

18th Annual Report 2011-12



INDO THAI SECURITIES LIMITED



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Notice of Annual General Meeting

Attendance Slip & Proxy

CORPORATE INFORMATION

Board of Directors

Mr. Parasmal Doshi	Chairman & Whole time Director & Chief Executive Officer
Mr. Dhanpal Doshi	Managing Director
Mr. Rajendra Bandi	Whole-time Director
Mr. Om Prakash Gauba	Independent Director
Mr. Sunil Kumar Soni	Independent Director
Mr. Sanjay Parmar	Independent Director

Audit Committee

Mr. Sanjay Parmar	(Chairman)
Mr. Om Prakash Gauba	(Member)
Mr. Sunil Kumar Soni	(Member)

Remuneration Committee

Mr. Om Prakash Gauba	(Chairman)
Mr. Sanjay Parmar	(Member)
Mr. Sunil Kumar Soni	(Member)

Shareholders Committee / Investors' Grievance Committee

Mr. Sunil Kumar Soni	(Chairman)
Mr. Om Prakash Gauba	(Member)
Mr. Sanjay Parmar	(Member)

Company Secretary & Compliance Officer

Mr. Anurag Kumar Saxena
Ph : (0731) 4255813
Email : compliance@indothai.co.in

Statutory Auditors

S Ramanand Aiyar & Co.
Chartered Accountants
S-113-114, Yeshwant Plaza,
Near Railway Station, Indore - 452 001 (w.e.f. 27-7-2012)

Internal Auditors

Harish Dayani & Co.
Chartered Accountants
211, Sunrise Tower, 579, M.G. Road, Indore- 452 001

Abhijeet Jain & Associates
Chartered Accountants
B-15, Prem Varsha, Parsiwada,
Sahar Road, Andheri East, Mumbai - 400 099

Registered Office

16, 4th Floor, Dawa Bazar, R.N.T. Marg,
Indore - 452 001 Madhya Pradesh, India.
Ph : (0731) 2705420/22
Fax : (0731) 2705423
Email: indothaigroup@indothai.co.in
Website: www.indothai.co.in

Share Transfer Agent

Sharepro Services (India) Pvt. Ltd.
13 AB, Samhita Warehousing Complex,
Sakinaka Telephone Exchange Lane,
Kurla Andheri Road, Sakinaka, Mumbai-400 072,
Tel: +91-22- 67720300/400,
Fax: +91-22- 28591568
Email : sharepro@shareproservices.com
Website: www.shareproservices.com

Bankers & Financial Institutions

Indusind Bank Ltd.
Bank of India
Canara Bank
ICICI Bank
Madhya Pradesh Financial Corporation

Management Team

Mr. Abhay Suhane
Mr. Anurag Kumar Saxena
Mr. Deepak Sharma
Mr. Jinendra Gandhi
Mr. Mohan Agar
Mr. Praveen Bandi
Mr. Sunil Sethi

Solicitors

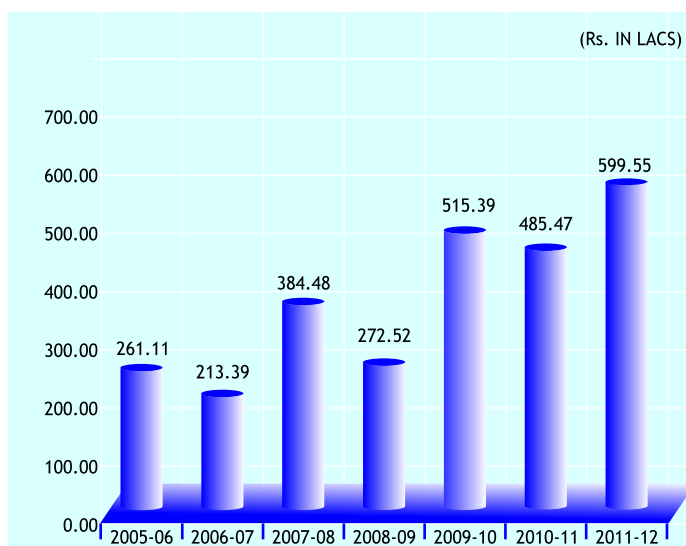
Mr. Anant Sinnarkar
Mr. Parasmal Mehta
Mr. B.M. Maheshwari
Mr. Tarun Modi
Mr. S.R. Solanki

Consultants

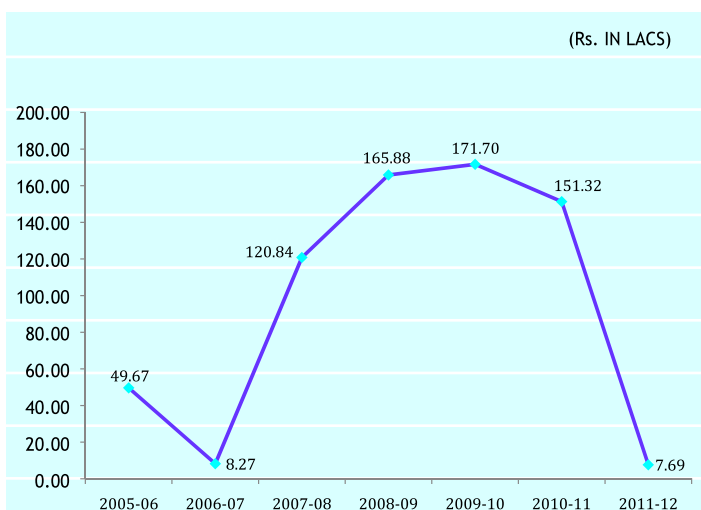
M. Mehta & Co.
Chartered Accountants
11/5, South Tukoganj, Nath Mandir Road,
Indore - 452 001

PERFORMANCE TRENDS

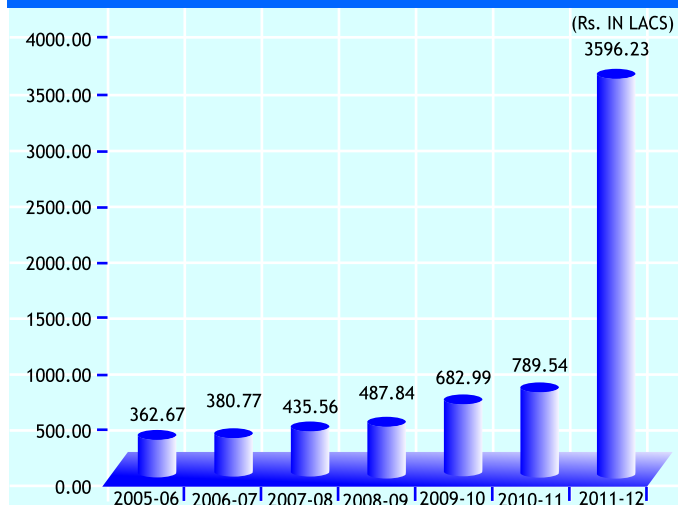
TOTAL REVENUE



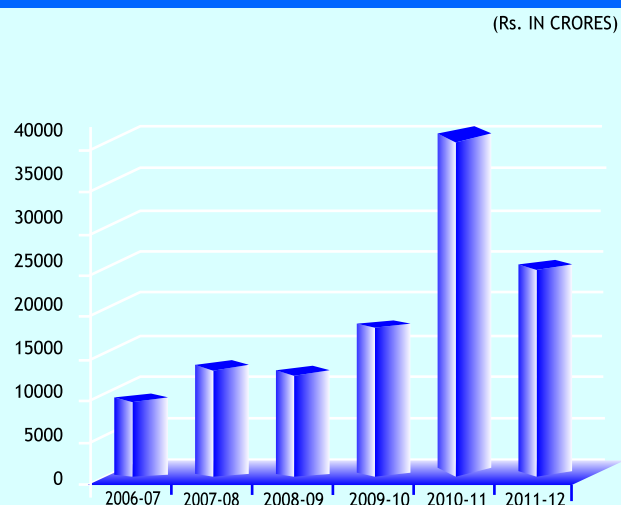
BORROWINGS/ SECURED LOAN



NETWORTH



TURNOVER





***Appreciation Certificate from NSE for outstanding efforts of
INDO THAI SECURITIES LIMITED
in promoting Gold Traded Funds***



Investor Awareness Programme with CDSL



Inauguration of Currency Market



Press Meet for IPO at Indore

BOARD OF DIRECTORS



CA Parasmal Doshi
(Chairman,
Whole-time Director & CEO)



CA Dhanpal Doshi
(Managing Director)



Rajendra Bandi
(Whole-time Director)



CA Sanjay Parmar
(Independent Director)



Om Prakash Gauba
(Independent Director)



Sunil Kumar Soni
(Independent Director)

From The Chairman Desk

“Inculcate the habit of being punctual and strict to the words”



Dear Shareholders,

On the back of sustained high competitive environment and lackluster market environment, the blended broking yields declined in FY2011-12 leading to decline in broking revenues as well as expenses increased sharply and costs associated with maintaining capacities in existing set up as well as setting up new business lines. Consequently the brokerage houses' profitability declined in FY 2011-12.

Your Company was started in 1995 by obtaining membership of National Stock Exchange of India Limited. Since then ITSL has proved to be an emerging financial service provider and has grown by leaps and bounds. Today we are a well diversified financial services company, offering a range of products and services including various trading platforms, Depository Services and more.

Retail investors' participation in the equity cash market is at a seven-year low, with more and more savings finding their way to properties, gold, risk-free revenues like bank deposits and high-yield debt

instruments. The daily average volume of retail turnover is down to Rs 6,690 crore in 2012 - the lowest since 2005 and a 51% drop from the peak of Rs 13,709 crore in 2009.

Till 2005, retail investors were active in the Indian equity market. Their contribution to the daily turnover was over 75%, while foreign institutional investors (FIIs) contributed about 14%. But since then, the trend has changed. In 2012, FIIs' contribution to the daily turnover grew to 35% while retail investors' contribution declined to 48%. The percentage daily turnover attributed to domestic institutional investors doubled from 8% in 2007 to 16% in 2012.

Some of the large brokerage houses have reasonably well diversified revenue streams but still remain vulnerable to capital markets environment. Given the current challenging outlook for the equity markets over the short term, I expect pressures on the revenue growth over the next few months or even quarters and consequently the overall profitability.

The difference between **can** and **cannot** are only three letters. Three letters that determine your direction, keeping the same in mind, your company moved forward and successfully floated the IPO, in spite of adverse market and economic conditions. A positive attitude brings strength, energy and initiative and by following the same your company has received a Certificate of Appreciation from the National Stock Exchange for outstanding efforts in promoting Gold Exchange Trades Funds.

Notwithstanding pressures on profitability the liquidity profile of your company remained comfortable with strong network and the fresh capital mobilized through IPO during the year 2011-12. To fulfill the objects of the issue your company has taken clearing membership of both futures & options segment and currency derivatives segment, strengthen the system department by migrating trading activities to ODIN software of Financial Technologies which is very popular among investors. Your company has also started operation from Ahmedabad.

Your Company is going to start trading facility on Mobile Phones and Tablet PC also. Company's Team is working on two types of facilities i.e. iWin and iWin Touch. Through iWin a person will be able to trade on his/her Mobile handset with qwerty pad features; and iWin Touch facility enables the trading platform on Tablet PC or Smart Mobile Phones.

Your Company has taken material steps to setting-up its Corporate Office and in this view Company has acquired a land in Scheme No. -54, PU-4, Indore.

Your Company always believes in adherence of statutory norms, and in this view Company has taken a step ahead and pays Income Tax on regular basis (196 days out of total 249 trading days) instead without waiting for due date of payment of tax on Annual or quarterly basis.

Over the medium to long term, the outcome of various changes, as stated above, taken by our company will definitely improve the profitability.

Your Company has received a summon from SEBI, wherein some information & documents was demanded; your Company has submitted its reply on the same. Ministry of Corporate Affairs has sought Inspection of books of accounts and other record and your Company has submitted all information as demanded.

For maintaining the planet Earth evergreen, the Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies. In accordance with the MCA's circular, Companies can now send various notices and documents, including Annual Report, to its shareholders through electronic mode to the registered e-mail addresses of shareholders.

We seek your whole hearted support for this initiative. We would request you to register your e-mail ID with your depositories to get annual reports and other communications through email instead of paper mode.

Acknowledgement

I express my sincere and grateful thanks to the Board of Director for their unwavering support and guidance in ensuring smooth operations and performance of the Company. Banks, Financial Institutions, SEBI, Stock Exchanges, Clearing Member, Registrar of Companies, Registrar and Transfer Agent, Merchant Banker, Print & Electronic Media, Business Partners, Clients, and other agencies, for their continuous support and untiring support as well. I express my gratitude to all stakeholders, who showed their confidence and trust in us.

My special thanks and warm appreciation to our valued clients for bestowed faith in the Company and also for their valued suggestions, which have definitely gone a long way in the betterment of our performance.

I hope the coming years will further strengthen this partnership growth through expansion in core business and diversification strategy, which will lead to overall development of the Company.

With Warm Regards

Sd/-

Parasmal Doshi

Chairman

Date : August 11, 2012

DIRECTORS' REPORT

To,

Dear Stakeholders,

The Directors have pleasure in presenting the Eighteenth Annual Report of Indo Thai Securities Limited along with the Audited Financial Statement for the Financial Year ended **March 31, 2012**.

1. FINANCIAL RESULTS

The financial performance for fiscal 2012 is summarized in the following table.

(Rs. in Lacs)

Particulars	F.Y. - 2011-2012	F.Y. - 2010-2011
Income from Brokerage	211.34	366.55
Income from Depository operation	10.45	12.49
Sales	277.21	27.34
Other Operating Income	17.06	59.05
Other Income	158.24	49.69
Total Income	674.30	515.12
Total Expenditure (including exceptional items)	641.70	352.28
Profit Before Tax(PBT)	32.60	162.84
Provision for Income Tax	12.42	56.30
Profit After Income Tax	20.18	106.54
Surplus brought forward from previous year	189.53	482.99
Amount available for appropriations	209.71	189.53
Earnings per share (In Rs.)	0.26	1.78

Financial Results of the company shows that income of our company has been increased as compared to previous year. The total income for the year increased from Rs. 515.12 Lacs to Rs. 674.30 Lacs.

This year we have complied Accounting Standard 15 "Employee Benefit" in respect of gratuity provision and due to own account trading losses company's profit has been declined as compared to past year profit. Due to increase in equity base the Earning Per Share (EPS) for the year 2011-12 on the face value of Rs.10/- work out to Rs. 0.26/- compared to Rs. 1.78/- for the previous year.

2. REVIEW OF OPERATIONS

► Revenues

The total revenue of the Company for current financial year has been grown up by 30.9% as compared to previous financial year. The main rationale for such increase is operational

performance. The Operational Revenue of your Company for 2011-12 was Rs 516.06 lacs has grown by 10.88% over the year, compared to Rs 465.43 lacs 2010-11.

► Profits

The Profit before exceptional and extraordinary items and tax for the year is Rs 50.20 lacs in comparison to earlier year's profit of Rs. 162.84 lacs.

► Net worth

The net worth of your Company as on 31st March 2012 was Rs 3596.22 lacs as compared to Rs 789.54 lacs in previous year. The increase in the net worth is mainly due to IPO proceeds and partly due to retained earnings.

► Loan Funds

During the financial year 2011-12, Company had paid off its debts and thus reduces its financial cost of borrowings. Outstanding Long term borrowing of the company as on 31st March 2012 has been reduced by 61.45%, as compared to financial year ended on 31st march 2011.

The Company has paid off all its Short terms borrowings of Rs 131.35 lacs, and it has no outstanding short term borrowing at the end of financial year ended on 31st March 2012.

3. FUTURE OUTLOOK

Your company intends to utilize the proceeds of the issue for financing the growth of our business. Subject to the approval of shareholders, the company is about to revise its implementation schedule of object of the issue.

Company is on focus to use technology for exploring its business, and this view Company is about to start trading facility through Mobile Handsets and Tablet PC, so clients can avail the benefit of real time market quotes and take immediate action as per movement of market/stock index.

The turnover of Indian Capital Market witnessed a compound annual growth which provides an efficient and transparent platform for various types of securities and so the company is looking for better business opportunity.

4. DIVIDEND

In view of inadequate profit your director have decided not to recommend any dividend for the financial year 2011-12.

5. ENHANCEMENT OF SHARE CAPITAL

During the year the Company's paid up Share capital has been enhanced from Rs. 6,00,00,000/- to Rs. 10,00,00,000/- consisting of 1,00,00,000 Equity Shares of Rs.10/- each. By means of Initial Public Offerings (IPO) the Company has issued 40,00,000 Equity Shares of Rs. 10/- each.

The equity capital raised through IPO will be utilized for various objects mentioned in prospectus.

6. INITIAL PUBLIC OFFERINGS & LISTING

Directors of your Company wish to express their jovial thanks from deep of heart to Investors for showing their trust in company and believing of visions and future endeavors. As a result of sincere & positive efforts of all Intermediaries of IPO, Employee, Business Partners, esteemed Clients and valued Investors your company has achieved the honor of listing in both the major exchange of India i.e. NSE & BSE.

Datewise IPO voyage upto 06.08.2011 was shown in the Director's Report of previous year, afterward Company has filed Red Herring Prospectus & Prospectus to SEBI on 21.09.2011 & 24.10.2011 respectively. The Allotment of Shares was approved by Board of Directors in their meeting duly held on 28.10.2011 and the shares were credited through the Corporate Action to both the Depositories on 29th October, 2011.

The Public Issue was oversubscribed to 115% and total Rs. 29,60,00,000/- raised through IPO by offering 40,00,000 Equity Shares of face value Rs. 10/- at the price of Rs. 74/- (including Rs. 64/- as premium per share).

The securities of your company got listed on 2nd November 2011 with National Stock Exchange of India Limited and BSE Limited, and annual listing fees and annual custodian fees to NSDL & CDSL for the year 2012-2013 have been paid well within time.

Company has invested corpus of un-utilized IPO proceeds in different Mutual Fund's Schemes and switch the invested amount time to time from one scheme to another scheme to get the maximum return.

7. PUBLIC DEPOSIT

Your company has not accepted any deposits from the public falling within the purview of section 58A and 58AA of the companies Act 1956. As such there was no principal or interest outstanding as on the date of the balance sheet.

8. CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with the Stock Exchange, a report on Corporate Governance together with the Auditors Certificate regarding compliance of the conditions of Corporate Governance, Management Discussion and Analysis statement forms part of the Annual Report.

9. STATUTORY AUDITORS

M/s. S. Ramanand Aiyar & Company, Indore retires at the ensuing Annual general Meeting. They have confirmed their eligibility and willingness for re-appointment. The Company has received a certificate from the Statutory Auditors to the effect that their re-appointment, if made, would be within limits prescribed under section 224(1B) of the companies Act 1956.

10. REPLIES TO AUDITORS' REPORT

With reference to observations made in Auditors' Report, the notes of the account are self explanatory and therefore do not call for any further comments. There are no qualifications in the Auditors Report.

11. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company considered Internal Audit to be very significant part of its Corporate Governance Practice. The Company retains few specialized Audit Firms to carry out specific /concurrent audit of some critical functions such as KYC process, demat transfers, pay-in/pay-outs, Investors complaints, risk management, surveillance, accounts and other related functional areas. The scope of Audit included Systems Audit, Internal Audit on half yearly basis as mandate by SEBI / Exchange, etc. and Internal Audit and Concurrent Audit as directed by CDSL. M/s Harish Dayani & Company, Chartered Accountant, Mumbai has been appointed for conducting audit under SEBI compliance for Brokers and Depository Participants.

The company has invested in ensuring that its Internal Audit and control system are adequate and commensurate with the nature of our business and size of our operations. A Chartered Accountants firm M/s Abhijeet Jain & Associates is conducting Concurrent Audit of all operational activities of your Company to ensure complete checks and balance at regular intervals.

12. DIRECTORS RESPONSIBILITY STATEMENT

As required under section 217(2AA) of the companies Act, 1956, your Directors state that:

- » In the preparation of the annual accounts, all the applicable accounting standards have been followed and there are no material departures.
- » Appropriate accounting policies were selected and applied are consistent and the judgment and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2012 and of the profit of the company for the year ended on that date.
- » That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities ; and
- » That the annual accounts have been prepared on going concern basis.

13. DIRECTORS

Shri Rajendra Bandi and Shri Sanjay Parmar, Directors of the company retire by rotation and being eligible, offer themselves for reappointment at the ensuing Annual General Meeting. A brief resume of Shri Rajendra Bandi and Shri Sanjay Parmar is attached with this Report as Annexure-1.

The Board of Directors has re-appointed Mr. Dhanpal Doshi as Managing Director, Mr. Parasmal Doshi as Whole-Time Director cum Chief Executive Office and Mr. Rajendra Bandi as Whole-Time Director, for a further term of 3 years, with effect from 1st April 2012, subject to the approval of Members at the forth coming Annual General Meeting of the Company.

No other change in the Directorship of the Company during the year under review.

14. KEY INITIATIVES

- » Admission as Trading cum Clearing Member in NSE for F&O Segment
Your Company has received SEBI approval and NSCCL permission for enablement on Future & Option Segment. Company has fulfilled necessary requirement of the exchange and deposited Interest Free Security Deposit to NSE; and started clearing activities from 16.04.2012.
- » Admission as Self Clearing Member in NSE for Currency Derivatives Segment
SEBI has also given its approval to register the Company as Self Clearing Member and after few days company started clearing activities from 14.05.2012.
- » Renewal of Registration as Depository Participant of CDSL with SEBI
Your company was admitted as DP of CDSL in 2007 and the registration was for 5 years, which was due for renewal by July 2012. Your Company has applied for permanent registration as DP and SEBI has granted Certificate of Permanent Registration as DP-CDSL w.e.f. 05.07.2012.
- » Decision Support Tool / Algorithms For Trading
Company has also obtained Approval from exchange(s) for Decision Support Tool / Algorithms For Trading
- » Margin Trading Facility For Clients
Approval for Margin Trading facility also taken from NSE & BSE, but this facility is not yet started.

15. INSURANCE

To cover the risk arising from operations, your company has taken Brokers Indemnity Insurance Policy for exchange(s) and In addition, properties of the company have also been insured under different kinds of separate policies i.e. Standard Fire and Special Perils Policy, Burglary B.P., Electronic Equipment Insurance, Vehicle Insurance Policy. To avoid large negative effect on the company's operations due to sudden loss of Keyman, Company had also taken Key Man Insurance Policy.

16. AWARDS AND RECOGNITIONS

National Stock Exchange of India issued a Certificate of Appreciation on April 25, 2012, for outstanding efforts of the Company in promoting Gold Traded Funds (Gold ETF) and contributing to the overall growth of this product category.

17. PARTICULAR OF EMPLOYEES

None of the employees of the company was in receipt of remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act 1956, read with Companies Rules 1975, as amended.

18. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

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

The company has no specific Research & Development department. There are no foreign exchange earnings or out go during the year under review.

19. SEBI COMPLAINT REDRESS SYSTEM (SCORES)

In terms of SEBI Circular dtd. 22.02.2012, SEBI has commended processing of Investor Complaints in a centralized web based complaint Redress System 'SCORES' (www.scores.gov.in). Through this system Investor may upload his complaint on such website and view online the status of its complaint. The Complaint Status is regularly checked by Company Secretary by login the Id as given by SEBI for SCORES. Till date no complaint is lodged by any Investor on SCORES.

20. GREEN INITIATIVES

The Ministry of Corporate Affairs (MCA) has taken a 'Green Initiative' in the Corporate Governance by allowing paperless compliances by companies and in the issued circulars of MCA, Companies are now permitted to send various notices and documents, including Annual Report to its shareholders through electronic mode to the registered e-mail addresses of shareholders. This is a welcome move by the Ministry since it will benefit the society at large through reduction in paper consumption and it will also ensure prompt receipt of communication and avoid loss in postal transit.

Members are requested to appreciate & participate into the 'Green Initiative' taken by MCA and register/update their e-mail address with your Depository Participant. Moreover any Member of the company will be entitled to receive all such communication in physical form, upon request. Please note that these documents will also be available on the Company's website www.indothai.co.in for download by the shareholders.

21. ACKNOWLEDGEMENT AND APPRECIATION

Your Directors wish to place on record their sincere thanks to the valued customers, suppliers, investors and Banks for their support, cooperation and guidance. We also thank various Stock Exchanges & governing agencies for support extended by them.

We also wish to place on record appreciation of the committed service rendered by all the employees of the company at all levels.

For & on behalf of the Board
Indo Thai Securities Limited
Sd/-

Parasmal Doshi
(Chairman)

Date : August 11, 2012
Place : Indore

ANNEXURE -A

Details of directors seeking Report at the ensuing AGM
(Pursuant to Clause 49 of the Listing Agreement)

Name of Director	Mr. Sanjay Parmar	Mr. Rajendra Bandi
Date of Birth	07/09/1971	01/03/1961
Nationality	Indian	Indian
Date of Appointment	20/08/2010	19/01/1995
Education Qualification	Fellow Member of the Institute of Chartered Accountants of India and Graduate in Commerce.	Bachelor of Science and NCFM Certifications in many modules.
Job Description & Present Status	Mr. Sanjay Parmar, Chartered Accountant by Profession is Independent Director of your company and he is presently running the Chartered Accountancy Firm named Sanjay Parmar & Co.	Mr. Rajendra Bandi is Whole-time Director in your Company. He has expertise in Capital & Derivatives Markets. He also play supervisory and advisory role in company since its inception. He also acts as Industry Analyst and Consultant to clients in the field of Shares & Stock Market.
Experience & Knowledge	<p>12 Years Experience of Internal and Statutory Audit of Banks and Mid Sized Ltd Company.</p> <p>Experience of managing accounts finalization & Risk Management.</p> <p>Rich Corporate experience in the field of Debtors Management, Margin funding, Taxation matters.</p> <p>Liaison with bank and financial Institution for various credit facilities for clients.</p> <p>Sound understanding of Business administration with a global mindset & strong quantitative and conceptual abilities.</p> <p>Achievement oriented with excellent people management skills and an ability to manage with ease</p> <p>Proven strength in problem solving, coordination and Financial Analysis.</p>	<p>10 years experience in pharmaceutical business; And experience of 16 years in Real Estate field.</p> <p>In the year 1995 he joined the Indo Thai Securities Limited as Whole Time Director and looked after the day-to-day operations of the company.</p> <p>Highly skilled in capital markets analysis, fundamental analysis, technical analysis and expert in industry analysis.</p> <p>Having deep knowledge of construction and real estate business and acting as director in real estates company.</p>
Directorship Held In Other Company	NIL	Geetanjali Buildcon Private Limited
Membership / Chairmanship of other Public Companies	NIL	NIL
Equity Shares held in the Co.	NIL	3000
Relationship between Directors	NIL	NIL

MANAGEMENT DISCUSSION AND ANALYSIS

» Global Economic Conditions

Global recovery is likely to slow down due to the continuing euro area debt crisis. The news flow from the US has been mixed, with growth accelerating in Q3 of 2011 but getting revised downwards substantially from the initial estimates. However, growth in euro area is already stagnating and as fiscal austerity progresses, the area could enter into a recession.

The S&P's (Standard and Poor's) sovereign rating downgrade of nine euro area countries on January 13, 2011, was reflective of the rising sovereign balance sheet problems. Tightening credit conditions, rising risk premiums, weakening economic growth in the euro area are keeping global financial markets under stress.

» Indian Economic Conditions

Global spillovers through trade and capital flow channels are slowing down India's growth more than anticipated. Monetary policy was strongly anti-inflationary until October 2011. Subsequently, decelerating growth and declining inflation momentum prompted monetary policy to move to a neutral stance since December 2011. Inelastic demand for oil and rising gold imports has widened the trade deficit, while exports decelerated. As capital flows have also moderated since August 2011, financing pressure on the current account deficit (CAD) translated into exchange rate pressures. Some easing in liquidity was effected through a total of 125 basis points reduction in the Cash Reserve Ratio (CRR) during January-March 2012. Inflation has fallen in Q4 of 2011-12.

Inflation in June fell to 7.25 per cent, although lower than projections, but still above the comfort level of the Reserve Bank. Keeping the same in mind the RBI kept interest rates unchanged in first quarter of current financial year.

1. Industry Structure & Developments

Securities market play an extremely important role in promoting and sustaining the growth of an economy. It plays a critical role in mobilizing savings for investment in productive assets, with a view to enhancing a country's long-term growth prospects. It acts as a major catalyst in transforming the economy into a more efficient, innovative and competitive marketplace. Various activities in the securities market in India are regulated, in a coordinated manner by four regulators, namely, Department of Economic Affairs (DEA) of the Ministry of Finance, Ministry of Company Affairs (MCA), Securities and Exchange Board of India (SEBI) and the Reserve Bank of India (RBI).

Usually, index movements depend on various factors - some predictable and some unpredictable. Among the predictable bugbears include European sovereign debt

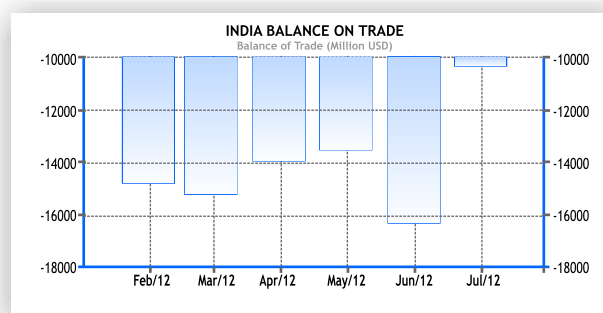
crisis and slowdown in the US economy, which are expected to spill over into the coming year as there is no light seen at the end of the tunnel on these issues yet.

The ultimate market direction depends on inflation and interest rate, which can allow rate reversal and in turn bring the economy back on the growth trajectory. China has done well on these fronts and cut even rates, but somehow India has failed in showing prudence on this front.

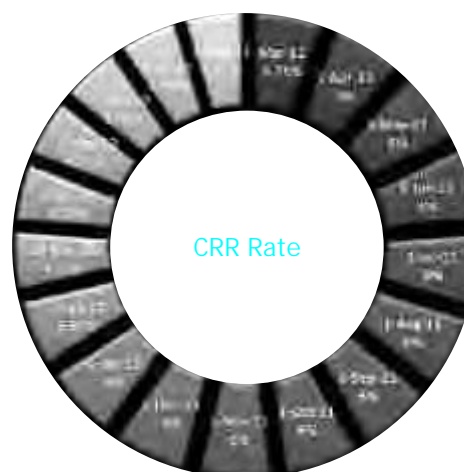
During the period 2011-12 Rupee has already weakened against the dollar and the Indian securities market also witnessed a slowdown, inline with global scenario. Due to slack in liquidity conditions, the resources raised by India Inc. through euro issues also saw a sharp fall. In the secondary market, all stocks saw major correction in their prices. Even redemptions by mutual funds increased on a large scale and Foreign Institutional Investors pulled out money from the Indian markets.

Trade deficit

India reported a trade deficit equivalent to 10303 million USD in June of 2012.



Trend of CRR



2. Opportunities and Threats

» Opportunity

Increase geographical presence

We intend to further expand the scale of our operations, explore new distribution channels and increase our reach and client base domestically. We are focused on increasing the number of our client relationships through our network of offices across India. Our emphasis is on expanding the scale of our operations as well as growing our network in the smaller Indian cities, which we believe present attractive opportunities to grow our client base and revenues.

Around 2 Crores demat account are opened till June 2012 with both the Depositories of India. Hence there is a huge scope of penetration in untapped areas.

Expand our Internet-based trading

We plan to significantly enhance our on-line trading capabilities and have established our on-line trading system to complement our other products and services offerings. We believe that we have the technological platform and systems in place to accommodate and service significant increases in on-line trading accounts and clients. We believe that an Internet-based, easily scalable product delivery model will enable us to respond effectively to the competitive challenges of discount equity brokerages and eventually move into delivering a wider range of products and services on-line.

Grow existing product lines and expand our products and services portfolio

We are planning to expand our operations beyond broking to distribution of third party financial products like NBFC Activities, IPO's, Mutual funds, Margin Funding, Internet Trading. We plan to introduce new products that provide clients access to a range of financial products and services to suit their varied needs. In addition to growing our traditional equity share broking business, we intend to develop our recent initiatives such as currency derivatives and Internet Based Trading through Mobile & Tablet PC etc.

Continue to develop our Cliental

We plan to grow our business primarily by growing the number of clients by increasing trading working stations / franchisees / authorized-persons in untapped states of India and providing them additional facilities like funding, research reports, internet based trading. We believe that increased client will add stability to our business. We also believe that the rapid growth in the middle market company sector offers us a significant opportunity to provide a wide variety of financial services and products to this segment. We also seek to offer our clients diversified products and services to increase our revenues per client by selling different products to the same client.

To provide information to Investors about investment options with special emphasis on the advantages and disadvantages, Company organized Investors Awareness Programmes with exchange(s)/Depository.

» Threats

The volatility in the Indian equity markets, coupled with the slowdown in economy would be a threat for the Company's business growth. We encounter intense competition in all aspects of our business and compete directly with many other brokerage companies for clients. Many of our competitors have significantly greater financial, technical, marketing and other resources than those available to us.

In addition, a number of firms offer discount brokerage services to retail customers and generally effect transactions at substantially lower commission rates on an "execution only" basis, without offering other services such as investment recommendations and research. Moreover, there is substantial commission discounting by full-service broker-dealers competing for institutional and retail brokerage business. The margin in the retail broking market is thinning and the competition is getting intense every day, thus affecting our bottom-lines.

We offer our clients the facility to trade in derivative instruments in the securities and currency markets as permitted by applicable laws. Since these derivative instruments involve taking leveraged positions on the underlying assets, these are more risky to deal with compared to the other financial instruments. We may face financial losses if we fail to manage risks associated with the clients' dealings in derivative instruments, particularly due to price and market volatility.

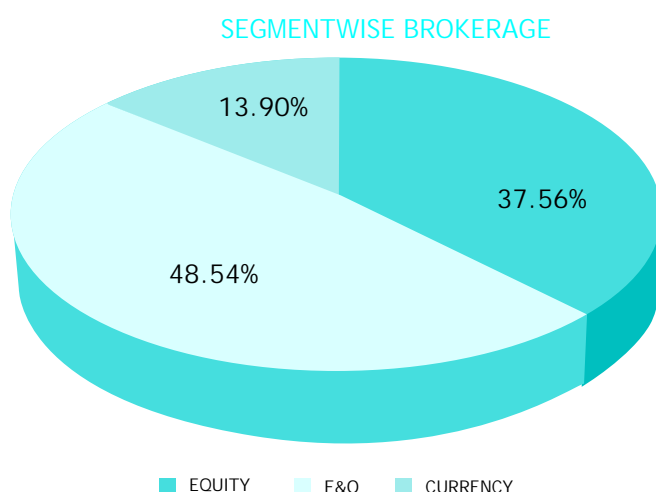
We have experienced intense price competition in this business in recent years. In particular, the ability to execute trades electronically and through other alternative trading systems has increased the pressure on trading commissions, volume and spreads. We expect this trend toward alternative trading systems to continue. We believe we may experience competitive pressures in these and other areas as some of our competitors seek to obtain market share by competing on the basis of price. In addition, we face pressure from our larger competitors and we are unable to ascertain the likely impact of such competitive pressures on our results and operations.

Our computer systems and network infrastructure may be exposed to physical breakins as well as security breaches and other disruptive problems caused by our increased internet connectivity. There is no assurance that the security systems and security measures employed by us are adequate. A failure in security measures could have a material adverse effect on our business and our future financial performance.

3. Segmentwise Performance

In order to avoid duplication between the Director's Report and Management Discussion and Analysis, we present below a composite summary of performance of the various business segments of the Company:

Your Company's performance for the year 2011-12 has to be viewed in the context of the economic and market environment. ITSL is a member of NSE, BSE, MCX-SX and USE and offers online broking in the cash, derivatives and currency segments and depository services of CDSL to its clients.



» Currency Segment

Your Company is Self Clearing Member of Currency Derivative Segment in NSE; and Trading Member in MCX-SX & USE. Currency Segment had recorded robust volumes during this year. The total turnover in this segment was Rs 18430.61 Crores including proprietary turnover also and it contributed maximum contribution of 78.59% of the total turnover of the Company.

» F&O Segment

In the running fiscal year, your Company has obtained Trading cum Clearing Membership in Future & Option Segment in NSE and before that ITSL was acting as Trading Member in this Segment since year 2000. The Company had recorded a turnover of Rs. 3808.31 Crores from this segment.

» Equity Segment

Equity Segment comprises, the turnover and brokerage received from equity trading/ broking and other related activities in the cash (jobbing and delivery). During the year, turnover in our equities broking segment was Rs. 1235.83 Crores.

4. Outlook

The strong Client book coupled with wide range of financial instruments in financial market may increase in operating margins of company. India's national income is expected to grow and financial sector has tremendous

long term potential to grow, has distinct characteristic of being cyclical. Therefore we see a sort of roller coaster ride. Long term players like your company, see this as an opportunity rather than obstacle. Invariably when head winds are strong, the weaker players fall off the roller coaster, paving way for the long term players to emerge strong. These forward looking statements shows management view for nearer future. Due to uncertainties and various other factors the development of company's business may differ from management expectations.

5. Risk and Concerns:

The main object of risk management is to balance the trade Off between risk and return and ensure optimum risk adjusted return on the capital.

Company operates in highly dynamic business environment, many of those risks are driven by factors that the company cannot control or predict. Capital Markets worldwide, including the Indian Capital market, are exposed to significant fluctuations and hence, the company is exposed to several risk apart from the fundamental risk of business operations. Hence adequate risk management system has become helpless to minimize business risk. The objective of our risk management is to ensure adequate return at specified level of risk .The following discussion addresses those risks that management believes are the most significant, although there may be other risks that could arise or may affect company's financial operations or financial results.

Capital Market Risk

The major sources of our revenues are derived from equity brokerage business. Hence, like other players in the market, our business is highly sensitive to economic and political conditions prevalent in the country. Any downturn in general economic conditions or Indian equity markets and severe market fluctuation would likely to result in reduced client trading volumes and net revenue, and hence, will have a material adverse effect on our probability and beyond our control.

Technology Risk

Technology involves a huge amount of funds for its deployments and upgradation. Over the years, the company has invested in progressive technology with an end motive of elevating customer satisfaction and better controls. Obsolescence and up gradation is an ongoing major concern .Any significant impulsive change in technology would bring a pressure on our profitability.

Credit and Finance Risk

Being an financial service provider we are exposed to number of risks such as we provide exposure limits for our client to purchase securities on margin. Sharp change in the market values of securities and the failure by parties to honor their commitment on a timely basis could have adverse effect on the profitability of our operations.

Human Resources Risks

Human Resources are a key ingredient for your company and the success of the company involves critically depends on quality of manpower in the organization. We maintained a competitive healthy and harmonious work environment at all levels. Over the years company has developed a strong set of values and policies which support them to work freely and develop their capabilities to take responsibility. The company is committed to providing an environment that is encouraging and appreciative under which the employees can work to their potential and grow professionally as well as personally. The company continuously invests in the development of its human resources through a series of employee friendly measures aimed at talent acquisition, development, motivation and retention.

6. Internal Control System and Their Adequacy

The Company has placed adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies.

In order to have better control of the business operations, the system of internal audit has been put in place; And The Internal Control Systems of Company, is responsible for the financial reporting, assets, adherence to management policies, as well as to promote ethical conduct within the organization. The company has appointed an Audit Committee that regularly reviews the internal control systems with the management, external and internal auditors.

The internal audit process is designed to review the adequacy of internal control checks in the system and covers all significant areas of the Company's operations. Safeguarding of assets and their protection against unauthorized use are also a part of these exercises. The

Company has an audit committee, the details of which have been provided in the corporate governance report. The Audit Reports submitted by the Internal Auditors which are reviewed by Board and make suggestions for improvement and issued direction to implement corrective actions.

7. Discussion on Financial Performance with respect to operational Performance:

The MIS Report is being prepared by HOD to cover-up all the development made in his/her department. Considering all aspects of the company Action Taken Report are prepared by Company Secretary and put before Board in every meeting for their perusal. Similar Project Implementation Report related to IPO proceeds & Financial Performance Report are reviewed by the Board in every meeting and discussed the performance of the Company between two meetings.

The Financial & other Operational Performance of the Company under review has been discussed in this report elsewhere and in Directors' Report also.

8. Material Development in Human Resources & Technology

The nature of your company's business requires the trained employees, in pursuance of the Company's commitment to develop and retain best available talent and attracting and retaining talented professional is also key element of the company's strategy.

Company had been regularly sponsoring employees for training programmes for upgrading their skills & knowledge in the different functional areas. The Company has proven a track record of hiring and retaining highly qualified professional.

Information Technology (IT) is the branch of engineering that deals with the use of computers to store, retrieve and transmit information.

IT provides businesses with four sets of core services to help and execute the business strategy: business process automation, providing information, connecting with customers, and productivity tools.

Technology is one of our key enablers for business and to deliver customized financial solutions. Company had made continuous focus on introducing new ideas and innovative services for client convenience and cost reduction. The Company had also focused on improving the governance process in IT. Company had migrated its front office operations to ODIN Software of Financial Technologies (India) Ltd.

REPORT ON CORPORATE GOVERNANCE

Introduction

Clause 49 of the Listing Agreement lays out several corporate governance related practices and requirements, which Listed Companies are required to adopt and follow. Corporate Governance is about commitment to value and ethical business conduct. It is also about how an organization managed, it includes business & corporate structure, company's culture & policies and manner in which its deals with shareholders.

1. Company's Philosophy on Corporate Governance

Over the years governance processes and systems have been strengthened at Company and the corporate governance has always been an integral part of the way the business is done. Company considers stakeholders as partners in our success and remain committed to maximizing stakeholder value, be it shareholders, employees, customers, investors, communities or policy makers.

Indo Thai Securities Ltd (hereinafter referred to as 'the Company') believes that good corporate governance consists of a combination of business practices which result in enhancement of the value of the Company to its shareholders and simultaneously enables the Company to fulfill its obligations to other stakeholders such as customers, employees and bankers, and to the society in general. Transparency, integrity, fairness, accountability and disclosure are company's business ethos that are central to the working of the Company and its directors. We are glad to inform you that your company's existing practices and policies are significantly in conformity with the requirements stipulated by SEBI. Your company also complies with the requirement of corporate governance in terms of clause 49 of the Listing Agreement.

2. Board of Directors

» Brief Description Of Terms Of Reference

The Board of Directors meets regularly to review strategic, operational and financial matters and has a formal schedule of matters reserved for its decision. It approves the interim and preliminary financial statements, significant contracts and capital investment along with strategic decisions. Wherever appropriate, the Board delegates its authority to Committees like Share Transfer & Investors Grievance Committee, Remuneration Committee and Audit

Committee. Information is provided to the Board in advance of every meeting and the Chairman ensures that all Directors are properly briefed on the matters being discussed. The Board reviews compliance reports of applicable laws in the Board Meetings.

All matters are communicated to the Company Secretary in advance so that the same could be included in the agenda for the Board/Board Committee meetings.

All material information are incorporated in the agenda which are circulated to the Directors, in advance for facilitating meaningful and focused discussions at the meeting, however, in special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

All divisions/departments of the Company are advised to schedule their work plans well in advance, particularly with regard to matters requiring discussion /approval /decision at the Board/Board Committee Meetings.

The meetings of Board of Directors are usually held at the Registered Office of the Company, i.e. 16, 4th Floor Dawa Bazar, R.N.T. Marg, Indore and required quorum was present there.

The Previous Annual General Meeting of the Company was held on September 30th, 2011 and was attended by Mr. Sanjay Parmar, Chairman of Audit Committee.

The Company Secretary records the minutes of the proceedings of each Board Meeting. The minutes are entered in the Minutes Book within 30 days from conclusion of the meeting and same are placed in next meeting for their comments/approval.

The important decisions taken at the Board/Board Committee Meetings are communicated to the departments / divisions concerned promptly. Action taken report on the decisions/minutes of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/Board Committee for noting by the Board/Board Committee.

The Committee meetings of the Company are usually held at the Registered Office of the Company, i.e. 16, 4th Floor Dawa Bazar, R. N. T. Marg, Indore.

Mr. Anurag Kumar Saxena, the Company Secretary of the Company, is responsible for complying with requirements of the Company Law, Securities Laws, Listing Agreement and other applicable Laws.

(i) Composition of Board :

The Board of Company has an optimum combination of Executive and Non-Executive Directors, and is in conformity with the code of corporate governance as specified under Clause 49 of the Listing Agreement. The Board of Directors of the Company currently consists of six Directors including three Independent Directors. The Company has an Executive Chairman. The Chairman and the Managing Director manage the day-to-day affairs of the Company.

Name of the Directors	Category of Directors	Designation
Mr. Parasmal Doshi	Executive Director / Promoter Director	Chairman cum Whole-time Director
Mr. Dhanpal Doshi	Executive Director / Promoter Director	Managing Director
Mr. Rajendra Bandi	Executive Director	Whole-time Director
Mr. Sanjay Parmar	Non-executive	Independent Director
Mr. Om Prakash Gauba	Non-executive	Independent Director
Mr. Sunil Kumar Soni	Non-executive	Independent Director

(ii) Attendance of each Director at the Board Meetings and the Last AGM :

Name of the Directors	Board Meetings Held	Meetings Attended	Attendance at last AGM
Mr. Parasmal Doshi	16	14	Present
Mr. Dhanpal Doshi	16	16	Present
Mr. Rajendra Bandi	16	15	Present
Mr. Sanjay Parmar	16	13	Present
Mr. Om Prakash Gauba	16	14	Present
Mr. Sunil Kumar Soni	16	9	Present

(iii) Number of other Boards/Board Committees in which the Directors are either Member or Chairman as at March 31, 2012

The composition of the Board and details of the Board of Directors and their Chairmanships/Memberships held in Committees of other companies (excluding the Company) as on March 31, 2012 was as under

Name of the Directors	Board		Committee	
	Chairman	Member	Chairman	Member
Mr. Parasmal Doshi	NIL	NIL	NIL	NIL
Mr. Dhanpal Doshi	1	NIL	NIL	NIL
Mr. Rajendra Bandi	NIL	NIL	NIL	NIL
Mr. Sanjay Parmar	NIL	NIL	NIL	NIL
Mr. Om Prakash Gauba	NIL	NIL	NIL	NIL
Mr. Sunil Kumar Soni	NIL	NIL	NIL	NIL

* While considering the total number of directorships, directorships in Private Limited companies have been excluded.

(iv) Number of Board Meetings held, dates on which held

16 (Sixteen) board meetings were held during the year. These were held on following dates: 27th April 2011, 23rd May 2011, 11th June 2011, 2nd August, 2011, 6th August, 2011, 21st September 2011, 23rd September 2011, 24th September 2011, 5th October 2011, 10th October 2011, 14th October 2011, 24th October 2011, 28th October 2011, 29th October 2011, 20th January 2012 & 15th March 2012.

3. Audit Committee

(I) Brief description of terms of reference:

- a) Overseeing the Company's financial reporting process and disclosure of its financial information;
- b) Recommending to the Board the appointment, re-appointment, and replacement of the statutory auditor and the fixation of audit fee;
- c) Approval of payments to the statutory auditors for any other services rendered by them;
- d) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions; and
 - vii. Qualifications in the draft audit report.
- e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- f) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- g) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- h) Discussion with internal auditors any significant findings and follow up there on;

- i) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- j) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- k) To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non payment of declared dividends) and creditors;
- l) Reviewing the functioning of the whistle blower mechanism, in case the same is existing;
- m) Review of management discussion and analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, management letters/letters of internal control weaknesses issued by the statutory auditors, internal audit reports relating to internal control weaknesses, and the appointment, removal and terms of remuneration of the internal auditor; and
- n) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- o) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

II. Composition, Name of Members and Chairman of Audit Committee:

The Audit Committee was constituted in terms of Section 292A of the Companies Act, 1956 and as per the provisions of Clause 49 of the Listing Agreement. The constitution was approved at a meeting of the Board of Directors held on 28.08.2010. The Audit Committee consists of 3 Non-Executive Independent Directors and assists the Board in fulfilling its overall responsibilities. The Company Secretary, Mr. Anurag Kumar Saxena acts as the Secretary of the Committee.

Name of Director	Status
Mr. Sanjay Parmar	Chairman
Mr. Sunil Kumar Soni	Member
Mr. Om Prakash Gauba	Member

III. Meetings Held and Attendance during the Year:

3 (three) Audit Committee meetings were held during the year. These were held on 6th August 2011, 19th January 2012 and 15th March 2012.

Name of the Directors	Meetings Held	Meetings Attended
Mr. Sanjay Parmar	3	3
Mr. Sunil Kumar Soni	3	3
Mr. Om Prakash Gauba	3	3

Note : The listing agreement is applicable on the company w.e.f. 2nd November 2011, when company shares got listed on BSE & NSE.

4. Remuneration Committee

(i) Brief description of terms of reference:

The Remuneration Committee constituted to determine the policy on specific remuneration packages for executive directors including any compensation payment. In the absence of any such policy the Committee shall determine the remuneration package for executive directors, as and when required. Besides, it also determines remuneration to the relatives of Directors, if any. Following are the functions of Committee:

- To recommend to the Board, the remuneration of Managing / Whole-time / Executive Directors, including all elements of remuneration (i.e. salary, benefits, bonus, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
- To be authorized at it's duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration for Company's Managing / Whole-time / Executive Directors.

(ii) Composition, Name of Members and Chairman:

The remuneration Committee was constituted as per the provisions of Clause 49 of the Listing Agreement. The constitution of the Remuneration Committee was approved at a meeting of the Board of Directors held on 28.08.2010. The Committee consists of only Non-Executive Independent Directors and assists the Board in fulfilling its overall responsibilities. The Company Secretary, Mr. Anurag Kumar Saxena acts as the Secretary of the Committee

Name of Director	Status
Mr. Om Prakash Gauba	Chairman
Mr. Sanjay Parmar	Member
Mr. Sunil Kumar Soni	Member

(iii) Meetings held and Attendance during the year 2011-12:

One meeting of remuneration /compensation committee was held during the year. This was held on 15th March 2012.

Name of the Directors	Meetings Held	Meetings Attended
Mr. Om Prakash Gauba	1	1
Mr. Sanjay Parmar	1	1
Mr. Sunil Kumar Soni	1	1

(iv) Remuneration Policy:

There is no remuneration policy. Remuneration package is determined on a case-to-case basis.

(v) Details of remuneration paid to Directors:

The details of the remuneration paid to the Executive Directors during the year:

(Amt in Rs.)

Particulars	Mr. Dhanpal Doshi (Managing Director)	Mr. Parasmal Doshi (Whole-time Director)	Mr. Rajendra Bandi (Whole-time Director)
Remuneration	4,92,000	11,40,000	1,20,000
HRA	1,20,000	-	-
Conveyance	9,600	60,000	9,600
Child Allowance	2,400	-	2,400
Total	6,24,000	12,00,000	1,32,000
Provident Fund	66,960	58,800	-

All the non-executive directors receive remuneration only by way of sitting fees for attending meeting of the board/committee. The details of the remuneration paid to the Non-executive Directors during the year are as under:

Particulars	Mr. Sanjay Parmar (Independent Director)	Mr. Om Prakash Gauba (Independent Director)	Mr. Sunil Kumar Soni (Independent Director)
Sitting Fee	7,000	7,000	4,000
Total	7,000	7,000	4,000

The Board of Directors in their meeting held on 20.01.2012 has approved the payment of Rs. 3000/- as sitting fee for each meeting of Board and Rs. 1000/- for every committee meeting held on or after 20.01.2012.

5. Shareholders Committee/ Investors' Grievance Committee

The Shareholders' / Investors' Grievance Committee has been formed by the Board of Directors at the meeting held on 28.08.2010 in compliance with Clause 49 of the Listing Agreement. The Shareholders' / Investors' Grievance Committee has been constituted with the following Directors

Name of Director	Status
Mr. Sunil Kumar Soni	Chairman
Mr. Om Prakash Gauba	Member
Mr. Sanjay Parmar	Member

A) Meetings held and attended during the year

One meeting of investor grievance committee was held during the year. It was held on 30th December 2011.

Name of Member	Meetings Held	Meetings Attended
Mr. Sunil Kumar Soni	1	1
Mr. Om Prakash Gauba	1	1
Mr. Sanjay Parmar	1	1

(B) Powers of the Committee:

The Committee shall specifically look into the redressal of shareholder / investors complaints which, *inter alia*, include transfer of shares, non-receipt of annual report, refund orders and dividends.

- The Board has designated Mr. Anurag Kumar Saxena, Company Secretary, as the Compliance Officer.
- Five complaints were received and replied to the satisfaction of shareholders during the year. There was no outstanding grievance / complaint as on March 31, 2012.

iii. There are no share transfers pending at the end of the financial year.

C) Functions of the Committee:

1. To take action for efficient transfer of shares; including review of cases for refusal of transfer/ transmission of shares and debentures;
2. Redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, duplicate share certificates etc.;
3. Issuance of duplicate / split / consolidated share certificates;
4. To take effective action for allotment and listing of shares;
5. To monitor, under the supervision of the Company Secretary, the complaints received by the Company from SEBI, Stock Exchanges, Department of Company Affairs, ROC and the Share/ Security holders of the Company etc., and the action taken for redressal of the same.
6. To monitor and expedite the status and process of dematerialisation and rematerialisation of shares, debentures and securities of the Company.
7. To suggest statutory and regulatory authorities regarding investor grievances; and make sure proper and timely attendance and redressal of investor queries and grievances.

(i) Name of Non-executive Director heading the Committee:

Mr. Sunil Kumar Soni was appointed as Chairman of the Shareholders' / Investors' Grievance Committee as formed by the Board of Directors at the meeting held on 28.08.2010 in compliance with Clause 49 of the Listing Agreement.

(ii) Name and designation of Compliance Officer:

Company Secretary of the Company Mr. Anurag Kumar Saxena is acting as Compliance Officer for Shareholders' / Investors' Grievance Committee.

(iii) Number of Shareholders complaints received so far:

The Company had received 5(Five) complaints till 31st March, 2012.

(iv) Number of complaints not solved to the satisfaction of Shareholders:

All the complaints were replied to the satisfaction of the complainant.

(v) Number of pending Complaints:

All the complaints received by the company had solved and there was no outstanding complaint as on 31st March, 2012.

6. General body Meetings :

- The details of last three Annual General Meetings:

Annual General Meeting	Date and Time	Venue	Special Resolution Passed
2011	30th September 2011, at 2 P.M	16, 4th Floor, Dawa Bazar, R.N.T Marg, Indore	-
2010	20th August 2010, at 2 P.M	33, Shiv Vilas Palace, Rajwada, Indore	Further Issue of Shares U/s 81(1A)
2009	30th September 2009, at 1 P.M	33 Shiv Vilas Palace, Rajwada, Indore	-

- No special resolution was put through a postal ballot in 2011-12.

7. Disclosures

- I There are no significant related party transactions with the Company's promoters, Directors, the management or relatives that may have potential conflict with the interest of the Company at large. Related party transactions have been disclosed in the Notes to the Annual Accounts (Refer Note No. 37)
- II No penalties have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets except penalties levied by exchanges and depository for non-compliance found during the regular inspections.
- III The Company has not established any formal whistle Blower Policy.
- IV The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. The Company has not adopted any of the non-mandatory requirements except the Remuneration Committee as mentioned in Annexure ID of Clause 49 of the Listing Agreement.
- V The Accounting Treatment prescribed under the Accounting Standards has been followed by the Company and there is no deviation.
- VI The Company has adopted a management framework to identify risk and exposure to the organization, to recommend risk mitigations and to set up a system to appraise Board of Directors of the Company about the risk assessment and minimization procedure and their periodic review.
- VII The details of the utilization of proceeds raised through Initial Public Offer of Equity Shares of the Company are disclosed to Audit Committee/Board. The Company has not utilized these funds for the purpose other than those stated in the Prospectus of the Company.

- VIII A qualified Practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The Audit Report confirms that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized form held with NSDL and CDSL.
- IX Code of Conduct for its Board Member and Senior Management has been posted on the Company's website www.indothai.co.in, and all Board Member and Senior Management Personnel of the Company have affirmed compliance with this Code of Conduct for the financial year ended on 31st March, 2012. A declaration of Managing Director to this effect is also appended to this report.
- X The Company does not have any subsidiary company.
- XI The Company does not have any Employee Stock Option Scheme.

8. Means of Communication

The quarterly, half yearly and annual results are intimated to the stock exchanges within the stipulated time period.

The results are generally published in daily newspapers such as Chautha Sansar (Hindi Edition) And Free Press, Economic Times & Financial Express (English Editions).

The Quarterly / Annual Results, Shareholding Pattern and other vital informations relating to the Company are uploaded on Company's website www.indothai.co.in for the benefit of the shareholders and public at large.

9. General Shareholder Information

I. Annual General Meeting Day, Date, Time Venue	18th Annual General Meeting Friday, 28th September 2012, 11.00 A.M. Hotel Sarovar Portico, Treasure Island, 11, South Tukoganj, Indore (M.P.) - 452001
II. Financial Year	1st April 2012 - 31st March 2013 Financial Calendar (Tentatively) ❖ Results for 1st Quarter ending on 30.06.2012 Second week of August 2012 ❖ Results for 2nd Quarter ending on 30.09.2012- Fourth week of October 2012 ❖ Results for 3rd Quarter ending on 31.12.2012- Fourth week of January 2013 ❖ Results for 4th Quarter ending on 31.03.2013- Second week of May 2013 ❖ Annual General Meeting - September 2013
III. Record Date / Book Closure	25th September 2012 to 28th September 2012 (Both days inclusive)
IV. Dividend Payment Date	Not Applicable
V. Listed on Stock Exchanges	BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai -400001 National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051
VI. Stock Code / Symbol ISIN	BSE : 533676 NSE : INDOTHAI INE337M01013
VII. Registrar & Transfer Agent:	Sharepro Services (India) Private Limited 13 AB, Samhita Warehousing Complex, Sakinaka Telephone Exchange Lane, Kurla Andheri Road, Sakinaka, Mumbai - 400 072 Maharashtra - India Tel: +91-22- 67720300 / 400, Fax: +91-22- 28591568 Email Id: sharepro@shareproservices.com Website: www.shareproservices.com

VIII. Market Price Data during the financial year 2011-12:

Month	BSE		NSE	
	High	Low	High	Low
Nov-11	99.1	10.8	98.9	10.6
Dec-11	12.1	10.2	11.95	9.7
Jan-12	13.9	10.11	15.3	9.55
Feb-12	15.4	11.5	14.8	11.9
Mar-12	12.49	10	12.6	10

Source: www.nseindia.com, www.bseindia.com

IX. Performance in comparison to broad based indices such as BSE & NSE

Share Price Performance in comparison to broad based indices - BSE Sensex and NSE Nifty as on March 31, 2012

BSE (% Change)		NSE (% Change)	
ITSL	Sensex	ITSL	Nifty
-54.26%	-0.35%	-55.5%	0.70%

*The above mentioned change in % is based on the closing price of day of listing (2nd November 2011) and last trading day of the financial year (30th March 2012).

X. Share Transfer System :

The Shares in demat form are transferred through respective depository participants. The Share transfers applications received in physical form are processed, registered and returned within 30 days from the date of lodgment provided the documents are complete in all respects. The shares of the Company are traded compulsorily in demat mode. Hence, almost all transfer of shares are executed electronically.

Further in pursuance SEBI's circular, Reconciliation of Share Capital Audit has also been conducted regularly on a quarterly basis. During the course of Audit, no discrepancy in updation/ maintenance of the Register of Members or processing of the demat requests was found and the capital held in physical mode and electronic mode tallied with the issued capital.

For transfer of Shares, request may be lodged with Sharepro Services (India) Private Limited. 13 AB, Samhita Warehousing Complex, Sakinaka Telephone Exchange Lane, Kurla Andheri Road, Sakinaka, Mumbai -400072, Maharashtra, or may also be sent to the Company Secretary at the registered office of the Company.

XI. Shareholding Details

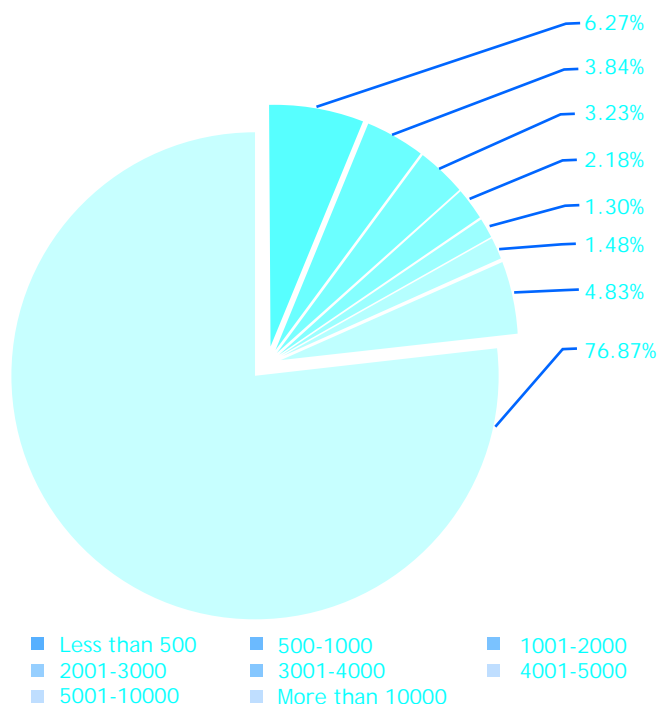
A. Shareholding of the Company as on March 31, 2012:

Category	No. of Share held	% of Holding
Promoters		
Indian	5094300	50.94
Foreign	Nil	Nil
Sub-Total (A)	5094300	50.94
Public		
a. Banks & financial institutions	Nil	Nil
b. Corporate bodies	1786506	17.86
c. Indian Individuals	3115064	31.16
d. NRIs/OCBs/FIIs	4130	0.04
Sub-Total (B)	4905700	49.06
Grand Total (A+B)	10000000	100.00

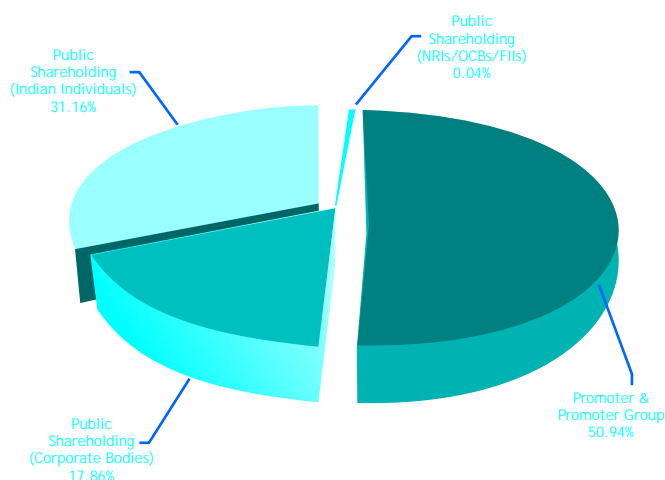
B. Distribution of shareholding as on March 31, 2012 :

Description	No. of Holders	Holding %	Shares	%
Less than 500	4202	81.371	626983	6.270
500 - 1000	458	8.869	384161	3.841
1001 - 2000	207	4.009	323460	3.234
2001 - 3000	85	1.646	218063	2.181
3001 - 4000	36	0.697	130084	1.301
4001 - 5000	31	0.600	147753	1.478
5001 - 10000	65	1.259	482606	4.826
More than 10000	80	1.549	7686890	76.869
TOTAL	5164	100.000	10000000	100.000

Distribution of Shareholding



Shareholding Pattern



XII. Dematerialization and Liquidity:

S. No.	Particulars	No. of Shares	Holding %
1	Held in Dematerialized with CDSL	8189589	81.90
2	Held in Dematerialized with NSDL	1799896	17.99
3	Physical	10515	0.11
TOTAL		1,00,00,000	100.00

As on 31st March, 2012, 99.89% of the total equity share capital was held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited. The market lot is one share as the trading in equity shares of the Company is permitted only in dematerialized form.

XIII. Outstanding ADRs /GDRs/ Warrants or any convertible instruments:

The Company had not issued any GDRs / ADRs/ Warrants or any Convertible instruments in the past and hence as on 31st March, 2012 the Company does not have any outstanding GDRs/ ADRs/ Warrants or may convertible instruments.

XIV. Plant Locations:

In the view of the nature of the Company's business (i.e Share Broking Services), the Company operates from various branches and offices in India. it does not have any manufacturing plants. Therefore this clause is not applicable on the Company.

XV. Address for correspondence: Investors correspondence may be addressed to:

a. SHAREPRO SERVICES (INDIA) PRIVATE LIMITED
13 AB, Samhita Warehousing Complex,
Sakinaka Telephone Exchange Lane,
Kurla, Andheri Road, Sakinaka, Mumbai - 400 072
Tel: +91-22- 67720300/ 400,
Fax: +91-22- 28591568
Email Id: sharepro@shareproservices.com
Website: www.shareproservices.com

b. INDO THAI SECURITIES LIMITED
16, 4th Floor, Dawa Bazar, R.N.T. Marg
Indore - 452001, Madhya Pradesh, India.
Tel. No. + 91 -731- 2705420/22,
Fax No. + 91 -731- 2705423
Email Id: indothaigroup@indothai.co.in
Website: www.indothai.co.in

DECLARATION REGARDING COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted code of conduct for its Board Member and Senior Management Personnel of the Company, as stipulated under Clause 49 (1D)(ii) of the Listing Agreement, and the Board Member and Senior Management Personnel of the Company have affirmed compliance with this Code of Conduct for the Financial Year ended on 31st March, 2012.

Dated : August 11, 2012

sd/-
Dhanpal Doshi
(Managing Director)

CEO AND MD CERTIFICATE

We, Dhanpal Doshi, Managing Director and Parasmal Doshi, Chief Executive Officer of Company hereby certify that:

- a. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. These are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

However, during the year there were no such changes and instances.

Indore
August 11, 2012

sd-
Dhanpal Doshi
Managing Director

sd-
Parasmal Doshi
Chief Executive Officer

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of Indo Thai Securities Limited

We have examined the compliance of conditions of Corporate Governance by Indo Thai Securities Limited ("the Company") for the year ended March 31, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

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

Sd/-
Ashish Garg
Practicing Company Secretary
FCS No. - 5181, CP No. - 4423

Place: Indore
Dated: August 11, 2012

AUDITORS' REPORT

To The Members of Indo Thai Securities Limited

We have audited the attached Balance Sheet of INDO THAI SECURITIES LIMITED, 16, 4th Floor, Dawa Bazar, Indore (M.P.) as at 31st March 2012 and also the Profit And Loss Account of the company for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan & perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit plan includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by managements, as well as evaluating the overall financial presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956. We enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.

Further to our comments in the annexure referred to above, we report that:

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;

2. In our opinion, proper books of accounts as required by law have been kept by the company, so far as it appears from our examination of such books of accounts;
3. the balance Sheet and the Profit & Loss Account dealt by this report are in agreement with books of accounts;
4. In our opinion the Profit & Loss Account and Balance Sheet comply with the mandatory accounting standards referred to in sub sec. (3C) of sec. 211 of the Companies Act, 1956;
5. On the basis of the written representation received from the directors as on 31 March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March 2012 from being appointed as a director in the terms of clause (G) of sub-section (1) of section 274 of the Companies Act, 1956;
6. In our opinion and to the best of our information and according to the explanation given to us the accounts read together with significant accounting policies and subject to notes to the account, given the information required by the Companies Act, 1956 in the manner so required and given a true and fair view;
 - A. In the case of Balance Sheet, of the state of affairs of the company As on 31st March 2012, and
 - B. In the case of Profit and Loss Account, of the Profit of the Company for the year ended on that date.

For S.Ramanand Aiyar & Co.
Chartered Accountants
Firm Registration No. 000990N

Indore, May 15th 2012

Sd/-
Amit Singhvi
Partner
Membership No. 129331

We have audited the attached Balance Sheet of Indo Thai Securities Limited, 16, 4th Floor, Dawa Bazar, Indore as at 31st March 2012 and also the attached Profit & Loss account of the company for the year ended on that date annexed thereto and report that;

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
2. In our opinion, proper books of accounts and records as specified in Rule 15 of the Securities Contracts (regulation) Rules, 1957 have been kept by the company so far as it appears from our examination of such books of accounts;
3. The Stock Broker has complied with the requirements of the stock exchange so far as they

relate to maintenance of account and was regular submitting the required accounting information to the stock exchange as informed and explanation given to us;

4. the Balance Sheet and the Profit & Loss Account dealt by this report are in agreement with books of account;
5. In our opinion and to the best of our information and according to the explanation given to us the accounts subject to notes to the account, given a true & fair view
 - A. In the case of Balance Sheet, of the state of affairs of the company as on 31st March 2012, and
 - B. In case of the Profit & Loss Account, of the profit of the company for the year ended on that date.

ANNEXURE TO THE AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF INDO THAI SECURITIES LIMITED

- i. a. The company is maintaining proper records showing full particulars, including quantitative and situation of fixed assets;
- b. All the fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies have been noticed on such verification.
- c. During the year in our opinion, company has not disposed off substantial part of fixed assets.
- ii. a. As explained to us the stock of shares during the year was in demat form and management has verified the same from the demat account statement. In our opinion, the frequency of verification is reasonable.
- b. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation the size of company and the nature of its business;
- c. The company is maintaining proper records of inventory and no material discrepancies were noticed on verification between electronic records and book records.
- iii. a. In our opinion, the company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section

- 301 of the companies Act 1956. Clauses iii (b), iii(c) and iii(d) of paragraph 4 of the Order, are not applicable.
- iv. In our opinion company's internal control procedures are commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods.
- v. (a) In our opinion, the transactions that need to be entered into a register maintained under section 301 of the Companies Act, 1956 have been so complied with.
- (b) In our opinion there are no such transactions exceeding Rs. Five lacs each which have been made at prices, which are not reasonable having regard to the prevailing market prices, materials or services at the relevant time.
- vi. The Company has not accepted deposits from the public and the provisions of sections 58A and 58AA of the Act and the rules framed there under, were not applicable.
- vii. In our opinion the company has an internal audit system commensurate with size and nature of its business;
- viii. Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the companies Act, 1956.

ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues as and wherever applicable to the Company, with the appropriate authorities. Based on the information furnished to us, there are no undisputed statutory dues as on March 31, 2012, which are outstanding for a period exceeding six months from the date they became payable.

(b) The disputed statutory dues aggregating 9.40 Lacs that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

S. No.	Name of the Statute	Name of the Statute	Amount (In Lacs)
1	Income Tax Act, 1961	Income Tax	18.40 (9.00 Lacs paid)

Period to which the amount relates	Forum before dispute is pending
Assessment Year 2009-10	Appellate Tribunal

- x. The Company has neither accumulated losses as at 31st March 2012 nor has incurred cash losses during the financial year ended on that date or in the immediately preceding financial year.
- xi. The Company has not defaulted in repayment of its dues to a financial institution or bank or debenture holders.
- xii. The company has not granted any loans and advances on the basis of security by way of pledge of shares debentures and other securities.
- xiii. The provisions of any special statute as specified under clause (xiii) of paragraph 4 of the order are not applicable to the company.

- xiv. Proper records have been maintained by the company of the transactions and contracts and timely entries have been made therein in respect of dealing & trading in shares, securities, debentures and other investments and no shares, securities, debentures and other securities have been held by the company, in its own name except to the extent of the exemption, if any, granted under section 49 of the Companies Act 1956.
- xv. The Company has not given any guarantee for loans taken by other from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company.
- xvi. The Company has not obtained any term loans that were not applied for the purpose for which the loans were obtained.
- xvii. Based on the information and explanations given to us and on an overall examination of the balance sheet of the Company, in our opinion, there are no funds raised on short-term basis which have been used for long term investment and vice versa.
- xviii. The Company has not made any preferential allotments of shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- xix. No securities have been created by the Company in respect of debenture issued.
- xx. During the year the Company has made an Initial Public Offer (IPO) of 40 Lacs Equity Shares of Rs. 10/- each at premium of Rs. 64/- per share for cash aggregating to Rs. 2960 Lacs and shares of the Company got listed on BSE Ltd. and National Stock Exchange of India Ltd. (NSE) on 2nd November, 2011.
- xxi. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For S.Ramanand Aiyar & Co.
Chartered Accountants
Firm Registration No. 000990N

Indore, May 15th 2012

Sd/-
Amit Singhvi
Partner
Membership No. 129331

FINANCIAL STATEMENTS

Balance Sheet as at 31st March 2012

(Amount in Rs.)

	Note No.	As at 31st March 2012	As at 31st March 2011
I EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	100,000,000	60,000,000
(b) Reserves & Surplus	2	259,622,802	18,953,822
(2) Share Application Money Pending Allotment		-	-
(3) Non - Current Liabilities			
(a) Long Term Borrowings	3	769,467	1,996,324
(b) Deferred Tax Liabilities(Net)		-	109,911
(c) Other Long Term Liabilities	4	958,243	1,131,540
(d) Long Term Provision	5	2,147,678	-
(4) Current Liabilities			
(a) Short Term Borrowings	6	-	13,135,450
(b) Trade Payables	7	20,158,384	40,973,262
(c) Other Current Liabilities	8	5,194,826	4,667,568
TOTAL		388,851,400	140,967,877
II ASSETS			
(1) Non- Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	22,808,353	21,632,771
(ii) Intangible Assets	9	183,749	22,992,102
(b) Non Current Investments	10	4,252,000	4,252,000
(c) Deferred Tax Asset	11	688,962	-
(d) Long Term Loans and Advances	12	20,269,816	19,990,816
(2) Current Assets			
(a) Current Investments	13	128,033,947	3,571,333
(b) Inventories	14	1,962,067	833,560
(c) Trade Receivables	15	19,974,315	20,020,225
(d) Cash & Cash Equivalents	16	179,824,653	67,689,563
(e) Short Term Loans and Advances	17	10,258,426	1,352,841
(f) Other Current Assets	18	595,112	1,338,974
TOTAL		388,851,400	140,967,877

Significant Accounting Policies

Notes on Financial Statements

1-37

As per our report of even date
For S. Ramanand Aiyar & Co
Chartered Accountants
Firm Reg No. 000990N

For and on behalf of board of directors

sd/-
Amit Singhvi
Partner
M.No: 129331

sd/-
Dhanpal Doshi
Managing Director

sd/-
Parasmal Doshi
Whole Time Director

Indore, 15th May 2012

sd/-
Anurag Kumar Saxena
Company Secretary

Profit & Loss Statement for the year ended on 31st March 2012

(Amount in Rs.)

	Note No.	As at 31st March 2012	As at 31st March 2011
I Revenue from Operations	19	44,130,227	45,956,630
II Other Income	20	15,824,729	4,969,445
III Total Revenue	(I+II)	59,954,956	50,926,075
IV. Expenses			
Purchases	21	29,773,987	2,130,122
Changes in Inventories	14	(1,128,507)	(624,316)
Employee Benefit Expenses	22	10,318,628	12,406,246
Financial Cost	23	2,222,411	5,520,081
Depreciation and amortization expenses	9	1,102,195	1,311,493
Other Expenses	24	12,646,273	13,897,893
Total Expenses		54,934,987	34,641,519
V. Profit before exceptional and extraordinary items and tax	(III-IV)	5,019,969	16,284,556
VI. Exceptional Items (Refer Note no. 31)		1,758,989	-
VII. Profit before extraordinary items and tax	(V-VI)	3,260,980	16,284,556
VIII. Extraordinary Items		-	-
IX. Profit Before Tax	(VII-VIII)	3,260,980	16,284,556
X. Tax Expenses			
(1) Current Tax	2,041,566		5,701,100
(2) Deferred Tax	(798,873)	1,242,693	(71,223)
XI. Profit(Loss) from the continuing operations	(IX-X)	2,018,287	10,654,679
XII. Profit/(Loss) for the period		2,018,287	10,654,679
XIII. Earning per Equity Share:	25		
(1) Basic		0.26	1.78
(2) Diluted		0.26	1.78
Significant Accounting Policies			
Notes on Financial Statements	1-37		

As per our report of even date
For S. Ramanand Aiyar & Co
Chartered Accountants
Firm Reg No. 000990N

sd/-
Amit Singhvi
Partner
M.No: 129331

Indore, 15th May 2012

For and on behalf of board of directors

sd/-
Dhanpal Doshi
Managing Director

sd/-
Parasmal Doshi
Whole Time Director

sd/-
Anurag Kumar Saxena
Company Secretary

Cash Flow Statement for the year 2011-12

(Amount in Rs.)

	As at 2011-12	As at 2010-11
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	3,260,980	16,284,556
Adjustment for:		
Depreciation / Amortization	1,102,195	1,311,493
(Profit) / Loss on sale of Investments (net)	1,963,184	-
Interest income	(7,250,615)	(4,585,444)
Interest expenses	2,180,839	3,942,995
Unrealised exchange difference (net)	-	-
Dividend income	(755,729)	(19,187)
(Profit)/ Loss on sale of fixed assets		(203,858)
Adjustment made for MAT Credit Related to F.Y. 2008-09	35,557	-
Miscellaneous expenditure written back	-	13,048
Income from Mutual Fund	(7,503,930)	
Cash generated from operations before working capital changes	(6,967,519)	16,743,603
Adjustment for:		
(Increase)/ Decrease in inventories	(1,128,507)	(624,316)
(Increase)/ Decrease in trade and other receivables	(9,083,775)	(3,988,365)
Increase/ (Decrease) in trade and other payables	(18,423,151)	(3,700,681)
Cash generated from/ (used in) operations	(35,602,952)	8,430,241
Direct tax paid (Net)	(1,242,693)	(5,701,100)
Net cash from/ (used in) Operating Activities (A)	(36,845,645)	2,729,141
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments made for purchase of fixed assets/ capital expenditure	(2,175,732)	(643,842)
Proceeds from sale of fixed assets	-	655,000
Interest received	7,250,615	4,585,444
(Purchase) / Sale of Investments	(124,462,613)	317,163
Profit / (Loss) on sale of Investments (net)	(1,963,184)	-
Income from Mutual Fund	7,503,930	-
Dividend income	755,729	19,187
Net cash from/ (used in) Investing Activities (B)	(113,091,255)	4,932,952
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of shares (Refer note 1 below)	40,000,000	-
Proceeds from shares Premium	238,615,136	-
Proceeds from borrowings (net of repayment)	(14,362,307)	(2,037,973)
(Increase)/ Decrease in Miscellaneous Assets	-	(1,334,656)
Interest paid	(2,180,839)	(3,942,995)
Net cash from/ (used in) Financing Activities (C)	262,071,990	(7,315,624)
Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C)	112,135,090	346,469
Cash and Cash Equivalents at the beginning of the year/period	67,689,563	67,343,094
Cash and Cash Equivalents at the end of the year/period	179,824,653	67,689,563
Components of Cash and Cash Equivalents at the end of the year/period		
Cash in hand	211,773	655,904
Balance with scheduled banks		
Current account	4,265,454	10,645,256
Fixed deposit/ margin money	175,347,426	56,388,403
Total	179,824,653	67,689,563

As per our report of even date
For S. Ramanand Aiyar & Co
Chartered Accountants
Firm Reg No. 000990N

sd/-
Amit Singhvi
Partner
M.No: 129331
Indore, 15th May 2012

For and on behalf of board of directors

sd/-
Dhanpal Doshi
Managing Director

sd/-
Parasmal Doshi
Whole Time Director

sd/-
Anurag Kumar Saxena
Company Secretary

Significant Accounting Policies

1. System of Accounting

The financial statements have been prepared on a going concern and on accrual basis, under the historical cost convention and in accordance with the generally accepted accounting principles, the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government and relevant provisions of the Companies Act 1956, to the extent applicable.

2. Use of Estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumption that affect the reported amount of assets, liabilities, revenues & expenses and disclosure of contingent assets & liabilities. The estimates & assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the Financial Statements. Actual results may defer from the estimates & assumptions used in preparing the accompanying Financial Statements. Any differences of actual results to such estimates are recognized in the period in which the results are known / materialized.

3. Revenue recognition

- a. Income from brokerage activities is recognized as income on the trade date of the transaction.
- b. Income from arbitrage operations is stated net of commission expenses, if any, incurred against it and without deduction of Securities Transaction Tax.
- c. Profit / Loss on sale of investments are recognized on the trade date of the transaction and are stated net of Securities Transaction Tax incurred.
- d. Other Income is accounted for on accrual basis.

4. Fixed Assets

Fixed assets are stated at cost less depreciation /amortization. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

5. Depreciation / Amortization

- a. Tangible fixed assets including computer software are depreciated on Written Down Value (WDV) in accordance with the rates prescribed under Schedule XIV of the Companies Act, 1956, except for the following assets:

Sr No	Assets	Rate of Depreciation
1.	Battery for UPS	20%
2.	UPS System	20%

- b. Intangible assets except computer software are amortized on a straight line basis over a period having regard to their useful economic life and estimated residual value in accordance with Accounting Standard (AS) 26 "Intangible Assets".

6. Stock - in - trade

Shares and Securities acquired for sale in the ordinary course of business are considered as stock in trade, and are valued at lower of cost or market value as at the year/period end.

7. Investments

Investments of long term nature are valued at cost. Provision is made to recognize a Marline, other than temporary, in the value of such investments.

8. Keyman Insurance

Keyman Insurance premium paid during the financial year is written off as expenditure in the profit and loss account.

9. Employees Retirement Benefits

Provident Fund

The Company contributes to a recognized provident fund which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognized in the profit and loss account.

Gratuity

Gratuity is accounted for on the basis of actuarial valuation as per the requirement of Accounting Standard - 15 Employees Benefits.

Leave Encashment

Unutilized leave of staff lapses as at the year end and is not encashable.

10. Equity Index/Stock - Futures :

Equity Index/Stock Futures are marked-to-market on a daily basis. Debit or credit balance disclosed under Loans and advances or Current liabilities, respectively, in the "Mark-to-Market Margin - Equity Index/Stock Futures Account", represents the net amount paid or received on the basis of movement in the prices of Index/Stock Futures till the balance sheet date. As on the Balance Sheet date, the profit/ loss on open position in Index/Stock futures are accounted for as follows:

- a. Credit balance in the "Mark-to-Market Margin-Equity Index/Stock Futures Account", being anticipated profit, is ignored and no credit is taken in the profit & loss account.
- b. Debit balance in the "Mark-to-Market Margin-Equity Index/Stock Futures Account", being anticipated loss, is recognized in the profit & loss account.

On final settlement or squaring up of contracts for equity index/stock futures, the profit or loss is calculated as difference between settlement/squaring up price and contract price. Accordingly, debit or credit balance pertaining to the settlement/squared up contract in "Mark-to-Market Margin Equity Index/Stock Futures Account" is recognized in the profit & loss account upon expiry of the contracts. "Initial Margin - Equity Index/Stock Futures Account", representing initial margin paid, for entering into contracts for Equity Index/Stock Futures, which are released on final settlement/squaring-up of underlying contracts, is disclosed as under Loans and advances.

11. Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the

income-tax law), deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period) and fringe benefit tax.

Deferred taxation

The deferred tax charge or credit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realized.

12. Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generated unit to which the asset belongs, is less than its carrying amount, the carrying amount is reduced to its recoverable amount.

13. Provisions, Contingent Liabilities & Contingent Assets

Contingent liabilities, if material, are disclosed by way of notes, contingent assets are not recognized or disclosed in the financial statements. A provision is recognized when an enterprise has a present obligation as a result of past event(s) and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation(s), in respect of which a reliable estimate can be made for the amount of obligation.

Notes on Financial Statements for the Year ended 31st March, 2012

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation

(Amount in Rs.)

	As at 31st March 2012	As at 31st March 2011
1 SHARE CAPITAL		
Authorised Equity Share Capital		
120,00,000 Equity Shares of Rs. 10 each (120,00,000)	120,000,000	120,000,000
Issued,Subscribed & Paid Up Capital		
100,00,000 Equity Shares of Rs. 10 each (60,00,000)	100,000,000	60,000,000
Total Rs.	100,000,000	60,000,000

- 1.1 Of the above shares 40,00,000 equity shares are allotted as fully paid-up bonus shares in the year 2010-11 by capitalisation of the Reserves& Surplus.
- 1.2 During the year the Company has made an Initial Public Offer (IPO) of 40 Lacs Equity Shares of Rs. 10/- each at premium of Rs. 64/- per share for cash aggregating to Rs. 2960 Lacs and shares of the Company has been listed on BSE Ltd. and National Stock Exchange of India Ltd. (NSE) on 2nd November, 2011.
- 1.3 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31 March 2012		As at 31 March 2011	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares at the beginning of the year	6,000,000	60,000,000	2,000,000	20,000,000
Add : Shares issued through IPO	4,000,000	40,000,000	-	-
Add : Shares issued through allotment Bonus			4,000,000	40,000,000
Less : Shares buy back of during the year	-	-	-	-
Equity Shares at the end of the year	10,000,000	100,000,000	6,000,000	60,000,000

1.4 Details of Shareholders holding more than 5% shares:

Name of Shareholder	As at 31 March 2012		As at 31 March 2011	
	No. of Shares	% held	No. of Shares	% held
ParasmalDoshi	1140900	11.41%	1140900	19.02%
DhanpalDoshi	1177500	11.78%	1177500	19.63%
VarshaDoshi	1379850	13.80%	1379850	23.00%
SadhanaDoshi	798750	7.99%	798750	13.31%

1.5 Terms/rights attached to equity shares:

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

(Amount in Rs.)

	As at 31st March 2012	As at 31st March 2011
2 RESERVES AND SURPLUS		
Security Premium Reserve		
As per previous year balance sheet	-	-
Add: Share Premium	256,000,000	-
Less: Expenses adjusted against Share Premium *	17,384,864	-
Total Rs.	238,615,136	-
* Expenses adjusted against Share Premium account includes ROC expenses amounting to Rs. 681446/-)		
Profit & Loss Account		
As per previous year balance sheet	18,953,822	48,299,143
Add: Profit As Per P&L Statement	2,018,287	10,654,679
Add : MAT Credit Related to F.Y. 2008-09	35,557	-
Less : Bonus Shares Allotted Out Of Reserves	-	40,000,000
Total Rs.	21,007,666	18,953,822
Grand Total Rs.	259,622,802	18,953,822
3 LONG TERM BORROWINGS		
Loan From Bank *	-	646,536
Loan From Financial Institutions #	769,467	1,349,788
Total Rs.	769,467	1,996,324
* Loan from Bank secured against mortgage of land.		
# Loan from Financial Institution secured against hypothecation of Furniture & Fixtures and Office Equipment		
4 OTHER LONG TERM LIABILITIES		
Deposits From Branches & Franchisee's	958,243	1,131,540
Total Rs.	958,243	1,131,540
5 LONG TERM PROVISIONS		
Provision for Gratuity	2,147,678	-
Total Rs.	2,147,678	-
6 SHORT TERM BORROWINGS		
Secured Loan:		
From Banks *	-	13,135,450
Total Rs.	-	13,135,450
* Loan from bank secured against FDR's		
7 Trade Payable		
Micro, Small and Medium Enterprises	-	-
Others	20,158,384	40,973,262
Total Rs.	20,158,384	40,973,262

7.1 The company owes no dues to small and medium enterprises which are outstanding for more than 45 days at the balance sheet date.

The above information regarding the micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of the information available with the company.

(Amount in Rs.)

	As at 31st March 2012	As at 31st March 2011
8 OTHER CURRENT LIABILITIES		
Creditors For Expenses	985,492	417,261
Salary Payable	34,226	798,896
Other Payables	4,175,108	3,451,411
Total Rs.	5,194,826	4,667,568

9 FIXED ASSETS

DESCRIPTION	Rate of Dep.	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		As At 01/04/2011	Additions / (Deletion)	As At 31/03/2012	As At 01/04/2011	For The PERIOD	Total 31/03/2012	As At 31/03/2012	As At 31/03/2011
TANGIBLE ASSETS :									
Land & Building									
- Plot I		1,212,900	-	1,212,900	-	-	-	1,212,900	1,212,900
- Plot II		16,303,348	497,752	16,801,100	-	-	-	16,801,100	16,303,348
		17,516,248	497,752	18,014,000	-	-	-	18,014,000	17,516,248
Plant & Machinery :									
- Modems, Routers & Icon Cords	13.91%	2,574,912	-	2,574,912	1,712,010	120,030	1,832,040	742,872	862,902
- Ups	20.00%	1,007,330	130,600	1,137,930	738,090	62,666	800,756	337,174	269,240
- Vsat & Equipments	13.91%	212,500	320,250	532,750	92,217	20,626	112,843	419,907	120,283
- Battery (For Ups)	20.00%	285,400	40,600	326,000	109,682	36,764	146,446	179,554	175,718
- Computers	40.00%	7,024,055	931,275	7,955,330	6,411,131	330,786	6,741,917	1,213,413	612,923
		11,104,197	1,422,725	12,526,922	9,063,130	570,872	9,634,002	2,892,920	2,041,066
Furniture & Fixture :									
- Furniture & Fixtures	18.10%	3,102,220	61,230	3,163,450	2,389,961	130,535	2,520,496	642,954	712,259
		3,102,220	61,230	3,163,450	2,389,961	130,535	2,520,496	642,954	712,259
Office Equipments :									
- Office Equipments	13.91%	72,442	24,975	97,417	30,685	7,142	37,827	59,590	41,758
- Air Conditioner	13.91%	788,189	112,000	900,189	475,819	53,023	528,842	371,347	312,370
- Computer Printer	13.91%	604,531	38,850	643,381	315,449	42,905	358,354	285,027	289,082
- Fax Machine	13.91%	18,500	-	18,500	16,130	330	16,460	2,040	2,370
- Refrigerator & Water Cooler	13.91%	39,600	-	39,600	29,681	1,380	31,061	8,539	9,919
- Epabx	13.91%	122,090	-	122,090	78,027	6,129	84,156	37,934	44,063
- Television	13.91%	47,680	-	47,680	31,586	2,239	33,825	13,855	16,094
- CD Player	13.91%	10,312	-	10,312	8,192	295	8,487	1,825	2,120
		1,703,344	175,825	1,879,169	985,569	113,443	1,099,012	780,157	717,775
Vehicles :									
- Car Santro XI New	25.89%	350,346	-	350,346	241,021	28,304	269,325	81,021	109,325
- Car Honda City	25.89%	794,950	-	794,950	314,044	124,507	438,551	356,399	480,906
- Honda Activa	25.89%	41,086	-	41,086	34,690	1,656	36,346	4,740	6,396
- Scooter Suzuki	25.89%	46,130	-	46,130	22,861	6,024	28,885	17,245	23,269
- Scooter Tvs Pep+	25.89%	39,615	-	39,615	14,088	6,609	20,697	18,918	25,527
		1,272,127	-	1,272,127	626,704	167,100	793,804	478,323	645,423
INTANGIBLE ASSETS :									
- Computer Software	40.00%	1,793,378	18,200	1,811,578	1,507,584	120,245	1,627,829	183,749	285,794
		1,793,378	18,200	1,811,578	1,507,584	120,245	1,627,829	183,749	285,794
GRAND TOTAL		36,491,514	2,175,732	38,667,246	14,572,948	1,102,195	15,675,143	22,992,102	21,918,565

(Amount in Rs.)

	As at 31st March 2012	As at 31st March 2011
10 NON CURRENT INVESTMENT		
Investment In Equity Shares Unquoted :		
4,25,200 Indo Thai Commodities Pvt. Ltd. (4,25,200)	4,252,000	4,252,000
Total Rs.	4,252,000	4,252,000
11 DEFERRED TAX (ASSET) / LIABILITY (NET)		
Deferred Tax Asset related to timing difference of depreciation on Fixed Assets	25,329	(109,911)
Deferred Tax Asset related to disallowances under the Income Tax Act, 1961	663,633	-
Total Rs.	688,962	(109,911)
12 LONG TERM LOAN & ADVANCES		
Deposits With Exchange	18,200,000	18,800,000
Other Deposits	1,126,300	1,147,300
Other Advances	943,516	43,516
Total Rs.	20,269,816	19,990,816
13 CURRENT INVESTMENT		
Investment In Equity Instrument (Quoted) :		
Investment In Shares *	258,582	3,571,333
Investment In Mutual Fund# (Quoted) :		
Units		
2,735.522 DSPBR Money Manager Fund	4,000,000	-
(-)		
33,136.338 ICICI PRU Flexible Income Plan	4,000,000	-
(-)		
6,992.047 IDBI Ultra Short Term Fund	8,002,208	-
(-)		
675,620.896 IDFC Ultra Short Term Fund	10,016,688	-
(-)		
57,665.865 Indiabulls Liquid Fund	60,086,874	-
(-)		
519,402.572 L&T Ultra Short Term Fund	9,000,000	-
(-)		
1,380,147.952 Reliance Monthly Interval Fund	20,091,666	-
(-)		
635,050.359 Religare Credit Opportunities Funds	7,577,929	-
(-)		
3,626.782 SBI Magnum Insta Cash LFP	5,000,000	-
(-)		
Total Rs.	128,033,947	3,571,333
* Market Value of quoted Equity Investment as on 31-MAR-2012 is Rs. 174093/-		
# Investment in Mutual Fund Shown on NAV		
Note : Figures in brackets shows previous year units.		
14 CHANGE IN INVENTORIES		
Opening Inventory	833,560	209,244
Closing Inventory	1,962,067	833,560
Total Rs.	(1,128,507)	(624,316)
Note : Inventory valued at cost or market price whichever is less		

(Amount in Rs.)

	As at 31st March 2012	As at 31st March 2011
15 TRADE RECEIVABLES		
More than 6 months		6,186,933
Secured	690,269	
Unsecured considered good	1,390,512	
Others		13,833,292
Secured	7,668,562	
Unsecured considered good	10,224,972	
Total Rs.	19,974,315	20,020,225

Note: Due to software related issue bifurcation between secured and unsecured trade receivables could not be made in respect of previous year figures.

16 CASH & CASH EQUIVALENTS		
Cash In Hand	192,273	655,904
Stamp In Hand	19,500	-
Bank Balances :		
With Scheduled Banks		
Current Accounts	4,265,454	10,645,256
Deposit Accounts with maturity	175,347,426	56,388,403
- Less than 1 year (before 31st Mar 2013)	126,592,226	
- More than 1 year	48,755,200	
Total Rs.	179,824,653	67,689,563

17 SHORT TERM LOANS & ADVANCES		
(Unsecured And Considered Good)		
Misc. Receivables	204,415	67,995
Prepaid Expenses	2,120,426	1,016,409
Advance Tax (Net of Provision)	2,172,103	-
Other Advances	5,761,482	268,437
Total Rs.	10,258,426	1,352,841

18 OTHER CURRENT ASSETS		
Accrued Interest	595,112	4,318
Share Issue Expenses*	-	1,334,656
Total Rs.	595,112	1,338,974

* Company has incurred expenses related to IPO of Rs. 13.35 Lac during the financial year 2010-11, which were shown under Miscellaneous Asset. The same has been adjusted against Security Premium Account during the current year as per the provision of Companies Act, 1956.

(Amount in Rs.)

19 REVENUE FROM OPERATIONS		2011-12	2010-11
Income from Operation			
Brokerage	21,134,275		36,655,271
Income From Depository Operations	1,045,289	22,179,564	1,249,297
Sales of Shares		27,721,157	2,734,332
Other Operating Income		1,705,631	5,904,656
Loss in F&O Segment (Proprietary A/c)		- 7,476,125	- 586,926
Total Rs.		44,130,227	45,956,630

(Amount in Rs.)

	2011-12	2010-11
20 OTHER INCOME		
Dividend:		
Dividend Received	755,729	19,187
Interest :		
Interest on FDR's	7,250,615	4,585,444
Other Income:		
Miscellaneous Income	255,806	133,785
Recovery of Bad Debts	58,649	8,000
Profit on Sale of Fixed Assets	-	203,858
Profit on Sale of Investment	-	19,171
Income From Mutual Fund Investment	7,503,930	-
Total Rs.	15,824,729	4,969,445
21 PURCHASE		
Purchase of Shares	29,773,987	2,130,122
Total Rs.	29,773,987	2,130,122
22 EMPLOYEE BENEFIT EXPENSES		
Salary and Wages	9,155,462	11,837,828
Contribution to Provident & Other Funds	767,801	213,892
Staff Welfare	395,365	354,526
Total Rs.	10,318,628	12,406,246
22.1 Details of Director's Remuneration:		
Managing Director		
- Salary	492,000	492,000
- Perquisites	132,000	132,000
Whole Time Directors		
- Salary	1,332,000	462,000
Total Rs.	1,956,000	1,086,000

22.2 Defined Contribution Plans :

The Company has made provision for Gratuity amounting to Rs. 21.48 Lacs payable to employees, in compliance of recommendation of Accounting Standard 15 "Employees Benefit" and Rs. 17.59 Lacs related to previous years shown under exceptional item, resulting in to decrease in profit by the same amount.

Actuarial Assumptions :

Withdrawal Rate	1% to 3% depending on age
Discount rate	8% p. a.
Salary Escalation	7%

Amount Recognised In the Balance Sheet :

Present Value of past services benefit	1758989
Present Value of current year services cost	388689
Total Provision made in the year 2011-12	2147678

(Amount in Rs.)

	2011-12	2010-11
23 FINANCIAL COST		
Bank Charges	41,572	163,694
Bank Guarantee Commission	965,306	972,158
Bank Interest	688,242	3,237,858
Other Interest	527,291	1,146,371
Total Rs.	2,222,411	5,520,081

24 OTHER EXPENSES		
Administrative Expenses		
Commission to Sub-brokers	1,040,900	-
Annual Maintenance Expenses	651,041	274,993
Lease-line & V-sat Expenses	878,766	1,024,732
Depository Expenses	418,444	571,783
Electricity Expenses	798,555	1,104,954
Insurance Charges	251,694	125,557
Rent	2,240,239	2,034,477
Telephone & Postage Expenses	822,406	1,064,143
Repairs & Maintenance Expenses	195,386	224,838
Printing & Stationery	329,095	346,327
Legal & Professional Expenses	670,408	722,385
Advertisement & Business Promotion Expenses	240,298	452,218
Travelling Expenses	203,527	321,327
General Expenses	1,942,330	5,630,159
Loss on Sale of Investment	1,963,184	-
Total Rs.	12,646,273	13,897,893

24.1 Details of Auditor's Remuneration (excluding service tax)

Statutory Audit Fee	40,000	12,000
Tax Audit Fee	10,000	-
Total Rs.	50,000	12,000

25 EARNINGS PER SHARE (EPS)

i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.)	2,018,287	10,654,679
ii) Weighted Average number of equity shares used as denominator for calculating EPS	77,04,918	6,000,000
iii) Basic and Diluted Earnings per share (Face value Rs. 10/- per equity share)	.26	1.78

26 CONTINGENT LIABILITIES:

A. Contingent liability in respect of delayed or non-compliance of any fiscal statute, amount is uncertainable.

B. Contingent Liabilities not provided for :

Particulars	2011-12	2010-11
Counter guarantees in respect of guarantees given by banks to the Stock Exchanges towards base capital, margin deposits etc.	58,680,000	62,000,000
Pledged of fixed deposits with the bank against the above bank guarantees	29,514,843	31,003,329

- C. The Income-Tax assessments of the Company have been completed up to Assessment Year 2009-10. The disputed demand outstanding up to the said Assessment Year is 18.40 Lacs. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the demand is likely to be substantially reduced and accordingly no provision has been made. However Company has paid Rs. 9.00 Lacs against said demand.
- 27 In the opinion of the Board, Debtors, Current Assets and Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
- 28 The outstanding balances as at 31st March 2012 in respect of Sundry Debtors, Creditors and loans and Advances are subject to reconciliation & confirmation from the respective parties.
- 29 Securities are normally held by the Company in its own name except securities pledged with exchange. Securities, which are not registered in the name of the Company, are held by the company with valid transfer documents.
- 30 Securities received from clients as collateral for margins are held by the Company in its own name in a fiduciary capacity.
- 31 The Company has made provision for Gratuity amounting to Rs. 21.48 Lacs payable to employees, in compliance of recommendation of Accounting Standard 15 "Employees Benefit" and Rs. 17.59 Lacs related to previous years shown under exceptional item, resulting in to decrease in profit by the same amount.
- 32 The company's operations predominantly consist of "Broking of shares/securities & other related activities ". As per the definition of Business Segment and Geographical Segment contained in Accounting Standard 17 "Segment Reporting", the management is of the opinion that the Company's operation comprise of operating in Primary and Secondary market and incidental activities thereto, there is neither more than one reportable business segment nor more than one reportable geographical segment, and, therefore, segment information as per Accounting Standard 17 is not required to be disclosed.
- 33 During the year the Company has made an Initial Public Offer (IPO) of 40 Lacs Equity Shares of Rs. 10/- each at premium of Rs. 64/- per share against which total expenses of Rs. 167.03 Lacs were incurred which were adjusted against Share Premium. Further Company has paid interest of Rs. 12.81 lacs to the Investors due to delay in allotment procedures, has been considered as share issue expenses and treated accordingly.

(Rs. In Lacs)

S.No	Particulars of Funds Utilisation	Objects as per Prospectus	Actual Utilisation upto 31.03.2012
1	Expansion and up gradation of Existing Branches and network of Branches	200.00	.25
2	Purchase of office space for Mumbai regional office	400.00	0.00
3	Purchase & set up of office space for corporate office	400.00	63.86
4	Brand building & advertising	300.00	.20
5	Augmenting long term working capital requirement	1000.00	472.82
6	General Corporate Purpose	494.08	26.59
7	Public Issue Expenses	165.92	167.03
	Total	2960.00	730.75

The unutilized proceeds of IPO is invested in Mutual Fund and Fixed Deposits of Rs. 2229.25 Lacs.

- 34 The Company has taken office premises on operating lease at various locations. Lease rents in respect of the same have been charged to Profit and Loss account. The agreements are executed for a period ranging from one to five years with a renewable clause. Some agreements have a clause for a minimum lock-in period. The agreements also have a clause for termination by either party giving a prior notice period between 30 to 90 days. The minimum future Lease rentals outstanding as at March 31, 2012, are as under:

(Amount in Rs.)

Minimum Lease Rentals	2011-12	2010-11
Due for:		
- Up to one year	18,23,384	12,92,998
- One to five years	4,14,000	18,79,134
- Over five years	Nil	Nil
Total	22,37,384	31,72,132

35 Company has following open position in derivatives as on March 31, 2012

Instrument Name	Expiry Date	Strike Price	Qty	Exposure (In Rs.)
EURINR	26-04-2012		301000	20,549,270
USDINR	26-04-2012		2,244000	114,943,290
USDINR	29-05-2012		(451000)	23,238,903
USDINR	27-07-2012		91000	4,744,058
USDINR	26-09-2012		(100000)	5,265,500
USDINR	27-11-2012		100000	5,314,000
USDINR	27-12-2012		100000	5,329,000
BANKNIFTY	26-04-2012		25	256,746
NIFTY	26-04-2012		(2,200)	(11,733,150)
BGREENERGY	26-04-2012		(5,000)	(1,654,000)
BIOCON	26-04-2012		(3,000)	(722,850)
DLF	26-04-2012		(20,000)	(4,068,000)
FINANTECH	26-04-2012		(500)	(346,525)
GUJFLUORO	26-04-2012		(3,000)	(1,552,500)
HDIL	26-04-2012		6,000	518,400
HINDALCO	26-04-2012		(18,000)	(2,356,200)
IDFC	26-04-2012		(80,000)	(10,892,000)
IFCI	26-04-2012		(8,000)	(339,200)
INFY	26-04-2012		(125)	(360,819)
JPASSOCIAT	26-04-2012		4,000	330,200
JSWSTEEL	26-04-2012		(1,000)	(729,500)
MRF	26-04-2012		250	2,512,413
OFSS	26-04-2012		(375)	(994,650)
RCOM	26-04-2012		(16,000)	(1,360,800)
RELCAPITAL	26-04-2012		(1,500)	(595,500)
RELIANCE	26-04-2012		(4,250)	(3,214,488)
SBIN	26-04-2012		(125)	(264,281)
SUZLON	26-04-2012		(16,000)	(403,200)
TATAGLOBAL	26-04-2012		4,000	454,400
TATAMOTORS	26-04-2012		(4,000)	(1,109,400)
TATASTEEL	26-04-2012		(40,000)	(18,850,000)
TVSMOTOR	26-04-2012		(16,000)	(660,800)
WELCORP	26-04-2012		(2,000)	(271,800)
NIFTY (CE)	26-04-2012	5300	(500)	-
NIFTY (PE)	26-04-2012	5300	(1,000)	-

36 Fixed deposits with Scheduled Banks under the lien of (as on 31st March 2012) :

Bank Name	FDAmount (In Lacs)	Lien
Canara Bank	1005.00	Against Overdraft
Canara Bank	225.00	With Exchange
Indusind Bank	65.00	Bank guarantee to Exchange
Bank of India	235.01	Bank guarantee to Exchange
HDFC Bank	3.61	Pledge with Clearing Member

37 RELATED PARTY(As per Accounting Standard 18 - "Related Party Disclosures")

- (i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Nature of relationship	Name of the related party
Key Management Personnel (KMP)	DhanpalDoshi
	ParasmalDoshi
	RajendraBandi
Relatives of Key Management Personnel	Awantabai Doshi
	Sadhana Doshi
	VarshaDoshi
	ChandrashekharDoshi
	RajmatiHingad
	Vijaya Jain
	Kumkum Jain
	Master NishitDoshi
	Master SarthakDoshi
	NivyaDoshi
	RituDoshi
	Praveen Bandi
	SunitaBandi
	Jaya Bandi
	Anita Khasgiwala
Enterprises where key management personnel exercise significant influence	ParasDoshi (HUF)
	DhanpalDoshi (HUF)
	RajendraBandi (HUF)
	M/s Dinesh Enterprises
	M/s Sun Décor World
	M/s BalmukundRamkishan Bang
	M/s Jaya Securities
Companies where key management personnel exercise significant influence	1. Indo Thai Commodities Pvt. Ltd.
	2. Surana Estate & Commodity Trading Pvt. Ltd.
	3. Vistar Villas Private Limited
	4. Sand & Stone Residency Private Limited
	5. Citadel Real Estates Private Limited
	6. Future Infraestates Private Limited
	7. Rising Infreal Private Limited
	8. Geetanjali Buildcon Private Limited
	9. 3MConsultants Limited
	10. Indo Thai Real Estate Private Limited
	11. Provident Real Estates Pvt Ltd.
	12. Oscar BuildconPvt Ltd.
	13. Prosperity Residency Pvt Ltd.
	14. Red Carpet Residency Pvt Ltd.

(ii) Transactions during the year with related parties :

Nature of Transactions	Name Party	Nature of Relationship	2011-12	2010-11
Brokerage Received (During the period)	Anita Khasgiwala	Sister of Mr. RajendraBandi	136	-
	Dhanpal Doshi	KMP	6,772	201,757
	Dhanpal Doshi HUF	HUF of KMP	74,603	100,802
	Jaya Bandi	Mother of Mr. RajendraBandi	614	3,625
	Paras Doshi	KMP	34,530	486,902
	Paras Doshi HUF	HUF of KMP	80,465	6,090
	Praveen Bandi	Brother of Mr. RajendraBandi	6,989	14,288
	Rajendra Bandi	KMP	1,190	20,179
	Rajmati Hingad	Sister of Mr. ParasDoshi	13,254	46,556
	Ritu Doshi	Daughter of Mr. ParasDoshi	-	1,286,362
	Romil Bandi	Son of Mr. RajendraBandi	648	1,744
	Sadhana Doshi	Spouse of Mr. DhanpalDoshi	171,394	889,640
	Sunita Bandi	Spouse of Mr. RajendraBandi	6,576	40,210
	Varsha Doshi	Spouse of Mr. ParasDoshi	32,349	103,520
	Awanta Bai Doshi	Mother of Mr. ParasDoshi	1,344	5,663
	Seema Bandi	Spouse of Mr. Praveen Bandi	3,996	-
	Vijaya Jain	Sister of Mr. ParasDoshi	481	-
	Dinesh Enterprises	Sister Concern	445	-
	Indothai Commodities Pvt. Ltd.	Sister Concern	14,263	672
	Total Rs.		450,049	3,208,010
Remuneration paid (During the period)	Dhanpal Doshi (M.D.)	KMP	624,000	624,000
	Sadhana Doshi	Spouse of DhanpalDoshi	180,000	240,000
	Paras Doshi (Whole Time Director)	KMP	1,200,000	330,000
	Praveen Bandi	Brother of Mr. RajendraBandi	186,000	193,750
	Rajendra Bandi (Whole Time Director)	KMP	132,000	132,000
	Ritu Doshi	Daughter of Mr. ParasDoshi	-	251,250
	Seema Bandi	Spouse of Mr. Praveen Bandi	120,800	-
	Total Rs.		2,442,800	1,771,000
Rent Paid (During the period)	Paras Doshi HUF	HUF of KMP	144,000	144,000
	Dhanpal Doshi HUF	HUF of KMP	162,000	162,000
	Praveen Bandi	Brother of Mr. RajendraBandi	108,000	108,000
	Vijaya Jain	Sister of Mr. ParasDoshi	64,750	-
	Sadhana Doshi	Spouse of DhanpalDoshi	165,000	330,000
Total Rs.			643,750	744,000
Receivables (Outstanding as on date)	Rajendra Bandi	KMP	-	160,380
	Rajendra Bandi HUF	HUF of KMP	-	1,498
	Total Rs.		-	161,878

Payables (Outstanding Balance as on date)	Jaya Bandi	Mother of Mr. Rajendra Bandi	-	1,097
	Praveen Bandi	Brother of Mr. Rajendra Bandi	-	73,021
	Romil Bandi	Son of Mr. Rajendra Bandi	-	2,397
	Vijaya Jain	Sister of Mr. Paras Doshi	-	31,868
	Total Rs.		-	108,383
Investment (Outstanding as on 31-March 2012)	Indothai Commodities Pvt. Ltd.	Sister Concern	4,252,000	4,252,000
	Total Rs.		4,252,000	4,252,000

As per our report of even date

For S. Ramanand Aiyar & Co
Chartered Accountants
Firm Reg No. 000990N

sd/-

Amit Singhvi
Partner
M.No: 129331

Indore, 15th May 2012

For and on behalf of board of directors

sd/-

Dhanpal Doshi

Managing Director

sd/-

Parasmal Doshi

Whole Time Director

sd/-

Anurag Kumar Saxena

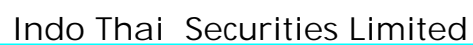
Company Secretary

MILESTONES OF SENSEX

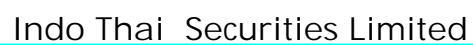
DATE	INDEX VALUE	EVENTS
July 25, 1990	1000	The SENSEX touched the four-digit figure for the first time and closed at 1,001 in the wake of a good monsoon and excellent corporate results.
Jan. 15, 1992	2000	The SENSEX crossed the 2,000-mark and closed at 2,020 followed by the liberal economic policy initiatives undertaken by the finance minister and current Prime Minister Dr. Manmohan Singh.
Feb. 29, 1992	3000	The SENSEX surged past the 3000 mark in the wake of the market friendly Budget announced by the Manmohan Singh.
March 30, 1992	4000	The SENSEX crossed the 4,000-mark and closed at 4,091 on the expectations of a liberal export-import policy. It was then that the Harshad Mehta scam hit the markets and SENSEX witnessed unabated selling.
Oct. 11, 1999	5000	On October 8, 1999, the SENSEX crossed the 5,000-mark as the Bharatiya Janata Party-led coalition won the majority in the 13th Lok Sabha election.
Feb. 11, 2000	6000	The information technology boom helped the SENSEX to cross the 6,000-mark and hit an all time high of 6,006.
June 21, 2005	7000	On June 20, 2005, the news of the settlement between the Ambani brothers boosted investor sentiments and the scrips of RIL, Reliance Energy, Reliance Capital and IPCL made huge gains. This helped the SENSEX crossed 7,000 points for the first time.
Sept. 8, 2005	8000	The Bombay Stock Exchange's benchmark 30-share index - the SENSEX - crossed the 8000 level following brisk buying by foreign and domestic funds in early trading.
Dec. 9, 2005	9000	The SENSEX on November 28, 2005 crossed 9000 to touch 9000.32 points during mid-session at the Bombay Stock Exchange on the back of frantic buying spree by foreign institutional investors and well supported by local operators as well as retail investors.
Feb. 7, 2006	10,000	The SENSEX on February 6, 2006 touched 10,003 points during mid-session. The SENSEX finally closed above the 10,000-mark on February 7, 2006.
March 27, 2006	11,000	The SENSEX on March 21, 2006 crossed 11,000 and touched a peak of 11,001 points during mid-session at the Bombay Stock Exchange for the first time. However, it was on March 27, 2006 that the SENSEX first closed at over 11,000 points.
April 20, 2006	12,000	The SENSEX crossed 12,000 and touched a peak of 12,004 points during mid-session at the Bombay Stock Exchange for the first time.
Oct. 30, 2006	13,000	The SENSEX crossed 13,000 for the first time. It touched a peak of 13,039.36 and finally closed at 13,024.26.
Dec. 5, 2006	14000	The SENSEX crossed 14,000.
July 6, 2007	15,000	The SENSEX crossed 15,000 mark.
Sept. 19, 2007	16,000	The SENSEX crossed the 16,000 mark.
Sept. 26, 2007	17,000	The SENSEX crossed the 17,000 mark for the first time.
Oct. 9, 2007	18,000	The SENSEX crossed the 18,000 mark for the first time.
Oct. 15, 2007	19,000	The SENSEX crossed the 19,000 mark for the first time.
Oct. 29, 2007	20,000	The SENSEX crossed the 20,000 mark for the first time.
Jan. 08, 2008	21,000	The SENSEX touched all time peak of 21078 before closing at 20873.

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[illegible]

[illegible]





If undelivered please return to :

Indo Thai Securities Limited

16, 4th Floor, Dawa Bazar, R.N.T. Marg,
Indore - 452 001 Madhya Pradesh, India.
Ph : (0731) 2705420/22
Fax : (0731) 2705423
Email: indothaigroup@indothai.co.in
Website: www.indothai.co.in

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 18th Annual General Meeting of the Members of Indo Thai Securities Limited will be held on Friday, September 28, 2012, at 11.00 a.m. at Hotel Sarovar Portico, Treasure Island, 11, South Tukoganj, Indore (M.P.) - 452001 to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the audited Balance Sheet as at March 31, 2012, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Rajendra Bandi who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Sanjay Parmar who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

"RESOLVED THAT M/s S. Ramanand Aiyar & Company, Chartered Accountants, the retiring auditors, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by Board of Directors / Audit Committee of the Board."

SPECIAL BUSINESS :

5. Re-appointment of Mr. Dhanpal Doshi as Managing Director for further term of 3 years.

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

"RESOLVED THAT pursuant to Article No. 247 of the Articles of Association of the Company and in accordance with provision of Section 198, 269, 309 read with Section II of Part II in Schedule XIII of the Companies Act 1956; the consent of Members be and is hereby accorded for the re-appointment of Mr. Dhanpal Doshi as Managing Director of the Company for further term of 3 (Three) years w.e.f. 01.04.2012, on the following terms and conditions:

- ❖ Salary : Rs. 52,000/- (Rupees Fifty Two Thousand only) p.m. with Annual Increment of 10%.

- ❖ Perquisites : All legal & applicable perquisites including Provident Fund at specified rates from time to time in force.
- ❖ Overall Remuneration : The aggregate of the remuneration as specified above or paid additionally in accordance of the rules of the Company in any financial year, shall not exceed the limit prescribed from time to time under Section 198, 309 and other applicable provisions of the Companies Act, 1956 read with schedule XIII to the said act as may from time to time be in force.

RESOLVED FURTHER THAT Mr. Dhanpal Doshi shall not be paid any sitting fee for attending the meetings of the Board or any such other meetings.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, during the currency of the tenure of Mr. Dhanpal Doshi as Managing Director, the monthly salary, allowances, perquisites and other benefits shall be paid to him in accordance with and subject to the provisions of clause 1(A) of Section II of Part II of Schedule XIII to the Companies Act, 1956.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary or expedient to give effect to the above resolution".

6. Re-appointment of Mr. Parasmas Doshi as Whole-time Director for further term of 3 years.

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

"RESOLVED THAT pursuant to Article No. 247 of Articles of Association of the company and in accordance with provision of section 198, 269, 309 read with Section II of Part II in schedule XIII of the Companies Act 1956; the consent of Members be and is hereby accorded for the re-appointment of Mr. Parasmas Doshi as Whole Time Director of the Company for a further period of 3 (Three) years w.e.f. 01.04.2012, on the following terms and conditions:

- ❖ Salary : Rs. 1,00,000/- (Rupees One Lakh only) p.m. with Annual Increment of 10%.
- ❖ Perquisites : All legal & applicable perquisites including Provident Fund at specified rates from time to time in force.

❖ Overall Remuneration : The aggregate of the remuneration as specified above or paid additionally in accordance of the rules of the Company in any financial year, shall not exceed the limit prescribed from time to time under section 198, 309 and other applicable provisions of the Companies Act, 1956 read with schedule XIII to the said act as may from time to time be in force. And no remuneration will be paid to him except precise above for tendering the services to the Company as Chief Executive Officer.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, during the currency of the tenure of Mr. Parasmal Doshi as Whole-time Director, the monthly salary, allowances, perquisites and other benefits shall be paid to him in accordance with and subject to the provisions of clause 1(A) of Section II of Part II of Schedule XIII to the Companies Act, 1956.

RESOLVED FURTHER THAT Mr. Parasmal Doshi shall not be paid any sitting fee for attending the meetings of the Board or any such other meetings.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary or expedient to give effect to the above resolution".

7. Re-appointment of Mr. Rajendra Bandi as Whole-time Director for further term of 3 years.

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

"RESOLVED THAT pursuant to Article No. 247 of Articles of Association of the company and in accordance with

provision of Section 198, 269, 309 read with schedule XIII of the Companies Act 1956 the consent of Members be and is hereby accorded for the re-appointment of Mr. Rajendra Bandi as Whole Time Director of the company for a further period of 3 (Three) years w.e.f 01.04.2012 and also liable to retiring by rotation, on the following terms and conditions:

❖ Salary : Rs. 20,000/- (Rupees Twenty Thousand only) p.m. with Annual Increment of 10%.

❖ Overall Remuneration : The remuneration as specified above shall not exceed the limit prescribed from time to time under section 198, 309 and other applicable provisions of the Companies Act, 1956 read with schedule XIII to the said act as may from time to time be in force.

RESOLVED FURTHER THAT Mr. Rajendra Bandi shall not be paid any sitting fee for attending the meetings of the Board or any such other meetings.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, during the currency of tenure of Mr. Rajendra Bandi as Whole Time Director the monthly salary shall be paid to him in accordance with and subject to the provisions of clause 1(A) of Section II of Part II of Schedule XIII to the Companies Act, 1956.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary or expedient to give effect to the above resolution".

By order of the Board of Directors
Indo Thai Securities Limited
Sd/-

Anurag Kumar Saxena
(Company Secretary)

Date : August 11, 2012
Place : Indore

Notes :

1. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself/herself. A proxy need not be a member of the company.
2. The Proxy, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Businesses vide Item Nos. 5 to 7 of the notice is annexed hereto and forms part of this notice.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, the 25th September 2012 to the Friday, 28th September 2012 (both days inclusive).
5. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on its behalf at the Meeting.
6. Members are requested to bring the admission slips.
7. Members who hold shares in dematerialized form are requested to bring their depository account Number (Client ID and DP ID) for easier identification and recording of the attendance at the Meeting.
8. Members/Proxies are requested to bring their copies of Annual Report to the Meeting.
9. In case of Joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
10. Members are requested to intimate to the Company queries, if any, regarding these accounts / notice at least ten days before the Annual General Meeting to enable the Company to keep the information ready at the meeting.
11. Members holding shares under multiple folios are requested to consolidate their holdings, if the shares are held in the same name or in the same order of names.
12. Register of Directors' shareholding, maintained under Section 307 of the Companies Act 1956, will be available for inspection by the members at the AGM.
13. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. and 3.00 p.m., up to the date of the Annual General Meeting and at the venue of the meeting for the duration of meeting.
14. The information about the Directors proposed to be reappointed is given in the Annexure to the Directors' Report.
15. Members holding shares in physical form can avail of the nomination facility by filing the Form 2B (in duplicate) as prescribed under the Companies Act, 1956 with the Registrar & Share Transfer Agents Sharepro services (India) Private Limited and in case of shares held in demat form, the nomination has to be lodged with their respective Depository Participants (DPs).
16. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar & Share Transfer Agents, M/s. Sharepro Services (India) Private Limited. Members holding shares in electronic form must intimate about the change of address to their respective Depository Participants (Dps).
17. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management.
18. The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by allowing paperless compliances by companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by email to its members. To support this green initiative of the Government in full measure, Members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses in respect of the dematerialized holdings with their respective Depository Participants.

Explanatory Statement pursuant to Section 173(2) of the Companies Act 1956

Item No.5 :

Mr. Dhanpal Doshi is a founder member and involved as director since incorporation of the company and he is responsible for day to day operations of the Company. He has degree of B.Com and M.B.A. and he is also a fellow member of 'The Institute of Chartered Accountants of India'. He is skilled in Capital Markets analysis and expert in industry analysis and sectorial economics. He is having good knowledge of real estate business & commodity market.

The Board of Directors of your Company at its meeting held on 15th March 2012 has re-appointed Mr. Dhanpal Doshi as Managing Director of the Company for a period of three years with effect from April 1, 2012 subject to Members consent in ensuing general meeting on the terms and conditions as set-out in the resolution given under Item No 5 of the Notice. Mr. Dhanpal Doshi shall not be paid any sitting fee for attending the meetings of the Board or any such other meetings. The Board is of the opinion that his re-appointment as the Managing Director of the Company would be in the best interest of the Company.

The above may be treated as an abstract of the terms of re-appointment of Shri Dhanpal Doshi under Section 302 of the Act.

Mr. Dhanpal Doshi, Managing Director of the Company is concerned or interested in the resolution; and Mr. Parasmal Doshi, Whole-time Director of the Company may be deemed to be concerned or interested in the resolution pertaining to the re-appointment of Mr. Dhanpal Doshi, as they are related to each other. Save and except the above, none of the other Directors of the Company is, in any way, concerned or interested in the resolution. The Board commends the above appointment and accordingly recommends the Special Resolution as set out in Item No. 5 of the Notice for your approval.

Item No.6 :

Mr. Parasmal Doshi is the founder professionally qualified promoter. The promoter director Mr. Parasmal Doshi have experience in the field of taxation, finance and corporate laws, capital & derivatives markets, corporate restructuring, acquisitions, mergers, international finance, NRI/FDI investments, double taxation treaties, currency market, commodity market and real estate business. He looks after overall operation of the company. Mr. Parasmal Doshi holds Degree of Bachelor in Commerce and Master of Business Administration. He is also a fellow member of 'The Institute of Chartered Accountants of India'.

The Board of Directors of your Company at its meeting held on 15th March 2012 has re-appointed Mr. Parasmal Doshi as a Whole-time Director of the Company for a period of three years with effect from April 1, 2012 subject to Members consent in ensuing general meeting on the terms and conditions as set-out in the resolution under Item No 6 of the Notice. Mr. Parasmal Doshi shall not be paid any sitting fee for attending the meetings of the Board or any

such other meetings. The Board is of the opinion that his re-appointment as the Whole-time Director of the Company would be in the best interest of the Company.

The above may be treated as an abstract of the terms of re-appointment of Shri Parasmal Doshi under Section 302 of the Act.

Mr. Parasmal Doshi, Whole-time Director of the Company is concerned or interested in the resolution; and Mr. Dhanpal Doshi, Managing Director of the Company may be deemed to be concerned or interested in the resolution pertaining to the re-appointment of Mr. Parasmal Doshi, as they are related to each other. Save and except the above, none of the other Directors of the Company is, in any way, concerned or interested in the resolution. The Board commends the above appointment and accordingly recommends the Special Resolution as set out in Item No. 6 of the Notice for your approval.

Item No.7 :

Mr. Rajendra Bandi joined the Company in the year 1995 and looked after the day-to-day operations of the company as Whole Time Director. He is one of the key person who is involved in the management decision making process and expansion related aspect of the company in and around Central India. Apart from Capital Market he is also having deep knowledge of construction and real estate business. Mr. Rajendra Bandi has degree of Bachelor of Science.

The Board of Directors of your Company at its meeting held on 15th March 2012 has re-appointed Mr. Rajendra Bandi as a Whole-time Director of the Company for a period of three years with effect from April 1, 2012 subject to Members consent in ensuing general meeting on the terms and conditions as set-out in the resolution under Item No 7 of the Notice. Mr. Rajendra Bandi shall not be paid any sitting fee for attending the meetings of the Board or any such other meetings.

The Board is of the opinion that his re-appointment as the Whole-time Director of the Company would be in the best interest of the Company. Mr. Rajendra Bandi will be liable to retire by rotation to comply with the provisions of Section 256 of the Companies Act 1956, and whose name shall be considered for reckoning the number of Directors for liable to retiring by rotation.

The above may be treated as an abstract of the terms of re-appointment of Shri Rajendra Bandi under Section 302 of the Act.

Mr. Rajendra Bandi, Whole-time Director of the Company is concerned or interested in the resolution. Save and except the above, none of the other Directors of the Company is, in any way, concerned or interested in the resolution. The Board commends the above appointment and accordingly recommends the Special Resolution as set out in Item No. 7 of the Notice for your approval.

By order of the Board of Directors
Indo Thai Securities Limited

Sd/-

Anurag Kumar Saxena
(Company Secretary)

Date : August 11, 2012

Place : Indore



INDO THAI SECURITIES LTD.

Regd. Office : 16, 4th Floor, Dawa Bazar, R.N.T. Marg, Indore - 452 001

ATTENDANCE SLIP

DP ID									Regd. Folio No.	
Client ID									No. of Shares held	

Name of Share Holders	
Address	

I/We hereby record my/our presence at the 18th Annual General Meeting of the Company held on Friday, September 28, 2012 at 11.00 a.m. at Hotel Sarovar Portico, Treasure Island, 11, South Tukoganj, Indore (M.P.) - 452001.

Name of Member / Representative / Proxy : _____

Signature of Member / Representative / Proxy : _____

Note :

- ❖ Please fill Attendance Slip and hand it over at the entrance of the meeting hall.
- ❖ Only the Member/Proxy holder can attend the meeting.



INDO THAI SECURITIES LTD.

Regd. Office : 16, 4th Floor, Dawa Bazar, R.N.T. Marg, Indore - 452 001

PROXY FORM

DP ID									Regd. Folio No.	
Client ID									No. of Shares held	

I/We of in the district of being a member(s) of Indo Thai Securities Limited hereby appoint Shri/Smt. of in the district of or failing him / her Shri/Smt. of in the district of as my/our proxy to vote for me/us and on my/our behalf at the 18th Annual General Meeting of the Company to be held on Friday, September 28, 2012 at 11.00 a.m. at Hotel Sarovar Portico, Treasure Island, 11, South Tukoganj, Indore (M.P.) - 452001 and at any adjournment thereof.

Signed this day of 2012

Signature _____

Affix
Revenue
Stamp of
Re.1/-

Note :

- ❖ The Proxy form duly completed and signed should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting
- ❖ A Proxy need not to be member of the Company