshchandra Chandak is being designated as the Chairman of the Audit Committee as on last year Annual General Meeting held on 28.09.2017, Mrs. Rama Kabra, and Mr. Dhanraj Soni as the Members of the Audit Committee.

The Committee met 4 times during the financial year 2017-18. The attendance record of the members at the meeting were as follows:

Name of the Company Member	Designation/Category	No. Of Meeting Held	No. Of Meeting attended
Mr. Anand Rmaeshchandra Chandak	Chairman/ Independent Non Executive Director	4	3
Mrs Rama Kabra	Member/Independent Non Executive Director	4	4
Mr. Dhanraj Soni.	Member/ Independent Non Executive Director	4	3

➤ **NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee of the Board has been constituted to bring on board the independent approach towards determining the remuneration payable/to be paid to the Directors and Key Managerial Personnel's of the Company and to formulate policy of recruitment of the one level below the Key Managerial Personnel.

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- Recommend to the board the set up and composition of the board and its committees. including the *"formulation of the criteria for determining qualifications, positive attributes and independence of a director"*. The committee will consider periodically reviewing the composition of the board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Recommend to the board the appointment or reappointment of directors.
- Devise a policy on board diversity.
- Recommend to the board on appointment of key managerial personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by this committee).
- Carry out evaluation of every director's performance and support the board and independent directors in evaluation of the performance of the board, its committees and individual directors. This shall include *"formulation of criteria for evaluation of independent directors and the board"*.
- Recommend to the board the remuneration policy for directors, executive team or key managerial personnel as well as the rest of the employees.
- On an annual basis, recommend to the board the remuneration payable to the directors and oversee the remuneration to executive team or key managerial personnel of the Company
- Oversee familiarization programmes for directors.
- Oversee the human resource philosophy, human resource and people strategy and human resource practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the board, key managerial personnel and executive team).
- Provide guidelines for remuneration of directors on material subsidiaries.
- Recommend to the board on voting pattern for appointment and remuneration of directors on the boards of its material subsidiary companies.
- Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.

The Remuneration Committee consists of two independent directors - Mrs Rama Kabra the chairman of the committee and Mr. Anand Rameshchandra Chandak member of the committee.

The Committee met 1 time during the financial year 2017-18 date 15.02.2018. The attendance record of the member at the meeting was as follows:

Name of the Company Member	Designation/Category	No. Of Meeting Held	No. Of Meeting attended
Mrs. Rama Kabra	Chairman/ Independent Non Executive Director	1	1
Mr. Anand Rmaeshchandra Chandak	Member/Independent Non Executive Director	1	1

The details of remuneration for the year ended 31st March, 2018 to the Executive Directors are as follows:

Name	Designation	Remuneration
Lakshmikanth Inani	Managing Director	6,00,000/-
Vishnukanth Inani	Whole Time Director	6,00,000/-

The Company has paid sitting fees of Rs.1500/- per meeting of Board and Rs.500/- per meeting of Committee to Non-Executive Directors during the financial year 2017-18.

➤ **REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

1. Scope:

This policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

2. Policy:

- i. Remuneration to Executive Director and Key Managerial Personnel.
 - ii. The Board on the recommendation of the Nomination and Remuneration (NR) Committee shall review and approve the remuneration payable to the Executive Director of the company within the overall approved by the shareholders.
 - iii. The Board on the recommendation of the Nomination and Remuneration Committee shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
 - iv. The remuneration structure to the Executive Director and Key Managerial Personnel shall include the following components:
 - (i) Basic pay
 - (ii) Perquisites and Allowances
 - (iii) Stock Options
 - (iv) Commission (Applicable in case of Executive Directors)
 - (v) Retrial benefits
 - (vi) Annual performance Bonus
 - v. The annual plan and objectives for Executive Committee shall be reviewed by the NR committee and annual performance bonus will be approved by the committee based on the achievement against the annual plan and objectives.
- 3. Remuneration to Non – Executive Directors**

- i. The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per provisions of the Companies Act 2013.
- ii. Non-Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non-Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

4. Remuneration to other employees

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

➤ STAKEHOLDERS RELATIONSHIP COMMITTEE

- i. This Committee is responsible, inter alia, to specifically look into the redressal of grievances of shareholders, debenture holders and other security holders including complaints related to transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividends etc.,
- ii. One meeting of the stakeholders' relationship committee was held during the year on March 24, 2018.
- iii. The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

Name	Designation/Category	No. of Meetings held	No. of Meetings attended
Mr. Dhanraj Soni	Chairman/Independent, Non-Executive Director	1	1
Mrs. Rama Kabra	Member/Independent, Non-Executive Director	1	1
Mr. Anand Ramesh Chandra Chandak	Member/Independent, Non-Executive Director	1	1

Board Evaluation:

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made there under, the independent directors of the company had a meeting on 24/03/2018 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

- (a) Review of the performance of non-independent directors and the Board as a whole;
- (b) Review of the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- (c) Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The company has 3 (three) non-independent directors namely:

1. Mr. Anand Rameshchandra Chandak
2. Mr. Dhanraj Soni
3. Mrs. Rama Kabra

The meeting also reviewed and evaluated the performance of the Board as whole in terms of the following aspects:

- Preparedness for Board/Committee meetings
- Attendance at the Board/Committee meetings
- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.
- Monitoring the effectiveness of the company's governance practices
- Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.

Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.

Listing:

The equity shares of M/s Inani Securities Ltd (Scrip Code: 531672) are listed at BSE Platform. The Company has paid the Listing Fees to the Exchange for the year 2017-18.

Capital/Finance

During the year, the Company did not allot any shares to its shareholders. As on 31st March, 2018, the issued, subscribed and paid up share capital of the Company stood at Rs. 45,577,000/-, comprising 45,57,700 equity shares of Rs.10/- each.

Nature of Business

There has been no change in the nature of business of the Company.

Auditors:

Statutory Auditors

In terms of the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, an audit firm can hold office as statutory auditor for two terms of five consecutive years i.e. for a maximum period of ten years.

Further, as per the provisions of the Act, Company is required to comply with these provisions within three years from the commencement of the Act.

Pursuant to section 139 of the Act, your Company has appointed M/s. Jeedigunta & Co, Chartered Accountants, Firm Registration No. 001322S as Auditors of the Company for a period of 5 years at the AGM held on 28-09-2017 on a remuneration that will be approved by the Board. Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Auditor's Report for FY 2017-18 does not contain any qualification, reservation, adverse remark or disclaimer.

The Company has received a certificate from the Statutory Auditors to the effect that their appointment, if made, shall be in compliance with the provisions of Section 139 and 141 of the Companies Act, 2013.

Secretarial Auditors:

Mr. Chava Sai Krishna, Company Secretary in Practice, was appointed to conduct the Secretarial Audit of the Company for the FY 2017-18, as required under the Section 204 of the Companies Act, 2013 and Rules there under. The Secretarial Audit Report for the FY 2017-18 is appended as Annexure II to this report.

Comments of the Board on the qualification/reservation/adverse remarks/disclosure made: by the Statutory Auditors in the Audit Report:

- (i) The Auditors' report do not contain any qualifications, reservations or averse remarks by the Secretarial Auditors in the Secretarial Audit Report
- (ii) The Secretarial Audit Report does not contain any qualifications, reservations or averse remarks.

Internal Financial Control

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

Risk Management:

In terms of the requirement of the Act, the Company has developed and implemented the Risk Management Policy and the Board of Directors of the company reviews the same periodically. The company's risk management approach comprises governance of risk, identification of risk, and assessment of control of risk. The risk has been prioritized through a companywide exercise. Members of Senior Management have undertaken the ownership and are working on mitigating the same through co-ordination among the various departments, insurance coverage, security policy and personal accident coverage for lives of all employees. At present the company has not identified any element of risk which may threaten the existence of the Company.

Vigil Mechanism:

The Company has established a mechanism for Directors and employees to report their concerns relating to fraud, malpractice or any other activity or event which is against the interest of the Company. The same has been disclosed in this Annual Report under the heading Whistle Blower Policy, which forms part of the Directors' Report.

Statement on Material Subsidiary:

The Company currently do not have any Material Subsidiary.

Corporate Social Responsibility:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of Section 135 of the Companies Act, 2013 are not applicable to the company.

Particulars on conservation of energy, research and development, technology absorption and foreign exchange earnings and outgo:**Energy Conservation:**

Conservation of energy continues to receive increased emphasis and steps are being taken to reduce the consumption of energy at all levels. The Company has taken steps to conserve energy in its office use, consequent to which energy consumption had been minimized. No additional proposals/investments were made to conserve energy. Since the Company has not carried on industrial activities, disclosure regarding impact of measures on cost of production of goods, total energy consumption, etc, are not applicable.

Foreign Exchange Earnings and Outgo:

During the year, no foreign exchange transactions occurred. The Company did not enter into any foreign exchange and outgo and as a result, there is no foreign exchange money used or earned in the financial year 2017-18.

Subsidiaries Joint Ventures and Associate Companies:

The Company does not have any Subsidiaries and Joint Ventures or Associate Company.

Research and Development & Technology Absorption:

The Company has not adopted any technology for its business and hence no reporting is required to be furnished under this heading. The Company will adopt necessary technology as and when required in the furtherance of the business.

Extract of Annual Return:

In accordance with Section 134(3)(a) and Section 92(3) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format is appended as **Annexure I** to this Report.

Significant and Material Orders:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Prevention of Sexual Harassment at Workplace:

The Company is committed to provide a safe and conducive work environment to its employees. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Secretarial Standards:

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

Other Disclosures:

Your Directors state that no disclosure or reporting is required in respect to the following items as there were no transactions on these items during the year under review:

- (i) Issue of equity shares with differential rights as to dividend, voting, or otherwise.
- (ii) Issue of shares (including sweat equity shares) to employees of the company under any scheme.
- (iii) Redemption of Preference Shares and/or Debentures.

DISCLOSURES:**DETAILS OF RELATED PARTY TRANSACTION:**

The particulars of contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013, is prescribed in this Annual Report as mentioned in the Financial Statements.

WHISTLE BLOWER POLICY:

The Board of Directors of the Company has adopted the Whistle Blower Policy. Employees can report to the Management concerned unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct Policy no employee has been denied access to the Audit Committee.

CODE OF CONDUCT:

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2011, the Board has approved the Code of Conduct for Prevention of Insider Trading and authorized the Audit Committee to implement and monitor the various requirements as set out in code.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation for the contribution made by the employees at all levels but for whose hard work, and support, your company's achievements would not have been possible. Your Directors also wish to thank its customers, dealers, agents, suppliers, investors and bankers for their continued support and faith reposed in the company.

By Order of the Board of Directors
For INANI SECURITIES LIMITED

Sd/-
LAKSHMIKANTH INANI

(DIN: 00461829)
Managing Director

Sd/-
VISHNUKANTH INANI

(DIN: 00571377)
Whole Time Director

Date: 31-07-2018
Place: Hyderabad.

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31st March, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and
Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	CIN:	L67120AP1994PLC017583
ii	Registration Date	19/05/1994
iii	Name of the Company	Inani Securities Limited
iv	Category / Sub-Category of the Company	Public Company / Limited by shares
v	Address of the Registered office and contact details	G-15 Raghava Ratna Towers, 5-8-352/14 & 15 Chirag Ali Lane, Abids, Hyderabad-500001 Telangana (T) (91) – 040-23201279 Email : info@inanise.c.in
vi	Whether listed company	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Venture Capital & Corporate Investments Pvt. Ltd. 12-10-167, Bharat Nagar Colony, Hyderabad-500018 (T) (91)- 040-23818475, 476 Email: info@vccilindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Stock Broking	66120	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name And Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	NILL	NILL	NILL	NILL	NILL

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

I. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year (01-04-2017)				No. of Shares held at the end of the year (31.03.2018)				
	Demat	physical	Total	% of total shares	Demat	physical	Total	% of total shares	% change during the year
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/HUF	19,70,900	-	19,70,900	43.24	19,70,900	-	19,70,900	43.24	No Change
(b) Central Govt	-	-	-	-	-	-	-	-	
(c) State Govt (s)	-	-	-	-	-	-	-	-	
(d) Bodies Corp.	5,69,914	-	5,69,914	12.50	5,69,914	-	5,69,914	12.50	
(e) Banks / FI	-	-	-	-	-	-	-	-	
(f) Any Other....	-	-	-	-	-	-	-	-	
Sub-total (A) (1):	25,40,814	-	25,40,814	55.75	25,40,814	-	25,40,814	55.75	
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	
(b) Other - Individuals	-	-	-	-	-	-	-	-	
(c) Bodies Corp.	-	-	-	-	-	-	-	-	
(d) Banks / FI	-	-	-	-	-	-	-	-	
(e) Any Other....	-	-	-	-	-	-	-	-	
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	25,40,814	-	25,40,814	55.75	25,40,814	-	25,40,814	55.75	
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	
(a) Mutual Funds	-	-	-	-	-	-	-	-	
(b) Banks/FI	-	-	-	-	-	-	-	-	
© Central Govt.	-	-	-	-	-	-	-	-	
(d) State Govt.(s)	-	-	-	-	-	-	-	-	
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	
(f) Insurance Companies	-	-	-	-	-	-	-	-	
(g) FII	-	-	-	-	-	-	-	-	
(h) Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	
(i) Others	-	-	-	-	-	-	-	-	
2. Non-Institutions									
(a) Bodies Corp.	-	-	-	-	-	-	-	-	
(i) Indian	3,474	26,000	29,474	0.65	3,474	26,000	29,474	0.65	
(ii) Overseas	-	-	-	-	-	-	-	-	
(b) Individuals	-	-	-	-	-	-	-	-	
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	108,698	289,625	398,323	8.75	108,698	289,625	398,323	8.75	
(ii) Individual shareholders	14,68,619	1,19,700	15,88,319	34.85	14,68,619	1,19,700	15,88,319	34.85	

holding nominal share capital in excess of Rs. 1lakh									
(c) Others Clearing Members	770	-	770	0.02	770	-	770	0.02	
Sub-total (B)(2):- Total Public Shareholding(B)=(B)(1)+(B)(2)	15,81,561	4,35,325	20,16,886	44.25	15,81,561	4,35,325	20,16,886	44.25	
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
Grand Total (A+B+C)	41,22,375	4,35,325	45,57,700	100	41,22,375	4,35,325	45,57,700	100	

(ii) Shareholding of Promoters

S. No	Shareholders' Name	Shareholding at the Beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			
		No.of Shares	%of total shares of the Company	% of shares pledged /encumbered of total shares	No.of Shares	%of total shares of the Company	% of shares pledged/encumbered of total shares	% Change in shareholding during the year
1.	DHANSHREE SYNTEX PVT. LTD.	2,00,000	4.39	-	2,00,000	4.39	-	-
2.	INANI COMMODITIES & FINANCE LTD.	3,09,914	6.80	-	3,09,914	6.80	-	-
3.	L.K.I SECURITIES PVT.LTD.	60,000	1.32	-	60,000	1.32	-	-
4.	LAKSHMIKANTH INANI	2,25,100	4.94	-	2,25,100	4.94	-	-
5.	RAMAKANTH INANI(HUF)	50,700	1.11	-	50,700	1.11	-	-
6.	RAMAKANTH INANI	6,64,800	14.59	-	6,64,800	14.59	-	-
7.	CHAMPADEVI INANI	56,400	1.24	-	56,400	1.24	-	-
8.	VENUGOPAL INANI	2,83,100	6.21	-	2,83,100	6.21	-	-
9.	PRAMILADEVI INANI	78,500	1.72	-	78,500	1.72	-	-
10.	ANITA INANI	74,700	1.64	-	74,700	1.64	-	-
11.	VISHNUKANTH INANI	3,15,600	6.92	-	3,15,600	6.92	-	-
12.	SRIKUMAR INANI	71,000	1.56	-	71,000	1.56	-	-
13.	ANURADHA INANI	77,800	1.71	-	77,800	1.71	-	-
14.	BHARAT KUMAR INANI	73,200	1.61	-	73,200	1.61	-	-
	TOTAL	25,40,814	55.75	-	25,40,814	55.75	-	-

(iii) Change on Promoters' Shareholding (Please Specify, if there is no change) –No Change

	Shareholding at the Beginning of the year (01.04.2017)		Shareholding at the end of the year (31.03.2018)	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the Beginning of the year	There is no change in promoters shareholding between 01-04-2017 to 31.03.2018)			
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reason for increase/decrease (e.g allotment/transfer/bonus/sweat equity etc.)				
At the End of the year				

(iv) Shareholding Pattern of top ten Shareholders (Other than Promoters and Holders of GDRs and ADRs.)

Sl. No		Shareholding at the beginning of the year					Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	Date	Increase/ Decrease	Reason	No. of Shares	% of total shares of the Company
	For Each of the Top 10 Shareholders							
1	VENUGOPAL INANI	147009	3.23	-	-	-	147009	3.23
2	SANGEETA	108825	2.39	-	-	-	108825	2.39
3	V RAJESHWARI	105200	2.31	-	-	-	105200	2.31
4	NIDHI MOHTA	71000	1.56	-	-	-	71000	1.56
5	SWATI AGARWAL	71000	1.56	-	-	-	71000	1.56
6	PRAMILADEVI RAMAKANTH INANI HUF	44605	0.98	-	-	-	44605	0.98
7	BANKATLAL SHRINIWAS RATHI	44500	0.98	-	-	-	44500	0.98
8	VISHNUKANTH INANI HUF	44300	0.97	-	-	-	44300	0.97
9	LAKSHMIKANTH INANI HUF	44300	0.97	-	-	-	44300	0.97
10	PRANAV INANI	44286	0.97	-	-	-	44286	0.97

(V).Shareholding of Directors and Key Managerial Personnel:

Sl. No		Shareholding at the beginning of the year					Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	Date	Increase/ Decrease	Reason	No. of Shares	% of total shares of the Company
A	DIRECTORS							
1.	Ramakanth Inani	664800	14.59	-	-	-	664800	14.59
2.	Rama Kabra	21510	0.47	-	-	-	21510	0.47
3.	Anand Rameshchandra Chandak	-	-	-	-	-	-	-
4.	Dhanraj Soni	-	-	-	-	-	-	-
B.	Key Managerial Personnel							
1.	Lakshmikanth Inani	225100	4.94	-	-	-	225100	4.94
2.	Vishnukanth Inani	315600	6.92	-	-	-	315600	6.92

(v.) INDEBTEDNESS

Indebtedness of the Company including outstanding/accrued but not due for payment.

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the Beginning of the Financial Year				
i) Principal Amount	1,47,70,739	-	5,57,967	1,53,28,706
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,47,70,739	-	5,57,967	1,53,28,706
Change in Indebtedness during the Financial Year				
Addition	22,68,87,735	-	11,04,573	22,79,92,308
Reduction	(23,00,56,223)	-	-	(23,00,56,223)
Net Change	(31,68,488)	-	11,04,573-	(20,63,915)
Indebtedness at the end of the Financial Year				
i) Principal Amount	1,16,02,251	-	11,04,573	1,27,06,824
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,16,02,251	-	11,04,573	1,27,06,824

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

In Lakhs

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount Rs.
		MD	WTD	MANAGER	
1	Gross salary	Lakshmikanth Inani	Vishnukanth Inani		
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6.00	6.00	-	12.00
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Options	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission As % of Profit Others, specify	- -	- -	- -	- -
5	Others, Please specify	-	-	-	-
	Total (A)	6.00	6.00	-	12.00
	Ceiling as per the Act (in accordance with Section II of the Schedule V of the Companies Act, 2013)				42.00

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Rama Kabra	Dhanraj Soni	Anand Rameshchandra Chandak	
1.	Independent Directors				
	• Fee for attending board / committee meetings	4500	6000	7500	18,000
	• Commission	-	-	-	-
	• Others, Please specify	-	-	-	-
	Total (1)	4500	6000	7500	18,000
2	Other Non-Executive Directors				
	• Fee for attending board / committee meetings	-	-	-	6,000
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (2)	-	-	-	6,000
	Total (B)=(1+2)	2500	1500	2000	24,000
	Total Managerial Remuneration	2500	1500	2000	24,000
	Overall Ceiling as per the Act				

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

In Lakhs

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Options	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	As % of Profit	-	-	-	-
	Others, specify	-	-	-	-
5	Others, Please specify	-	-	-	-
	Total	-	-	-	-

vii. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

By Order of the Board of Directors
For INANI SECURITIES LIMITED

Sd/-
LAKSHMIKANTH INANI
(DIN: 00461829)
Managing Director

Sd/-
VISHNUKANTH INANI
(DIN: 00571377)
Whole Time Director

Date: 31-07-2018
Place: Hyderabad

SECRETARIAL AUDIT REPORT

For The Financial Year Ended On 31st March, 2018

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,
The Members,
Inani Securities Limited,
Hyderabad

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Inani Securities Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2018**, complied with the statutory provisions listed hereunder and also that the Company has proper Broad-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Inani Securities Limited for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; [Not applicable to the company during the Audit period].
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Not applicable to the company during the Audit period]
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; [Not applicable to the company during the Audit period].
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [Not applicable to the company during the Audit period].
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (De listing of Equity Shares) Regulations, 2009: [Not applicable to the company during the Audit period] and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. [Not applicable to the company during the Audit period].
- (vi) The other laws, as informed and certified by the management of the Company which is specifically applicable to the Company are:
1. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,
 2. The Payment of Bonus Act, 1965, and rules made there under,
 3. Payment of Gratuity Act, 1972, and rules made there under,
 4. The Securities and Exchange Board of India Act, 1992 (15 of 1992);
 5. The SEBI (Depositories and Participants) Regulations, 1996;
 6. The Bye Laws and Business Rules of NSDL;
 7. Directives / Circulars / Clarifications / Guidelines issued by SEBI, the Government of India, Regulatory Bodies and NSDL, from time to time;
 8. Prevention of Money Laundering Act, 2002 and the Rules and Guidelines notified there under by SEBI or Statutory / Regulatory Authorities;

I / We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.

I further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. We further report that the company has not complied with the provisions of Section 203 with respect to appointment of Key Managerial Personnel during the year under review. However the management has assured that they are taking all efforts to appoint whole time Company Secretary (KMP).

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

SD/-

Chava Sai Krishna

Practicing Company Secretary

ACS: 51652-CP:-18854

Place: Hyderabad

Date: 31-07-2018

Note : This report is to be read with my letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

'ANNEXURE A'

To,
The Members,
Inani Securities Limited
Hyderabad

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

SD/-
Chava Sai Krishna
**Practicing Company
Secretary**
ACS: 51652-CP.18854

Place: Hyderabad
Date: 31-07-2018

**DECLARATION BY DIRECTOR OF AFFIRMATION BY DIRECTORS AND SENIOR
MANAGEMENT PERSONNEL OF COMPLIANCE WITH THE CODE OF CONDUCT:**

To
The Shareholders
Inani Securities Limited
Hyderabad.

I, Lakshmikanth Inani , Managing Director of the Company do hereby declare that the directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

For and on behalf of the Board
INANI SECURITIES LIMITED
SD/-
Lakshmikanth Inani
Managing Director
Din:00461829

Place: Hyderabad
Date: 31-07-2018

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

To
The Board of Directors,
M/s Inani Securities Limited

Dear Sir,

I undertake to comply with the conditions laid down in Sub-clause of Clause 49 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

(a) I declare that up to the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding company, its subsidiary and associates as named in the Annexure there to which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall obtain prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.

(b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.

(c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:

(i) the statutory audit firm or the internal audit firm that is associated with the Company and

(ii) the legal firm(s) and consulting firm(s) that have a material association with the Company

(d) I have not been a material supplier, service provider or customer or lessor or lessee of the Company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Your Faithfully,

SD/-

Anand Rameshchandra Chandak
(Independent director)

Place: Hyderabad

Date: 31-07-2018

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

To
The Board of Directors
M/s Inani Securities Limited

Dear Sir,

I undertake to comply with the conditions laid down in Sub-clause of Clause 49 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

(a) I declare that up to the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material, I shall obtain prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.

(b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.

(c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:

(i) the statutory audit firm or the internal audit firm that is associated with the company and

(ii) the legal firm(s) and consulting firm(s) that have a material association with the company

(d) I have not been a material supplier, service provider or customer or lessor or lessee of the company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.
Your Faithfully,
SD/-
Dhanraj Soni
(Independent director)

Place: Hyderabad
Date: 31-07-2018

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

To

The Board of Directors
M/s Inani Securities Limited

Dear Sir,

I undertake to comply with the conditions laid down in Sub-clause of Clause 49 read with section 149 and Schedule IV of the Companies Act, 2013 in relation to conditions of independence and in particular:

(a) I declare that up to the date of this certificate, apart from receiving director's remuneration, I did not have any material pecuniary relationship or transactions with the Company, its promoter, its directors, senior management or its holding company, its subsidiary and associates as named in the Annexure thereto which may affect my independence as director on the Board of the Company. I further declare that I will not enter into any such relationship/transactions. However, if and when I intend to enter into such relationships/transactions, whether material or non-material I shall obtain prior approval of the Board. I agree that I shall cease to be an independent director from the date of entering into such relationship/transaction.

(b) I declare that I am not related to promoters or persons occupying management positions at the Board level or at one level below the board and also have not been executive of the Company in the immediately preceding three financial years.

(c) I was not a partner or an executive or was also not partner or executive during the preceding three years, of any of the following:

(i) the statutory audit firm or the internal audit firm that is associated with the Company and

(ii) the legal firm(s) and consulting firm(s) that have a material association with the Company

(d) I have not been a material supplier, service provider or customer or lessor or lessee of the Company, which may affect independence of the director, and was not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

Thanking You.

Your Faithfully,
SD/-

Mrs. Rama Kabra
(Independent director)

Place: Hyderabad

Date: 31-07-2018

INDEPENDENT AUDITORS' REPORT

To
The Members of
Inani Securities Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Inani Securities Limited** which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under, to the extent applicable.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by The Institute of Chartered Accountants of India. Those Standards and other pronouncements 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 the disclosures in the financial statements. The procedures selected depend on the auditors' 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statement.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and 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 it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operative effectiveness of such controls, refer to our separate report in Annexure B and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer to note 17.1
 - ii. The Company did not have any long-term contracts including derivative contracts in respect of which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. Based on the information and explanations provided to us, the company has provided the requisite disclosures in its financial statements as to the holdings as well as dealings in Specified Bank Notes as defined in Notification S.O. 3407 (E) dated 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016 and such disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the Management.

For Jeedigunta & Co., (Chartered Accountants)

Firm Regd No.001322S ,,

SD/-

J.Prabhakar

Proprietor

Membership No.026006

Place: Hyderabad

Date:30-05-2018

Annexure "A" to the Independent Auditors' Report

The Annexure referred in Independent Auditors' Report to the members of the Company on the financial Statements for the year ended 31st March, 2018, we report that:

(iii) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner. All the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us, and on the basis of our examination of records of the company, the title deeds of immovable properties are held in the name of the company.

(iv) The Company has conducted physical verification of inventories at reasonable intervals and no material discrepancies were noticed on such verification.

(v) The Company has granted loan to one body corporate covered in the register maintained under Sec 189 of the Companies Act 2013 ("The Act").

- a. In our opinion the rate of interest and other terms and conditions on which the loans have been granted to the body corporate listed in the register maintained under Sec 189 of the Act were not, prima facie, prejudicial to the interest of the company.
- b. In the case of loans granted to the body corporate listed in the register maintained under Sec 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated
- c. There are no overdue amounts in respect of loan granted to the body corporate listed in the register maintained under Sec 189 of the Act.

iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sec 185 & 186 of the Act, with respect to Loans & Investments made.

v) The Company has not accepted any deposits from the public. Accordingly, paragraph 3(v) is not applicable to the Company.

vi) The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013 for any of the services rendered by the Company.

vii) (a) According to the information and explanations given to us and the records of the Company examined by us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanation given to us and the records of the Company examined by

us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income - tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no material dues relating to income tax / sales tax / wealth tax / service tax / cgst/ igst/sgst /duty of customs / duty of excise / value added tax / cess, which have not been deposited on account of disputes with the related authorities.

- (viii) Based on our audit procedures and as per the information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institutions or banks.
- (ix) The Company did not raise any money by way of initial public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) is not applicable to the Company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examinations of the records of the company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) is not applicable to the Company.
- (xiii) According to the information and explanations given to us and the records of the Company examined by us, transactions with the related parties are in compliance with section 177 & 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and the records of the Company examined by us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions with the directors or persons connected with them. Accordingly, paragraph 3(xv) is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Hyderabad

Date: 30-05-2018

For Jeedigunta & Co.,
Chartered Accountants
Firm Regd No.001322S

SD/-

J.Prabhakar
Proprietor

Membership No.026006

Annexure “B” to the Independent Auditors’ Report

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)

We have audited the internal financial controls over financial reporting of **Inani Securities Limited** (‘the Company’) as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities included the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over financial reporting (the Guidance Note) and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (i) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.
- (ii) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the Company and
- (iii) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India.

Place: Hyderabad
Date: 30-05-2018

For. Jeedigunta & Co.,
Chartered Accountants
Firm Regd No. 001322S
SD/-
J. Prabhakar
Proprietor
Membership No. 026006

BALANCE SHEET AS AT 31ST MARCH 2018

Particulars	Note No	As at 31 st March 2018	As at 31 st March 2017	As at 1 st April 2016
I. ASSETS				
(1) Non-Current Assets				
(a) Property, Plant & Equipment	3.1	26,016,173	25,549,748	26,989,764
(b) Capital Work-in- progress	3.1	21,038,074	19,725,764	7,026,843
(c) Other Intangible Assets	3.2	45,649	46,213	46,777
(d) Financial Assets:				
(i) Non-Current Investments	4	14,691,617	14,691,617	23,738,123
(ii) Other Financial Asset	5	10,426,566	12,721,256	21,649,641
(e) Other Non- Current Assets	6	217,711	294,783	318,195
		72,435,791	73029380	79769343
(2) Current Assets				
(a) Inventories	7	571,443	597,051	589,541
(b) Financial Assets				
i) Trade Receivables	8	35,856,422	9,998,144	9,287,942
ii) Cash and Cash Equivalents	9	56,618,999	47,413,146	24,369,035
iii) Bank Balance other than Cash and Cash Equivalents	10	42,213,221	42,736,407	42,718,856
iv) Loans	11	12,790,881	11,383,071	11,748,097
v) Other Current Assets	12	3,138,535	1,707,267	3,257,772
		151189500	113835088	91971244
Total Assets		223,625,291	186,864,467	171,740,588
II. EQUITY AND LIABILITIES				
1. Equity				
(a) Equity Share Capital	13	47,166,056	47,166,056	47,166,056
(b) Other Equity	13	113,018,433	104,713,808	94,340,090
		160184489	151879864	141506146
2. Non-Current Liabilities				
a) Financial Liabilities				
i) Borrowings	14	7,425,702	6,534,942	5,430,369
		7,425,702	6,534,942	5,430,369
(3) Current Liabilities				
a) Financial Liabilities				
i) Borrowings	14	26,146,105	6,729,850	9,975,848
ii) Trade Payables	15	19,636,976	12,901,545	7,384,456
iii) Other Financial Liabilities				
b .) Provisions	16	765,212	356,852	356,852
(c) Current Tax Liabilities(Net)	17	-	2,088,737	408,360
(d) Other Current Liabilities	18	9,466,806	6,372,945	6,678,556
		56,015,099	28,449,659	24,804,072
Total Equity & Liabilities		223,625,291	186,864,467	171,740,588
Accompanying notes formation of the Financial Statements	1 to 37			

As per out Report of even date attached For and on Behalf of the Board

For Jeedigunta & Co.,
Chartered Accountants
Firm Regn.No.001322s
(J.Prabhakar)
Proprietor
Membership No.026006
Place : Hyderabad,Telangana
Date: 30/05/2018

SD/-
Lakshmi kanth Inani
Managing Director

SD/-
Vishnu kanth Inani
Whole Time Director

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2018

Sr No	Particulars	Note No	For the Year ended 31st March 2018	For the Year ended 31st March 2017
I	Income			
	Revenue from Operations	19	18,868,741	20,751,953
	Other Income	20	9,669,696	11,759,493
	Total Income		28,538,437	32,511,446
II	Expenses			
	Change in inventories of finished goods	21	25,608	(7510)
	Employee Benefit Expenses	22	8,125,263	9,064,616
	Depreciation and Amortization Expenses	23	1,329,911	1,640,792
	Other Expenses	24	5,563,794	5,867,409
	Finance Costs	25	3,257,466	2,644,518
	Total Expenses		18,302,042	19,209,826
III	Profit Before Exceptional and Tax	(I-II)	10,236,395	13,301,620
IV	Exceptional Items (Net) MAT Credit Entitlement		368,032 (983,242)	52915.76 -
V	Profit Before Tax	(III-IV)	10,851,605	13,248,705
	Income Tax Expense:			
	1. Current Tax		2,469,909	2,851,574
	2. Deferred Tax		77,071	23,412
VI	Total Tax Expense		2,546,980	2,874,986
VII	Profit For the Year	(V-VI)	8,304,625	10,373,718
VIII	Other Comprehensive Income			
A.	Item that will not be reclassified to profit & Loss	-	-	-
B.	Item that will be reclassified to Profit & Loss	-	-	-
	Total Comprehensive Income for the year		8,304,625	10,373,718
A.	Earnings per Equity Shares for profit from Continuing Operations attributable to owners of Inani Securities Limited.			
B.	Basic		1.82	2.28
	Diluted		1.82	2.28
	Accompanying notes forming part of the Financial Statements.	1 to 37		

FOR JEEDIGUNTA & CO.,

Chartered Accountants

Firm Reg. No.: 0013225

SD/-

(J.PRABHAKAR)

Proprietor

Membership No. 026006

Place: Hyderabad, Date: 30/05/2018

For and on Behalf of Board

SD/-

Lakshmikanth Inani

Managing Director

SD/-

Vishnukanth Inani

Whole time Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

	Particulars	For the year Ended March 31, 2018	For the year Ended March 31, 2017
A.	Cash Flow from operating activities Profit/(Loss) before Tax	10851605	13248705
	Adjusted For:		
	Depreciation and Amortisation expenses	13,29,911	1640792
	Dividend & Interest Income Classified as Investing Cash Flows	(3333517)	(3872029)
	Financial Cost	3257466	2644518
	(Profit)/ Loss on sale of Property, Plant and equipment (net)	3,68,032	-
	Operating Profit/ (Loss) before working Capital changes	12473497	13661986
	Adjusted for:		
	(Increase)/Decrease in Trade Receivables	(25858278)	(710202)
	Increase/(Decrease) in inventories	25608	(7510)
	Increase/(Decrease) in Other assets	(1431267)	-
	Increase/(Decrease) in Other Financial assets	2294690	-
	Increase/(Decrease) in trade payables	6735431	5517089
	Increase/(Decrease) in other Current Liabilities	3939654	(305611)
	Cash Generated from Operation	(1820666)	18155752
	Net Income Taxes(Paid)/Refund	(4996080)	(1171197)
	Net Cash Flow from Operating Activities	(6816746)	16984556
B.	Cash Flow from Investing Activities :		
	Capital Expenditure on Property, Plant & equipment including capital advance Sale of property, plant and equipment's.	(3476114)	(12,383,968)
	Purchase/Sale of Investment (inc/de c in Investments)	-	9046507
	Interest & Dividend Received	3333516	3872029
	Loans & Receivables	(1407811)	10328753
	Net Cash Flow/(used) in Investing Active	(1550409)	10863322
C.	Cash Flow from Financing Activities :		
	Proceeds from Long Term Borrowings	890760	11,04,573
	Proceeds from Short Term Borrowings	19416526	-
	Repayment of Short Term Borrowings	-	(3246269)
	Interest and finance charges Paid	(32,57,466)	(2644518)
	Net Cash used in Financing Activities	1,70,49,820	(4786214)
	Net Increase/(Decrease) in Cash and Cash Equivalents	8682665	23061663
	Cash and cash equivalent as at the beginning of the year	90149554	67087891
	Cash and Cash Equivalents as at the end of the year	98832220	90149554
	Bank Overdrafts	(26146105)	(6729580)
	Balance as per Statement of Cash Flows	7,26,86,114	8,34,19,975
<p>The cash flow statement has been prepared under the "Indirect Method" out set as in Indian Accounting Standard 7 on "Cash Flow Statements ". Cash and Cash equivalents CashFlow in the Statement comprise cash at bank and in hand, demand deposits and cash equivalents which short are term and held for the purpose of meeting short-term cash commitments.</p>			

Accompanying notes forming part of the Financial Statement. (As per out Report of even date attached)

FOR JEEDIGUNTA & CO.,

Chartered Accountants

Firm Reg. No.: 0013225

SD/-

(J.PRABHAKAR) (Proprietor)

Membership No. 026006

Place: Hyderabad, Date : 30/05/2018 -

For and on Behalf of Board
SD/-

Lakshmikanth Inani

Managing Director

SD/-

Vishnukanth Inani

Whole time Director

Notes to the Financial Statements:**1. Company Overview and Significant Accounting Policies.****General Information****1.1. Company Overview**

Inani Securities Limited a Company incorporated in the year 1994 under companies act 1956, is listed on Bombay Stock Exchange, The Company commenced its operations as an independent provider of information analysis and research covering Indian Businesses, financial markets and economy to institutional clients. Over a period Inani Securities Limited expanded its services offerings in the financial services space offering equity/currency in NSE/BSE and MCX-SX, depository participant services, portfolio management services and distribution of mutual funds, bonds, etc.. The Company has its presence in the states of Telangana and Maharashtra. The Company is one of the oldest and reliable players in the Indian Financial Services space.

Significant Accounting Policies**2.1 Statement of Compliance**

The financial statement have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the section 133 of companies Act, 2013 (" the Act"), Companies (Indian Accounting Standards) Rules, 2015 Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act, as applicable.

Up to the year ended 31 March 2017, the Company prepared its financial statement in accordance with the requirements of previous generally accepted accounting principles ("Previous GAAP"), which includes Accounting Standards ("AS") notified under the Companies (Accounting Standards) Rules, 2006 and prescribed under section 133 of the Companies Act, 2013 as applicable and the relevant provisions of the Companies Act, 2013/ Companies Act, 1956, as applicable.

These are the Company's first Ind AS financial Statement. The date of transition to Ind As is 1 April 2016. Refer Note 35 for the details of reconciliations from previous GAAP and the first - time adoption exemptions availed by the company.

2.2. Basic for preparation of Financial Statement:

These financial statement are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of Indian (SEBI). The Ind As are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules, 2016.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting principles generally accepted in Indian as prescribed under Section 133 of Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing standard requires a change in the accounting policy hitherto in use.

2.3 Revenue Recognition:

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

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

2.4 Other Income

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

2.5 Functional and presentation Currency.

Item included in the financial statement of the company are measured using the currency of the primary economic environment in which the entity operates (i.e. the “functional currency”). The financial statement are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

2.6 Foreign Currencies

In preparing the financial statement of the Company, transaction in currencies other than the entity’s functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non - monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise except for exchange differences on transaction entered into in order to hedge certain foreign currency risks.

2.7 Borrowing cost

Borrowing cost directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

All other borrowing cost are recognized in profit or loss in which they are incurred.

2.8 Employee Benefits**a) Short term employee benefits:**

Employee Benefits such as salaries, allowances, and non - monetary benefits which fall due for payment within a period of twelve months after rendering of services, are charged as expense to the profit or loss account in the period in which the service is rendered.

b) Post – Employment Benefits:

Employee Benefits under defined benefit plans, such as gratuity which falls due for payment after a period of twelve months from rendering services or after completion of employment, are measured by projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each balance sheet date. The Company’s obligation recognized in the balance sheet represents the present value of obligations as reduced by the fair value of plan assets, where applicable.

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

c) Termination Benefits

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

2.9 Earnings per Share:

In determining Earnings per share, the company considers the net profit after tax and includes the post-tax effects of any extra ordinary items. The number of the shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period .

2.10 Taxation:

Tax expense comprises of current and deferred. Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Provision for current tax is made on the basis of Taxable Income of the Current Accounting Year in accordance with Income Tax Act, 1961.

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

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

2.11. Property, Plant and Equipment

Property, plant and equipment are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, attributable expenditure incurred in bringing the asset to its working condition for the intended use and cost of borrowing till the date of capitalization in the case of assets involving material investment and substantial lead time.

Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the 2013 Act except in respect of following categories of assets in whose case the life of certain assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support etc.

Asset	Useful Lives (in Year)
Premises	60
Furniture's & Fixtures	10
Vehicles (Cars)	08
Motor Cycle	10
Office Equipment's	05
Computers & Printers	03

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets costing Rs. 5,000 and below are not depreciated.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

2.12. Intangible Assets

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

2.13 Impairment:

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of the asset does not exceed the net book value that would have been required to an existing accounting standard requires.

2.14 Inventories:

Inventories are valued at lower of cost and realizable value.

2.15. Provisions and Contingent Liabilities:

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of amount of the obligation. Provisions are determined by the best estimate of the outflow of economic benefits to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made for a contingent liability. A disclosure for contingent liability is also made where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.16. Critical Accounting Judgments and key sources of estimation uncertainty:

In the application of the Company's accounting policies the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimate and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the revision affects only that period, or in the period of the revision and future period if the revision affects both current and future periods.

2.16.1 Critical Judgments in applying accounting policies:

The following are the critical judgments, apart from involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have most significant effect on the amounts recognized in the financial statements.

Revenue Recognition:

In making their judgment, the management considered the detailed criteria for the recognition of revenue from the sale of goods set out in Ind AS 18 and, in particular, whether the Company had transferred to the buyer the significant risks and rewards of ownership of the goods.

2.16.2. Key Sources of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting that may have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities within the financial year.

<u>Assumption and estimation uncertainly</u>
The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.
The Company provides customer incentive, such as rebates, based on the quantity purchased, timing of collections etc. Various estimate are made to recognize the impact of rebates and other incentive on revenue. These estimate are made based on historical and forecasted date, contractual terms and current.
Inventories are stated at the lower of cost and net realizable value. In estimating the net realizable value of inventories the Company makes an estimate of future selling prices and costs necessary to make the sale.
Significant judgments are required in determining the provision for income tax, including the amount expected to be paid/ recovered for uncertain tax positions.

<u>Items requiring significant estimate</u>
Useful lives of property, plant and equipment
Revenue Recognition
Estimation of net realizable value of inventories
Provision for taxes

Statement of Changes in Equity**A. Equity Share Capital**

Particulars	Number of Shares	Amount
As at April 1, 2106	4557700	47,166,056
Changes in Equity Share Capital	-	-
As at march 31, 2017	4557700	47,166,056
Changes in Equity Share Capital	-	-
As at March 31, 2018	4557700	47,166,056

B. Other Equity

Particulars	Capital Reserve	Securities Premium	General Reserve	Central Subsidy	Investment Allowance utilized reserve	Retained Earnings	
Balance at April 1, 2016	-	-	-	-	-	94,340,090	94,340,090
Profit for the year (Net of earlier year Taxes Paid)	-	-	-	-	-	10,373,718	10,373,718
Other Comprehensive Income	-	-	-	-	-	-	-
Total Comprehensive Income for the Year						10,373,718	10,373,718
Balance at 31 March 2017	-	-	-	-	-	104,713,808	104,713,808
Profit for the year (Net of earlier year Taxes Paid)	-	-	-	-	-	8,304,625	8,304,625
Other Comprehensive Income	-	-	-	-	-	-	-
Total Comprehensive Income for the Year	-	-	-	-	-	8,304,625	8,304,625
Balance at 31 March 2018	-	-	-	-	-	113,018,433	113,018,433

Accompanying Notes forming part of the Financial Statements

As per out Report of even date attached

For Jeedigunta & Co.,
Chartered Accountants
Firm Regn.No.001322s
(J.Prabhakar)
Proprietor
Membership No.026006
Place : Hyderabad, Telangana

For and on Behalf of Board
SD/-
Lakshmikanth Inani
Managing Director
SD/-
Vishnukanth Inani
Whole Time Director

Date: 30/05/2018

Notes on Financial Statements for the year Ended 31st March, 2018**3.1 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS**

Sr. No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
	Carrying Amount of :			
1.	Premises	22,657,324	22,051,235	22,433,342
2.	Computer Equipment	133,305	193,895	113,155
3.	Office Equipment	611,739	456,469	535,473
4.	Vehicles (Cars)	955,234	708,504	1,180,677
5.	Vehicles (Motor Cycles)	1,934	1,934	1,934
6.	Furniture & Fixtures	1,656,637	2,137,711	2,725,182
		26,016,173	25,549,748	26,989,764
	Capital Work – in – Progress	21,038,074	19,725,764	7,026,844

3.1 (a) Details of Property, Plant and equipment cost or deemed cost

Sr. No	Particulars	Premises	Computer Equipment	Office Equipment	Vehicles (Cars)	Vehicles (Motor Cycles)	Furniture & Fixtures
	Details of Property, Plant and equipment cost or deemed cost						
	Balance as at 1 April 2016	24,034,081	481,363	3,909,387	3,741,575	38,661	6,752,104
	Additions	-	157,990	42,223	-	-	-
	Disposals/ Adjustments	-	-	-	-	-	-
	Balance at 31 March 2017	24,034,081	639,353	3,951,610	3,741,575	38,661	6,752,104
	Additions	1,000,000	34,800	288,633	1,205,370	-	-
	Disposals/ Adjustments	-	-	-	2,583,891	-	-
	Balance at 31 March 2018	25,034,081	674,153	4,240,243	2,363,054	38,661	6,752,104

3.1 (b) Accumulated Depreciation and Impairment

Sr. No	Particulars	Premises	Computer Equipment	Office Equipment	Vehicles (Cars)	Vehicles (Motor Cycles)	Furniture & Fixtures
	Accumulated Depreciation and Impairment						
	Balance as at 1 April 2016	1,600,739	368,208	3,373,914	2,560,898	36,727	4,026,922
	Disposals/ Adjustments	-	-	-	-	-	-
	Depreciation Expense	382,107	77,250	121,227	472,173	-	587,471
	Balance at 31 March 2017	1,982,846	445,458	3,495,141	3,033,071	36,727	4,614,393
	Disposals/ Adjustments	-	-	-	1,850,859	-	-
	Depreciation Expense	3,93,911	95,390	133,363	225,609	-	481,074
	Balance at 31 March 2018	2,376,757	540,848	3,628,504	1,407,820	36,727	5,095,467

3.2 INTANGIBLE ASSETS

Sr. No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Carrying Amount of :			
1.	Sterling Holiday Resort	45,649	46,213	46,777
	Total	45,649	46,213	46,777

3.2 (a) Gross Carrying Amount of Intangible Assets:

Sr. No	Particulars	Sterling Holiday Resort
	Details of Intangible Assets Cost or Deemed Cost	
	Balance as at 1 April 2016	55,800
	Additions	-
	Disposals/ Adjustments	-
	Balance at 31 March 2017	55,800
	Additions	-
	Disposals/ Adjustments	-
	Balance at 31 March 2018	55,800

3.2 (b) Accumulated Amortization

Sr. No	Particulars	Sterling Holiday Resort
	Accumulated Amortization and Impairment	
	Balance as at 1 April 2016	9,023
	Disposals/ Adjustments	-
	Amortisation Expense	564
	Balance at 31 March 2017	9,587
	Disposals/ Adjustments	-
	Amortisation Expense	564
	Balance at 31 March 2018	10,151

4. NON- CURRENT INVESTMENTS

Sr. No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	<u>UNQUOTED EQUITY SHARES:</u>			
i.	Inani Commodities and Finance Ltd (2,69,150 equity shares face value of Rs 10/- each)	14,691,617	14,691,617	23,261,500
ii.	The Hyderabad Stock Exchange Ltd (10000 equity shares)	-	-	10,000
iii.	Equity Shares of Bombay Stock Exchange Ltd includes written down Value of the Membership Card (23,257/- Equity Shares)	-	-	466,623
	Total Investment	14,691,617	14,691,617	23,738,123

5. OTHER FINANCIAL ASSETS

Sr. No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
(A)	<u>Security Deposit</u>			
	a) <u>Unsecured, Considered Good :</u>			
	Deposit with Stock Exchanges	9,753,000	12,047,690	20,965,001
	Other Deposit (Refer Note 6.2)	673,566	673,566	684,640
	Total	10,426,566	12,721,256	21,649,641

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

6. OTHER NON- CURRENT ASSETS:

Sr. No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	<u>Deferred Tax Asset (Net)</u>			
	Opening Balance	294,783	318,195	354,589
	Timing Difference on account of Depreciation	(77,071)	(23,412)	(36,394)
	Total	217,711	294,783	318,195

7. INVENTORIES

Sr. No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
1.	Shares held for Trade (At lower of Cost or Net Estimated Realisable Value) (Valued and Certified by Management) Aggregate Value of Quoted stocks is Rs.16.87/- Lakhs (Previous year 14.08/- Lakhs (Previous year 19.42/- Lakhs)	571,443	597,051	589,541
	Total	571,443	597,051	589,541

8. TRADE RECEIVABLES

Sr.No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	<u>Unsecured and Considered Good.</u>			
	Over Six Months	6,988,304	2,870,825	4,856,167
	Others	28,868,118	7,127,319	4,431,775
	Total	35,856,422	9,998,144	9,287,942

9. CASH AND CASH EQUIVALENTS

Sr.No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 31 April 2016
1.	Balance with Banks: In Current Accounts	55,854,109	46,786,994	24,172,437
	Deposit with Maturity of Less than 3 Months	497,224	- 626,152	- 196,598
2.	Cash on Hand	267,666		
	Total	56,618,999	47,413,146	24,369,035

10 . BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS :

Sr.No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Bank Deposit with more than 12 months maturity	29,598,325	42,735,307	42,718,306
	Bank Deposit with Less than 12 months maturity	12,612,696	-	-
	Stamps on Hand	2200	1100	550
	Total	42,213,221	42,736,407	42,718,856

10. Held as lien by Banks against Bank Guarantees and Deposit with Bank include Deposits of Rs. 668.00 Lakhs (Previous year 668.00 lakhs) with Maturity of less than 12 Months.

11 . LOANS

Sr.No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	(Unsecured, Considered Good) Loan and Advances	12,790,881	11,383,071	11,748,097
		12,790,881	11,383,071	11,748,097
	Total	12,790,881	11,383,071	11,748,097

12 . OTHER CURRENTS ASSETS :

Sr.No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	<u>Advance Recoverable in kind or for value to be received considered good:</u>			
	Advance Income Tax/Refund Due	1,565,210	719,416	1,610,097
	Prepaid Expenses	1,104,591	806,990	821,356
	Balance With Revenue Authorities	468,734	180,861	826,320
	Total	3,138,535	1,707,267	3,257,772

Notes on Financial Statements for the Year Ended 31st March, 2018**13 .EQUITY:****13.1 : Equity Share Capital**

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

Sr.No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
1.	<u>AUTHORIZED :</u> 53,50,000/- (Previous year 53,50,000) Equity Shares of Rs.10/- each	53,50,000	53,50,000	53,50,000
		53,50,000	53,50,000	53,50,000
2.	<u>ISSUED & SUBSCRIBED & FULLY PAID UP :</u> 50,21,900/- (Previous year 5021900) Equity Shares of Rs.10/- each.	50,219,000	50,219,000	50,219,000
3.	<u>PAID UP CAPITAL</u> 45,57,700/- Equity Shares of RS.10/- each Add: Forfeited Shares 4,64,200 Equity Shares forfeited and not reissued (Amount originally paid up Rs 5 /- on 1,71,400 shares and 2,92,800 shares of 2.50/- each)	45,577,000 1,589,056	45,577,000 1,589,056	45,577,000 1,589,056
	Total	47,166,056	47,166,056	47,166,056

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

13.1(ii) The Company has one class of equity shares having a face value of Rs 10 each. Each shareholder is Eligible or one vote per share held.

13.1(iii) Details of shares held by shareholders holding more than 5% of the aggregate shares in the company.

Sr.No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
	Equity Shares:			
1.	Ramakanth Inani 664800/- Shares of Rs 10 Each	14.59% 6,648,000	14.59% 6,648,000	14.59% 6,648,000
2.	Vishnu Kanth Inani 315600 /- Shares of Rs 10 Each	6.92% 3,156,000	6.92% 3,156,000	6.92% 3,156,000
3.	Venu Gopal Inani 283100 /- Shares of Rs 10 Each	6.21% 2,831,000	6.21% 2,831,000	6.21% 2,831,000
4.	Inani Commodities and Finance Limited 309914/- Shares of Rs 10 Each	6.80% 3,099,140	6.80% 3,099,140	6.80% 3,099,140

13.2 Other Equity:

Sr.No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
1.	Retained Earnings:			
	Balance at beginning of the year	104,713,808	94,340,090	93,965,557
	Profit for the year	8,304,625	10,373,718	374,533
	Total	113,018,433	104,713,808	94,340,090

Note: Retained earnings represents the Company's undistributed earnings after taxes.

14: BORROWINGS:

14.1 Long Term Borrowings

Sr. No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
1.	Secured			
	Long Term Maturities of Term Loans from Bank	4,872,672	4,872,672	4,872,672
	HDFC Car Loan – Brezza Car	863,587	-	-
	Unsecured			
2.	Security Deposit received from Customers	1,689,443	1,662,270	557,697
	Total in Rs	7,425,702	6,534,942	5,430,369

The company has obtained a term loan of Rs 51,73,238 /- from ICICI Bank for purchase of flat in Bangalore & the same is secured by mortgage of flat which is repayable in 120 months with 10.60 % as ROI. The Company has also Obtained a Car Loan of Rs.986,000/- from HDFC Bank for purchase of Car which is Repayable in 36 months with 8.51 % as ROI.

Deposits includes deposits received from client as security deposit for their trades

14.2 : Short Term Borrowings

Sr. No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
1.	Secured			
	Working Capital Loan - From Bank	26,146,105	6,729,580	9,975,848
	Total	26,146,105	6,729,580	9,975,848

* Working Capital Loan from HDFC Bank is secured against pledge of equity shares belonging to the directors, relatives, & associated concerns and against mortgage of FDR worth of Rs.2.30 Crores.

15. TRADE PAYABLES:

Sr. No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
1.	Sundry Creditors	19,636,976	12,901,545	7,384,456
	Total	19,636,976	12,901,545	7,384,456

15.1 As Confirmed by the Management, there are no dues above 1.00 Lakh outstanding for more than 45 days to Micro and Small Scale Undertakings.

15. PROVISIONS:

Sr. No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
1.	Provision For Employees Benefit			
	Provision for Gratuity	356,852	356,852	356,852
	Provision for Income Tax (AY.2003 -04)	408,360	-	-
	Total	765,212	356,852	356,852

16. INCOME TAX:

Sr. No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
(A)	Deffered Tax Liability (Net)			
	Opening Balance	-	-	-
	In Relation to Property, Plant & Equipment	-	-	-
(B)	Provision for Income Tax	-	2,088,737	408,360
	Total	-	2,088,737	408,360
17.1	Deffered Tax Liability (Net)	-	-	-
17.2	Current Tax Liability	-	2,088,737	408,360
	Total	-	2,088,737	408,360

17.3 Reconciliation of Tax Expense to the Accounting Profit is as follows:

Sr. No	Particulars	As at 31 March 2018	As at 31 March 2017
(A)	Accounting Profit Before Tax	9,868,363	13,248,705
	Tax Expense at Statutory Tax rate	2,541,103	2,701,259
	Adjustments:		
(B)	Effect of expenses that are not deductible in determining taxable profit:		
	Donations	2,176	-
(C)	Interest on TDS & other Taxes	3,702	-
(D)	Depreciation as Per IT & Companies Act	-	236,412
	Other Adjustments	-	150,315
	Tax Expense reported in Profit & Loss Statement	5,878	173,728
	(A+B+C+D)	2,546,981	2,874,986

18. OTHER CURRENT LIABILITIES:

Sr. No	Particulars	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
1.	Unclaimed Dividend (2007-08)	-	-	66,012
2.	Other Payables (Note 8.1)	9,466,806	6,372,945	6,612,544
	Total	9,466,806	6,372,945	6,678,556

18.1 Other Payable includes Statutory Dues and Outstanding Liabilities

19: REVENUE FROM OPERATIONS:

Sr. No	Particulars	Current Year	Previous Year
1.	Brokerage Income	18,400,701	20,119,008
2.	Net DP Income	468,040	632,945
	Total	18,868,741	20,751,953

20. OTHER INCOME:

Sr. No	Particulars	Current Year	Previous Year
1.	Interest received	3,333,517	3,779,001
2.	Dividends	-	93,028
3.	Other Non-Operating Income	6,336,179	7,887,464
	Total	9,669,696	11,759,493

20.1 Other Non- operating Income includes income from Rent and Commission received

21. CHANGE IN INVENTORIES:

Sr. No	Particulars	Current Year	Previous Year
1.	Opening Stock	597,051	589,541
2.	Closing Stock	571,443	597,051
	Total	25,608	(7,510)

22. EMPLOYEE BENEFIT EXPENSE:

Sr. No	Particulars	Current Year	Previous Year
1.	Salaries Incentives & Bonus	6,549,625	5,952,416
2.	Staff Welfare Expenses	121,611	158,108
3.	Provident Fund (refer note 22.1 below)	254,027	213,900
4.	Directors Remuneration	1,200,000	2,400,000
5.	Gratuity	-	340,192
	Total	8,125,263	9,064,616

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

23. DEPRECIATION & AMORTISATION EXPENSES:

Sr. No	Particulars	Current Year	Previous Year
1.	Depreciation of Property & Equipment (Refer note no.3.1)	1,329,347	1,640,792
	Amortization of Intangible Asset (Refer note no. 3.2)	564	-
	Total	1,329,911	1,640,792

24. OTHER ADMINISTRATIVE EXPENSES:

Sr. No	Particulars	Current Year	Previous Year
1.	Rent	36,000	180,000
2.	Rates and Taxes	701,906	818,146
3.	Insurance	22,551	43,689
4.	Travelling and Conveyance Charges	210,106	187,349
5.	Telecommunication Charges	799,529	786,901
6.	Printing and Stationery	77,159	136,584
7.	Electricity Charges	465,156	442,707
8.	Repairs and Maintenance	993,420	739,975
9.	Directors Sitting Fees	24,000	19,500
10.	Remuneration to Auditors	300,000	180,000
11.	Computer Software	426,387	557,026
12.	Legal Expenses	-	131,500
13.	Professional Charges	20,000	161,583
14.	Stock Exchange	429,822	627,572
15.	Expenses Discount Write off	15,953	131,008
16.	AGM Expenses	40,848	45,920
17.	Office and General Expenses	1,000,958	677,947
	Total	5,563,794	5,867,409

25. FINANCIAL COST:

Sr. No	Particulars	Current Year	Previous Year
1.	Interest Expenses	2,283,414	1,801,842
2.	Other Borrowings Costs	974,051	842,676
	Total	3,257,466	2,644,518

NOTES ON ACCOUNTS:

Sr. No	Particulars	31/03/2018	31/03/2017
26.	Estimated amount of contracts remaining to be executed on Capital account and not provided for (Net of advances)	90,00,000	NIL
Contingent Liabilities:			
27.	Not provided for Bank Guarantees issued by the Banks	668Lacs	533Lacs
Auditors Remuneration (excluding Service Tax)			
28.	Statutory Audit Fees	1,25,000	1,00,000
	Internal Audit Fees	85,000	80,000
	Company Secretary	90,000	

29. The Company operates in only one segment i.e. "India". Hence separate information on geographical segment is not required. The accounting adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information of the company

Sr. No.	Particulars	31.03.2018	31.03.2017
30	Value of import on CIF Basis Raw Materials Spare parts and Consumables Capital Goods	Nil Nil Nil	Nil Nil Nil
31	Expenditure in Foreign Currency Towards Purchases Towards Travelling Towards Fixed Assets	Nil Nil Nil	Nil Nil Nil
32	Earnings In Foreign Currency	Nil	Nil

33. Related Party Disclosure:

Sl. No.	Key Managerial Persons
1	Lakshmikanth Inani
2	Ramakanth Inani
3	Vishnukanth Inani
Associates Concerns	
1	Inani Commodities & Finance Limited
Relatives of Key Management Personnel	
1	Anita Inani
2	Champa Devi Inani
3	Anuradha Inani

Related Party Transactions (Amount in Rs.)

Particulars	Key person/Relatives	Associates
Directors Sitting Fees	24,000	-
Remuneration	12,00,000	-
Salaries and Bonus to relatives	3,96,000	-
Advances given/ (Repaid) in Lakhs	-	204840000 (204840000)
Brokerage Received	-	

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

Particulars	2017-18	2016-17
Basic		
Profit after tax as per Profit and Loss account	8,304,625	10,373,718
Number of Shares subscribed	4,557,700	4,557,700
Basic EPS (Rupees)	1.82	2.28
Diluted		
Profit after tax as per Profit and Loss account	8,304,625	10,373,718
Number of Shares subscribed	4,557,700	4,557,700
Diluted EPS (Rupees)	1.82	2.28

35. Transition to Ind – AS

The effects of the Company's transition to Ind AS is summarized as follow:

- a) Transition election
- b) Reconciliation of equity as previously reported under Indian GAAP to Ind-AS.
- c) Reconciliation of profit or loss as previously reported under Indian GAAP to Ind-AS.
- d) Reconciliation of other comprehensive income as previously reported under Indian GAAP to Ind-AS
- e) Adjustment to the statement of cash flows.

a) Transition election:

The Company has prepared the opening Balance Sheet as per Ind AS as of 1 April 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind applying Ind AS in measurement of recognized assets and liabilities.

- b) Reconciliation of equity as previously reported under IGAAP to Ind AS

Particulars	Notes	As at March 31, 2017	As at March 31, 2016
As reported as per previous GAAP		1,51,879,864	141,506,146
<u>Adjustments</u>			
Revaluation of Land		-	-
Equity as per Ind AS		151,879,864	141,506,146

36. Approval of Financial Statement:

The financial Statement were approved for issue by the Board of Directors on 30th May, 2018.

37. Figures in brackets in these notes are in respect of previous year.

For Jeedigunta & Co.,
Chartered Accountants
Firm Registration No: 001322S
SD/-
J.Prabhakar
M.No. 026006

Place: Hyderabad (T.S.)
Date 30.05.2018

For and on Behalf of the Board
SD/-
Lakshmikanth Inani
Managing Director

SD/-
Vishnu kanth Inani
Whole Time Director

PROXY FORM

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

Cin No.L67120AP1994PLC017583

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

Regd Office: G-15, Raghava Ratna Towers, 5 -8352/14 & 15, Chirag Ali Lane, Hyderabad-500001 Telangana

Name of the Member(s) :.....

Registered Address:

Email Id:.....

Folio No./Client & DP ID:.....

I/We being the member(s) ofShares of the above named company hereby appoint: 1. Name:

Address:

E-mail ID:.....

Signature.....or failing him

2. Name:

Address:

E-mail ID:.....

Signature.....or failing him

3. Name:

Address:

E-mail ID:.....

Signature.....or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company to be held on Friday the 28th September, 2018 at 11.00 A.M. at Rajasthani Graduates Association Hall, situated at 5-4-790/1, First Floor, Lane Opp.to G.pulla Reddy Sweets Abids Hyderabad-500001 and at any adjournment thereof such resolution as are indicated below:

Resolution No.	Resolutions	For	Against
1.	Adoption of Balance Sheet, statement of Profit and Loss, Report of the Board of Directors and Auditors thereon.		
2.	Reappointment of Mr.Ramakanth Inani who retires by rotation and being eligible, offers himself for re-appointment.		
3.	To appointment of Jeedigunta & Co.chartered Accountants as Auditors and fixing their remuneration.		

Signed this..... day of.....2018

Affix 1/- Rupee Revenue Stamp

Signature of shareholder Signature of proxy holder(s)

Note: This proxy form in order to be effective should be duly completed, stamped and signed, must be deposited at the Registered Office of the Company, 48 Hours before the meeting.

ATTENDANCE SLIP

Attendance by

(Please tick the appropriate box)

Member

Proxy

Authorized Representative

I hereby record my presence at the 24th Annual General Meeting of the Company being held on Friday, the 28th September, 2018 at 11.00 a.m at Rajasthani Graduates Association Hall, Situated at 5-4-790/1 First Floor Lane opp. To G.Pulla Reddy Sweets Abids, Hyderabad-500001

Name of the Proxy (in BLOCK LETTERS)

Shareholder's/Proxy Signature

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