



INDO THAI SECURITIES LIMITED

20th Annual Report - 2013-14

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Attendance Slip and Proxy Form

Annual General Meeting

Day & Date	Saturday, September 20, 2014
Time	11.00 A.M.
Venue	Hotel Fortune Landmark , Scheme No. 54, Vijay Nagar, Indore, Madhya Pradesh-452010 (M.P.)

BOARD OF DIRECTORS

- | | | |
|---|---|---|
| ▪ Mr. Parasmal Doshi
Chairman & Whole-time Director & Chief Executive Officer | ▪ Mr. Rajendra Bandi
Whole-time Director | ▪ Mr. Sunil Kumar Soni
Independent Director |
| ▪ Mr. Dhanpal Doshi
Managing Director | ▪ Mr. Om Prakash Gauba
Independent Director | ▪ Mr. Sukrati Ranjan Solanki
Independent Director |

CHIEF FINANCIAL OFFICER

- Mr. Deepak Sharma w.e.f. 09.05.2014

AUDIT COMMITTEE

- Mr. Om Prakash Gauba (Chairman)
- Mr. Sunil Kumar Soni (Member)
- Mr. Sukrati Ranjan Solanki (Member)

NOMINATION & REMUNERATION COMMITTEE

- Mr. Sunil Kumar Soni (Chairman)
- Mr. Om Prakash Gauba (Member)
- Mr. Sukrati Ranjan Solanki (Member)

STAKEHOLDER'S RELATIONSHIP COMMITTEE

- Mr. Sukrati Ranjan Solanki (Chairman)
- Mr. Om Prakash Gauba (Member)
- Mr. Sunil Kumar Soni (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, 2nd Floor, Yashwant Plaza, Opp. Railway Station, Indore- 452 001

INTERNAL AUDITORS

Abhijeet Jain & Associates

Chartered Accountants

B-15, Prem Varsha, Parsiwada, Sahar Road, Andheri East, Mumbai - 400 099

SPARK & Associates

Chartered Accountants

211 & 216, Sunrise Tower, 579, M.G. Road, Indore- 452 001

MANAGEMENT TEAM

- | | |
|----------------------|---------------------------|
| • Mr. Abhay Suhane | • Mr. Anurag Kumar Saxena |
| • Mr. Deepak Sharma | • Mr. Jinendra Gandhi |
| • Mr. Maglesh Ostwal | • Mr. Mohan Agar |
| • Mr. Praveen Bandi | • Mr. Sunil Sethi |

CONSULTANTS

M. Mehta & Co.

Chartered Accountants

11/5, South Tukoganj, Nath Mandir Road, Indore - 452 001

Kaushal Ameta & Co.

Company Secretaries

404, Navneet Palaza, 5/2 Old Palasia, Indore- 452001

Secmark Consultancy Private Limited

104, Sunrise Tower, Plot No. 579, M. G. Road, Indore - 452 001

SOLICITORS

- Mr. Anant Sinnarkar
- Mr. Parasmal Mehta

SECRETARIAL AUDITOR

Kaushal Ameta & Co.

Company Secretaries

404, Navneet Palaza, 5/2 Old Palasia, Indore- 452001 (M.P.)

BANKERS

- Indusind Bank
- Canara Bank

BOARD OF DIRECTORS OF SUBSIDIARY COMPANIES

Indo Thai Realities Limited

- Mr. Parasmal Doshi
- Mr. Om Prakash Gauba
- Mr. Saurabh Oswal (w.e.f. 28.02.2014)
- Mr. Mayur Parikh (w.e.f. 28.02.2014)
- Mr. Dhanpal Doshi (upto 28.02.2014)

Indo Thai Fincap Limited

- Mr. Parasmal Doshi
- Mr. Dhanpal Doshi
- Mr. Om Prakash Gauba

SHARE TRANSFER AGENT

M/s. Sharepro Services (India) Pvt. Ltd.

13 AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Andheri-Kurla Road, Sakinaka, Mumbai-400 072,

Tel: +91-22-67720300/400,

Fax: +91-22- 28591568/28508927

Email: sharepro@shareproservices.com

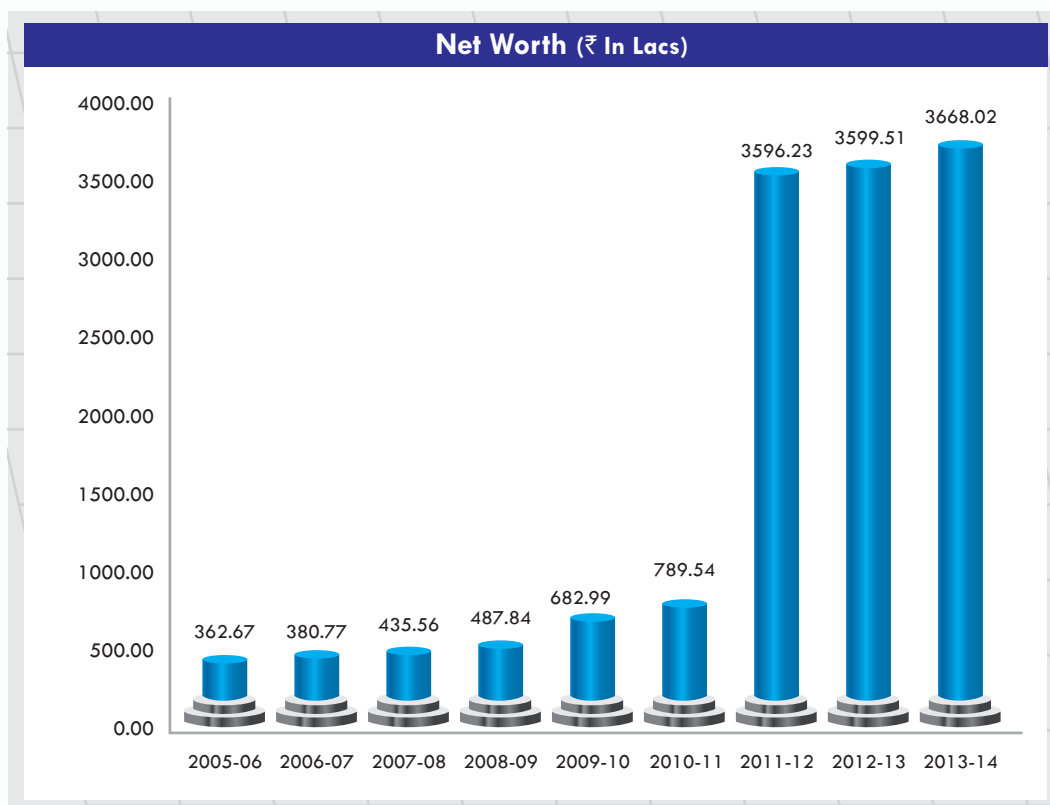
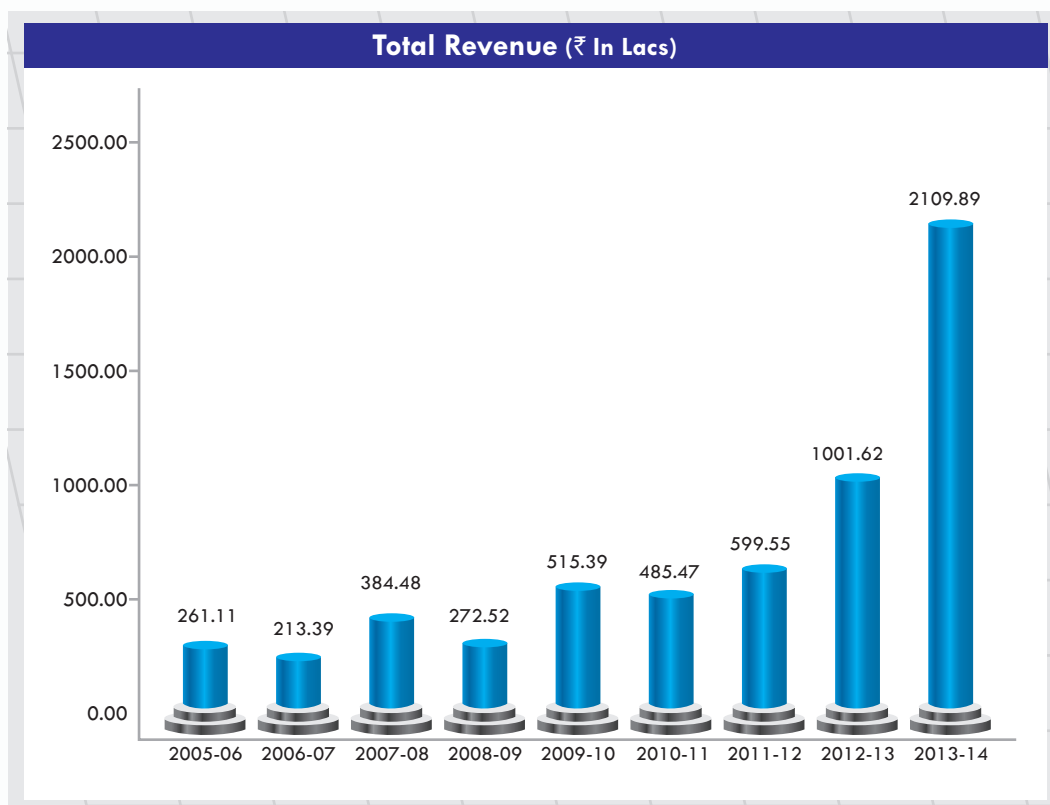
Website: www.shareproservices.com

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

CIN : L67120MP1995PLC008959





Indo Thai

Trade with Confidence

Board of Directors



CA Dhanpal Doshi
Managing Director



CA Parasmal Doshi
Chairman,
Whole-time Director, CEO



Mr. Rajendra Bandi
Whole-Time Director



Mr. Om Prakash Gauba
Independent Director



Mr. Sunil Kumar Soni
Independent Director



Mr. Sukrati Ranjan Solanki
Independent Director



INDO THAI SECURITIES LIMITED



20th Annual Report - 2013-14

CHAIRMAN'S COMMUNIQUÉ

Dear Shareholders,

It is with great pleasure and a sense of profound satisfaction I present the 20th Annual Report of your Company. First, I would like to thank all of those who attended the meeting and for their participation. We would like to note with delight that the current financial year became yet another year for contributing in the growth of our company. The company's accounts for the year ended March 2014 along with the Directors' Report, Corporate Governance Report, Management Discussion and Analysis and Auditors' Report are attached to this Annual Report.

As India emerging one of the fast growing economies in the world, the Indian financial services market is also evolving rapidly, with significant potential for further growth. The growing Indian middle class, rising income levels and increasing standards of living are transforming the economic scene of the country and pushing growth across the entire range of financial services. Volatility has become a way of life. Standard living costs are increasing as the economy recovers. Geopolitical risk is also on the rise. Long-term growth can be interrupted by short-term volatility. In this environment, companies must invest to grow, while staying fast and productive.

Your Company belongs to Securities Market, which is the promising sector in an Indian economy for raising the level of Indian financial system. Directions of an economy can be measured by movement of volatility index. Stock Index has been a barometer for measuring the performance of Indian economy with its development. Micro and macro economic factors have continuously affected the industrial growth. Our financial industry has been affected by financial crisis frequently that has proven the stock market full of risk and uncertainty. That was already an unsolved problem for the investors. Risk in the stock market cannot be eliminated but that can be measured with help of volatility and variability of previous trends. Stock market is always related with the demand and supply forces, fiscal deficit and political stability. Working on Indian stock market has become interesting job for various researchers. Global growth prospects are projected to improve over the medium term at a gradual pace.

Your company was focused on improving the performance of the business, strengthening quality of services and all with a view to ensuring a greater commitment to creating real value for shareholders. I am pleased to report that significant progress had been made on meeting the set target and priorities. Our ability to successfully establish strong relationships with clients, corporates, banks, retail clients, employees and investors and to nurture these relationships, will continue to provide us a strategic advantage.

Our overall performance gave the board the confidence to formulate effective and efficient decisions and to make more efforts in future to achieve great height of success. Success depends first on the skill, dedication and integrity of the Company's leaders and the strength of internal management processes. The Board reviews the performance of senior executives each year and has succession plans in place for key positions to ensure continuity of leadership. Your company has sound practices for developing management talent, developing and executing strategy, managing risk and complying with the spirit and letter of laws and regulations. The current global economic scenario notwithstanding, it is evident that the overall growth prospects are positive for the Indian economy. We have always believed that our biggest assets are our people. I would like to thank each and every employee whose commitment and efforts made this Financial Year profitable for our company.

Your company deals in various types of segments, viz. Equity Segment, F&O Segment, Currency Derivatives Segment and Depository Segment. During the year,

turnover in our equities broking segment was Rs. 1938.187 Crores. The commitment and efforts made in this Financial Year 2013-14 resulted in profitable financial performance. Revenue growth has been determined by increase in operational income. The Net Worth of your company as on 31st March, 2014 was Rs. 3668.02 lacs and the Operating Revenue was reported at a figure of Rs. 1880.45 Lacs. In Futures and Options (F&O) segment ITSL was acting as Trading Member since year 2000 and obtained clearing membership of NSE in 2012. The Company had recorded a turnover of Rs. 3578.838 Crores from this segment during this financial year. Your Company is Self Clearing Member of Currency Derivative Segment in NSE and Trading Member in MCX-SX & USE. The Currency Segment had recorded the total turnover of Rs 19937.619 Crores this year which includes proprietary turnover. The depository segment of our company has also operated very effectively and efficiently during the current financial year leading to a profit of Rs. 12.37 Lacs.

While we have achieved satisfactory results in the current financial year as compared to the last financial year we will continue to sharpen the execution of our growth strategy, which will be particularly important given the uncertain global economic outlook.

The current economic environment is extremely challenging; competitive intensity remains high and is likely to increase. However, we remain committed to drive the business towards delivering consistent, competitive, profitable and responsible growth. Having at glance at future, we foresee tremendous opportunities, offered by our prosperous economy. Going ahead, our efforts would be to help for the company to grab the opportunities and meet financial needs. Your Company has also identified various areas and is focusing on the growing segments within the company. The way forward will not be easy. We do not know what the future will bring, but we do know that it will require everyone's support and contribution to work together and get it right.

We are working for betterment of our services to be provided to the clients and in this drive we are enhancing and expanding our capabilities around several defining areas that show potential for growth and profits. As we move forward, we believe that shareholders will benefit as we do the right thing for our clients and customers and the communities we serve.

The Companies Act, 2013 and The Companies Rules 2014 made thereunder have introduced a number of new compliance norms for companies in its commitment to

enhance disclosures, reporting and transparency. It was much awaited legislation to meet present day challenges in the corporate governance arising from stakeholders' expectations from the corporate enterprises that their interest is not overlooked in the process of running the businesses under the umbrella of corporate structure where there exists agency conflict between owners (shareholders) and governing board of such enterprises. Some of the corporate failures in the recent past in India also brought out that Companies Act evolved in 1956 was found inadequate to safeguard the interest of the stakeholders of the companies. The Act not only imbibes the spirit of listing agreement but goes a step ahead in laying out a strict road map for the listed entities to negotiate in the coming times. To top it with a cherry, the Act also humbly states that the requirements mentioned therein are the minimum requirements subject to any higher requirements of any other law. SEBI has reviewed the Corporate Governance norms for listed companies and announced regarding amendment the Listing Agreement with respect to corporate governance norms for listed companies. The amendments, inter-alia, propose to align the provisions of Listing Agreement with the provisions of the newly enacted Companies Act, 2013 and also provide additional requirements to strengthen the corporate governance framework for listed companies in India. The amendments shall be made applicable to all listed companies with effect from October 01, 2014.

Your Company always desires to enhance its business operations and in this regard the company has taken many initiatives. Steps have been taken for registering as a

Member for Currency Derivatives Segment of BSE and Debt Segment of NSE. Board resolutions were passed for the same but application not yet processed. Further, company is in process to expand its business in India by way of setting-up Branch(es) / Terminal Location(s) / Authorised Person Location(s), two new branches of your Company had been set up in Jodhpur and in Ahmedabad.

In respect of suo moto filed Petition(s) under Section 621A of the Companies Act, 1956 for Compounding of Offences, The Company Law Board has imposed a penalty of Rs. 15000/-, Rs. 7500/-, Rs. 40000/- each for all four applicants including Company and its three Directors. Further, Securities and Exchange Board of India has also imposed a penalty of Rs. 5,00,000/- under Section 15HB of SEBI Act under Adjudication Order issued in the matter of Magma Fincorp Ltd.

During the financial year 2013-14, NSE has celebrated its 20th Anniversary and on this occasion it has awarded Silver Plate to selected broker companies and you will be glad to know that your company was one of them.

Another factor that also has to be focused on where the company went wrong and what may be the implications for the future. I hope, after reading this letter, you will share my confidence in our ability to build a stronger, more vibrant company for the future.

I am grateful to our Board of Directors for their support & guidance. I am also thankful to our stakeholders customers, employees, clients, bankers, business associates, vendors, shareholders and government of India, who have reposed their trust and given us constant support.

With Warm Regards

Sd/-

Parasmal Doshi

Chairman

Date : August 09, 2014

Place : Indore

Notice is hereby given that the 20th Annual General Meeting of the Members of Indo Thai Securities Limited will be held on Saturday, 20th September 2014 at 11.00 a.m. at Hotel Fortune Landmark, Scheme No.54, Vijay Nagar, Indore (M.P.) to transact the following business :

ORDINARY BUSINESS :

1. ADOPTION OF ANNUAL ACCOUNTS:

To receive, consider and adopt the financial statements of the Company for the year ended 31st March, 2014 including Audited Balance Sheet as at 31st March, 2014 and 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. RE-APPOINTMENT OF MR. RAJENDRA BANDI AS A DIRECTOR:

To appoint a director in place of Mr. Rajendra Bandi (Holding DIN 00051441) who retires by rotation and being eligible, offers himself for Re-appointment.

3. APPOINTMENT OF AUDITORS :

To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:

RESOLVED THAT pursuant to the provision of Section 139 and Section 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, M/s S. Ramanand Aiyar & Company, Chartered Accountants (having Firm Registration No. 000990N), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this 20th Annual General Meeting of the Company 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 :

4. APPOINTMENT OF MR. OM PRAKASH GAUBA AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and any other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and pursuant to the provisions of Listing Agreements, Mr. Om Prakash Gauba (DIN: 00059231), a Non-executive Director of the Company, who was appointed as a Director liable to retire by rotation; and who has submitted a declaration that he meets the

criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years from the date of 20th Annual General Meeting of the Company and designated as Non-executive Director of the Company not liable to retire by rotation.

5. APPOINTMENT OF MR. SUNIL KUMAR SONI AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and any other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and pursuant to the provisions of Listing Agreements, Mr. Sunil Kumar Soni (DIN: 00508423), a Non-executive Director of the Company, who was appointed as a Director liable to retire by rotation; and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years from the date of 20th Annual General Meeting of the Company and designated as Non-executive Director of the Company not liable to retire by rotation.

6. APPOINTMENT OF MR. SUKRATI RANJAN SOLANKI AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and any other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and pursuant to the provisions of Listing Agreements, Mr. Sukrati Ranjan Solanki (DIN: 05230304), a Non-executive Director of the Company, who was appointed as a Director liable to retire by rotation; and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years from the date of 20th

Annual General Meeting of the Company and designated as Non-executive Director of the Company not liable to retire by rotation.

7. APPOINTMENT OF MRS. SHOBHA SANTOSH CHOUDHARY AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and any other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and pursuant to the provisions of Listing Agreements, and subject to approval of National Stock Exchange of India Limited, BSE Limited, MCX Stock Exchange Limited, United Stock Exchange Limited, Central Depository Services India Limited and subject to other approvals if any, Mrs. Shobha Santosh Choudhary (DIN: 06934418), who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years from the date of 20th Annual General Meeting of the Company, designated as Non-executive Director of the Company not liable to retire by rotation.

8. TO CONSIDER THE MATTER FOR RE-APPOINTMENT OF MR. DHANPAL DOSHI AS MANAGING DIRECTOR CUM CHIEF EXECUTIVE OFFICER OF THE COMPANY :

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

RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with the Articles of Association of the Company, the approval of members of the Company be and is hereby accorded for the re-appointment of Mr. Dhanpal Doshi (DIN: 00700492) as a Managing Director cum Chief Executive Officer, designated as Executive Director of the Company, to hold office for a term of 3 (three) consecutive years from the date of 20th Annual General Meeting of the Company, on the terms and conditions as set out in the statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT Mr. Dhanpal Doshi shall not be paid any sitting fee for attending the meetings of the Board of Directors 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 cum Chief Executive Officer, the monthly salary, allowances, perquisites and other benefits shall be paid to him in accordance with and subject to the provisions of Section II of Part II of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors (herein after referred to as the 'Board' which term shall be deemed to include the Nomination and Remuneration Committee of the Board) be and is hereby authorised to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Dhanpal Doshi, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the resolution and to seek such approval/consent from the government departments, if any, as may be required in this regard.

9. TO CONSIDER THE MATTER FOR RE-APPOINTMENT OF MR. PARASMAL DOSHI AS WHOLE TIME DIRECTOR CUM CHIEF FINANCIAL OFFICER OF THE COMPANY :

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

RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with the Articles of Association of the Company, the approval of members of the Company be and is hereby accorded for the re-appointment of Mr. Parasmal Doshi (DIN: 00051460) as a Whole Time Director cum Chief Financial Officer, designated as Executive Director of the Company, to hold office for a term of 3 (three) consecutive years from the date of 20th Annual General Meeting of the Company, on the terms and conditions as set out in the statement annexed to the notice convening this meeting.

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

RESOLVED FURTHER THAT Mr. Parasmal Doshi as a candidate for the office of a Whole Time Director cum Chief Financial Officer of the Company be and is hereby appointment as a Whole Time Director of the Company liable to retire by rotation.

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 cum Chief Financial Officer, the monthly salary, allowances, perquisites and other benefits shall be paid to him in accordance with and subject to the provisions of Section II of Part II of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors (herein after referred to as the 'Board' which term shall be deemed to include the Nomination and Remuneration Committee of the Board) be and is hereby authorised to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Parasmal Doshi, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the resolution and to seek such approval/ consent from the government departments, if any, as may be required in this regard.

10. TO CONSIDER THE MATTER FOR RE-APPOINTMENT OF MR. RAJENDRA BANDI AS WHOLE TIME DIRECTOR OF THE COMPANY :

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

RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with the Article of Association of the Company, the approval of members of the Company be and is hereby accorded for the re-appointment of Mr. Rajendra Bandi (DIN: 00051441) as Whole Time Director, designated as Executive Director of the Company, to hold office for a

term of 3 (three) consecutive years from the date of 20th Annual General Meeting of the Company, on the terms and conditions as set out in the statement annexed to the notice convening this meeting.

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

RESOLVED FURTHER THAT Mr. Rajendra Bandi as a candidate for the office of a Whole Time Director of the Company be and is hereby appointment as a Whole Time Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, during the currency of the tenure of Mr. Rajendra Bandi 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 Section II of Part II of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors (herein after referred to as the 'Board' which term shall be deemed to include the Nomination and Remuneration Committee of the Board) be and is hereby authorised to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Rajendra Bandi, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the resolution and to seek such approval/ consent from the government departments, if any, as may be required in this regard.

11. AUTHORITY TO BORROW MONEY IN TERMS OF SECTION 180(1)(c) OF THE COMPANIES ACT, 2013:

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

RESOLVED THAT in supersession of the Ordinary Resolution passed at the Extra-ordinary General Meeting of the shareholders of the Company held on September 29, 2010 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby accords its consent to the Board

of Directors for borrowing any sums of money from time to time from any one or more persons, firms, body corporates, or financial institutions whether by way of cash credit, advance or deposits, loans or bill discounting or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties whether movable or stock-in-trade and all or any of the undertakings of the Company notwithstanding that the monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans including Bank Guarantees obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, but, so, however, that the total amount up to which the monies may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs. 35,00,00,000 (Rupees Thirty Five Crores only).

RESOLVED FURTHER THAT the Board of Directors of the Company and/or a Committee thereof be and is hereby authorised to do or cause to be done all such acts, matters, deeds and other things as may be required or considered necessary or incidental thereto, for giving effect to the aforesaid resolution.

12. CREATION OF CHARGE / MORTGAGE ETC. ON COMPANY'S MOVABLE OR IMMOVABLE PROPERTIES IN TERMS OF SECTION 180 (1)(a) OF THE COMPANIES ACT, 2013 :

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

RESOLVED THAT in supersession of the Ordinary Resolution passed at the Extra-ordinary General Meeting of the shareholders of the Company held on September 29, 2010 and pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force and other applicable provisions, if any, of the Companies Act, 2013 / Companies Act, 1956, consent of the Company be and is hereby accorded for creation by the Board of Directors on behalf of the Company, of such mortgages/ charges/ hypothecation and floating charges (in addition to the existing mortgages /

charges / hypothecation created by the Company in such form and in such manner as may be agreed to between the Board of Directors and the lenders, on all or any of the present and future immovable and / or movable properties of the Company wherever situated, in favour of any person including, but not limited to, financial / investment institution(s), bank(s), insurance company(ies), mutual fund(s), corporate body(ies), trustee(s) to secure the loans, borrowings, debentures, hire purchase and / or working capital facilities and other credit facilities up to a sum not exceeding Rs. 35,00,00,000 (Rupees Thirty Five Crores only).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to finalise the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages/ charges/ hypothecation on immovable and / or movable properties of the Company on such terms and conditions and at such time(s)/ tranche (s) as may be decided by the Board of Directors in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution.

13. TO ADOPT OF NEW SET OF ARTICLES OF ASSOCIATION CONTAINING REGULATIONS IN CONFORMITY WITH THE COMPANIES ACT 2013 :

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

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

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

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

Anurag Kumar Saxena
(Company Secretary)

Date : August 09, 2014
Place : Indore

Registered Office :
16, 4th Floor, Dawa Bazar, R.N.T. Marg, Indore - 452001, Madhya Pradesh
CIN : L67120MP1995PLC008959
Website: www.indothai.co.in; Email : indothaigroup@indothai.co.in
Tel.:0731-2705420-22; Fax: 0731-2705423

NOTES:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Member / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the Meeting.
5. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. Member / proxies are requested to bring their copies of Annual Report to the Meeting. Member who hold share in dematerialized form are request to bring their depository account number easier identification and recording of the attendance at the meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Company has notified closure of Register of Members and Share Transfer Books from Saturday, September 13, 2014 to Saturday, September 20, 2014 (both days inclusive).
9. Notice of Annual General Meeting will be sent to those shareholders/beneficial owners whose name will appear in the Register of Members / List of Beneficiaries received from Depositories as on 8th August 2014.
10. Copies of the Annual Report 2014 are being sent by electronic mode only to all the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of

the same. For members who have not registered their email addresses, physical copies of the 20th Annual Report are being sent by the permitted mode.

11. The Notice of the 20th AGM and instruction for e-voting, along with the Attendance slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company/Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
12. Members holding shares in electronic form are requested to intimate immediately any change in their address, bank mandates, email address, contact details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address, bank mandates, email address, contact details immediately to the Company/RTA.
13. Your Company requests you to update your email address with your depository participant. This will help us in prompt sending of notices, annual reports and other shareholder communications in electronic form.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.
15. Additional information pursuant to Clause 49 of the Listing Agreement with the stock exchanges in respect of Directors seeking appointment/re-appointment at the AGM is furnished and forms a part of the notice. The directors have furnished the requisite consents/declarations for their appointment/re-appointment.
16. Members are request to intimate to the Company queries, if any, regarding the account or notice at least 10 days before the AGM to enable the Company to keep the information ready at the meeting.
17. Members may also note that Annual Report 2013-2014, Notice of 20th AGM and relevant documents referred to in the accompanying Notice and the Statement will be available on the company's website, www.indothai.co.in. The physical copies of the aforesaid documents will also be available at the company's registered office for inspection during

normal business hours on working days except Saturdays. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: compliance@indothai.co.in.

18. The Register of Director and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and The Register of Contracts or Arrangements in which Director are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the member at the AGM.

19. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hour of the company, provided that not less than three days of notice in writing is given to the Company.

20. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is providing e-Voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-Voting. The detailed process, instructions and manner for availing e-Voting facility is enclosed herewith.

(A) In case of members receiving e-mail:

- i. Log on to the e-voting website www.evotingindia.com
- ii. Click on "Shareholders" tab.
- iii. Now, select the "Indo Thai Securities Limited" from the drop down menu and click on "SUBMIT"
- iv. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. eg. If your name is ADITYA SHARMA with folio number 100 then enter AD00000100 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

viii. After entering these details appropriately, click on "SUBMIT" tab.

ix. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi. Click on the EVSN for the relevant <Company Name> on which you choose to vote.

xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

(B) In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

The voting period begins on <Thursday, September 11, 2014, 10.00 A.M. > and ends on < Saturday, September 13, 2014, 6.00 A.M.>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of < Friday, August 8, 2014>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

21. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote

on any specific item it will be treated as abstain.

22. The Board of Directors in their meeting held on August 09, 2014 has appointed M/s Kaushal Ameta & Co., Practicing Company Secretary as a Scrutinizer for conducting e-voting process in a fair and transparent manner.
23. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of atleast two witnesses not in employment of the Company and will make a Scrutinizer's Report for the votes cast in favour or against, if any, forthwith to the Chairman of the Meeting.
24. The results on resolutions shall be declared at or after the Annual general Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite no. of votes in favour of the resolution.
25. The results declared alongwith the Scrutinizer's Report will be available on the website of the Company <https://www.indothai.co.in> within two days of passing of the resolution and communication of the same to the BSE Limited and national Stock Exchange of India Limited.

EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice :

ITEM NOS. 4 TO 6

As per the provisions of Section 149, 152, 160 of the Companies Act, 2013 ("Act") and The Companies (Appointment and Qualification of Directors) Rules 2014 which has come into force with effect from 1st April, 2014, and Clause 49 of Listing Agreement the Independent Directors shall hold office for a term up to five consecutive years on the Board of a company and are not liable to retire by rotation.

Company has received Notice(s) in writing and deposit of Rs. 1,00,000/- with each under the provision of Section 160 of the Companies Act, 2013 from Members, proposing candidatures of Mr. Om Prakash Gauba (DIN: 00059231), Mr. Sunil Kumar Soni (DIN: 00508423) and Mr. Sukrati Ranjan Solanki (DIN: 05230304) for the office of Independent Director(s), to be appoint as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has also received following from Mr. Om Prakash Gauba, Mr. Sunil Kumar Soni and Mr. Sukrati Ranjan Solanki:

- (i) Consent in writing to act as directors in Form DIR-

2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014,

ii) Intimation in Form DIR-8 in term of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect they are not disqualified under sub section (2) of Section 164 of the Companies Act, 2013, and

(iii) A declaration to the effect that they meet the criteria of independence as provided in sub section (6) of Section 149 of the Companies Act 2013

In the opinion of the Board, Mr. Om Prakash Gauba, Mr. Sunil Kumar Soni and Mr. Sukrati Ranjan Solanki fulfill the conditions specified in the Act and the Rules made there under for appointment as Independent Directors; and Mr. Om Prakash Gauba, Mr. Sunil Kumar Soni and Mr. Sukrati Ranjan Solanki are proposed to be appointed as Independent Directors for 5 (five) years from the date of 20th Annual General Meeting of the Company. In compliance with the provisions of Section 149 read with Schedule IV of the Act, the matter related to appointment of Mr. Om Prakash Gauba, Mr. Sunil Kumar Soni and Mr. Sukrati Ranjan Solanki as Independent Directors are now being placed before the Members in General Meeting for their approval.

The Directors recommend the resolutions set out in Item Nos. 4 to 6 of the accompanying notice for approval of members.

No Director/ Key Manager Personnel/their relatives except Mr. Om Prakash Gauba, Mr. Sunil Kumar Soni and Mr. Sukrati Ranjan Solanki are interested and concerned in the Resolutions mentioned at Item Nos. 4 to 6 in the Notice.

ITEM NO. 7

As per the provisions of Section 149, 152, 160 of the Companies Act, 2013 ("Act") which has come into force with effect from 1st April, 2014, and Clause 49 of listing Agreement the Independent Directors shall hold office for a term up to five consecutive years on the Board of a company and are not liable to retire by rotation. Further as per the special provisions under Section 149 read with rule 3 of The Companies (Appointment and Qualification of Directors) Rules 2014, every listed company shall appoint at least one woman director.

Notice in writing under the provision of Section 160 of the Companies Act, 2013 is received by Company from a member along with deposit of Rs. 1,00,000/- proposing candidatures of Mrs. Shobha Santosh Choudhary (DIN: 06934418) for the office of Independent Director, to be appoint as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mrs. Shobha Santosh Choudhary:

(i) Consent in writing to act as directors in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014,

(ii) Intimation in Form DIR-8 in term of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect they are not disqualified under sub section (2) of Section 164 of the Companies Act, 2013, and

(iii) A declaration to the effect that they meet the criteria of independence as provided in sub section (6) of Section 149 of the Companies Act 2013

In the opinion of the Board Mrs. Shobha Santosh Choudhary fulfill the conditions specified in the Act and the Rules made there under for appointment as Independent Director; and Mrs. Shobha Santosh Choudhary is proposed to be appointed as Independent Director for 5 (five) years from the date of 20th Annual General Meeting of the Company. The proposed appointment of Mrs. Shobha Santosh Choudhary is subject to approval of National Stock Exchange of India Limited, BSE Limited, MCX Stock Exchange Limited, United Stock Exchange Limited, Central Depository Services India Limited and subject to other approvals if any.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the matter related to appointment of Mrs. Shobha Santosh Choudhary as Independent Directors are now being placed before the Members in General Meeting for their approval.

The Directors recommend the resolution set out in Item No. 7 of the accompanying notice for approval of members.

Except Mrs. Shobha Santosh Choudhary, No other Director/ Key Manager Personnel/their relatives are interested and concerned in the Resolution mentioned at Item No. 7 in the Notice.

ITEM NO. 8

Mr. Dhanpal Doshi (DIN : 00700492) was re-appointed as Managing Director for further term of 3 years w.e.f. 01.04.2012 and his tenure will expire on March 31, 2015. Board feel that the services of Mr. Dhanpal Doshi should be available for a further period of 3 (three) years from the date of 20th Annual General Meeting of the Company; consequently his previous office as Managing Director which is in force till 31.03.2015 will be terminated automatically from the date of this appointment.

Notice in writing under the provision of Section 160 of the Companies Act, 2013 is received by Company from a member along with deposit of Rs. 1,00,000/-, proposing candidature of Mr. Dhanpal Doshi for the office of Directorship. Further, the Company has also received consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of The Companies (Appointment & Qualification

of Directors) Rules 2014, and intimation in Form DIR-8 in term of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 from Mr. Dhanpal Doshi.

In terms of the provisions of the Companies Act and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board, have at their meeting held on August 09, 2014 recommended the appointment of Mr. Dhanpal Doshi as Managing Director cum Chief Executive Officer of the Company on the following **terms and conditions**:

1. Period of Appointment : 3 (Three) years from the date of 20th Annual General Meeting of the Company .
2. Salary: Rs. 57200/- (Rupees Fifty Seven Thousand Two Hundred only) Per Month with Annual Increment of 10%.
3. Perquisites: All legal & applicable perquisites including Provident Fund at specified rates from time to time in force.
4. 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 197 and other applicable provisions of the Companies Act, 2013 read with schedule V to the said act as may from time to time be in force.
5. Sitting Fee : Mr. Dhanpal Doshi shall not be paid any setting fee for attending the meeting of the Board/Committees or any such other meeting.
6. Other benefits :
 - a) Gratuity as per the rules of the Company, but not exceeding half month salary for each completed year of service
 - b) Provision for use of car for Company's business and not considered as perquisites
 - c) Free mobile telephone facility and not considered as perquisites

- d) Expenses for travelling, boarding, lodging during business trips and any medical assistance provided shall be reimbursed at actual cost and not considered as perquisites
- e) Club fee payable shall be reimbursed at actual cost and not considered as perquisites
- f) Premium expenses related to Insurance shall be reimbursed at actual cost and not considered as perquisites

In case, the Company has no profits or its profits are inadequate, then the remuneration shall be paid to him in accordance with the provisions of the Companies Act, 2013 read with Schedule V of the Act.

7. Other Conditions:

- i. The office of the Managing Director may be terminated by either party by giving the 3 (three) months prior notice in writing of such termination as may be mutually agreed between the parties i.e. Company and Mr. Dhanpal Doshi.
- ii. The appointee Director shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors and shall act in accordance with the Articles of Association of the Company. He shall adhere to the Company's Code of Conduct for its Directors, Senior Management, Officers and Employees of the Company.
- iii. The appointee Director will perform his respective duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board. He will be responsible for overall operations of the Company.

The above may be treated as memorandum setting out the terms of re-appointment of Mr. Dhanpal Doshi under Section 190 of the Companies Act, 2013.-

I General Information	
1 Nature of Industry :	Shares & Stock Broking
2 Date or expected date of commencement of production.	Company engaged in Shares & Stock Broking activities since 1995 after obtaining Certificate of Commencement of Business dated 08th Day of February 1995
3 In case of new companies expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus. :	Not Applicable

4 Financial Performance :	Particulars	31.03.2014 Rs. In Lacs	31.03.2013 Rs. In Lacs
	Revenue	2109.88	1001.61
	PBT	93.15	3.85
	PAT	68.51	3.26
5 Foreign Investments or collaborators, if any. :	Not Applicable		
II Information about the appointee			
1 Background details :	Mr. Dhanpal Doshi, aged 49 years, is a Founder Member, Promoter and Managing Director of the Company, involved in overall operations of the company. He is having over 23 years of experience not only in the field of Capital & Derivative Market Analysis, Industrial Analysis, and Sectorial Economics but also bears profound knowledge in areas of Real Estate and Commodity Market. He has a degree of B. Com, M.B.A. and Fellow Member of 'The Institute of Chartered Accountants of India'.		
2 Past Remuneration :	Rs. 52,000/- (Rupees Fifty Two Thousand only) p.m. with Annual Increment of 10% plus all applicable perquisites		
3 Recognition or Awards :	NIL		
4 Job Profile & His Suitability :	As mentioned above in the sub point no. iii of point no. 7 under the terms and condition of his appointment. He has excellent grip and comprehensive knowledge and experience in the field of Finance and Management. His knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that the proposed re-appointment of Mr. Dhanpal Doshi as Managing Director cum Chief Executive Officer is in the best interest of the Company and for smooth and efficient running of the business.		
5 Remuneration Proposed :	As mentioned under point nos. 2 to 6 under the terms and condition of his appointment. The remuneration payable has the approval of the Nomination and Remuneration Committee and the Board of Directors.		
6 Comparative remuneration profile with respect to industry, size of the Company profile of the position and person. :	In correspondence to the size and operations of the Company and the Industry bench marks, the profile of the appointee, along with the responsibilities shouldered on him, the remuneration proposed to be paid is reasonable to that of the alike companies.		
7 Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel if any. :	To the extent of transaction covered under Note no. 39 of the Financial Statement for the year ended 31.03.2014		
III Other Information			
1 Reasons of inadequate profits: :	Company had faced tough competition and difficult market conditions during financial year 2013-14		
2 Steps taken or proposed to be taken for improvement :	Company has always been focused on customer service and would be able to comply with these requirements. Company is taking all necessary steps with potential development plan to introduce new clients and providing comfort facilities for trading to its proposed and existing clients. Company will achieve its goals with records profitability in coming years.		
3 Expected increase in productivity and profits in measurable terms :	With a stable Government at the Centre, activity levels in the Indian capital markets have increased significantly and the benchmark Sensex and Nifty have gained significantly. There are signs of revival in economic activity which should lead to improvement prospects during the year.		

The Board commends the above appointment and accordingly recommends the Special Resolution as set out in Item No. 8 of the Notice for your approval.

Managing Director Mr. Dhanpal Doshi is concerned or interested in the resolution, and Whole-time Director Mr. Parasmal Doshi 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. The relatives of Mr. Dhanpal Doshi may be deemed to be interested in the resolution set out in Item No. 8 of the notice, to the extent of their shareholding interest, if any in the Company.

Save and except the above, none of the other Director/ Key Managerial Personnel of the Company / their relatives is, concerned or interested, financially or otherwise, in the resolution.

ITEM NO. 9

Mr. Parasmal Doshi (DIN: 00051460) was re-appointed as Whole-time Director for further term of 3 years w.e.f. 01.04.2012 and his tenure of Whole-time Director cum Chief Executive Officer will expire on March 31, 2015. Board feel that the services of Mr. Parasmal Doshi should be available for a further period of 3 (three) years from the date of 20th Annual General Meeting of the Company; consequently his previous office as Whole-time Director cum Chief Executive Officer which is in force till 31.03.2015 will be terminated automatically from the date of this appointment.

The Company has received consent in writing to act as directors in Form DIR-2 pursuant to Rule 8 of The Companies (Appointment & Qualification of Directors) Rules 2014, and intimation in Form DIR-8 in term of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 from Mr. Parasmal Doshi.

In terms of the provisions of the Companies Act and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board, have at their meeting held on August 09, 2014 recommended the appointment of Mr. Parasmal Doshi as Whole-time Director cum Chief Financial Officer cum Chairman of the Company on the following **terms and conditions**:

1. Period of Appointment : 3 (Three) years from the date of 20th Annual General Meeting of the Company and he will be liable to retire by rotation to comply with the provisions of Section 152 of the Companies Act 2013 and The Companies (Appointment and Qualification of Directors) Rules 2014, and whose name shall be considered for reckoning the number of Directors for liable to retiring by rotation.

2. Salary : Rs. 1,10,000/- (Rupees One Lakh Ten Thousand only) Per Month with Annual Increment of 10%.
3. Perquisites : All legal & applicable perquisites including Provident Fund at specified rates from time to time in force.
4. 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 197 and other applicable provisions of the Companies Act, 2013 read with schedule V to the said act as may from time to time be in force.
5. Sitting Fee : Mr. Parasmal Doshi shall not be paid any setting fee for attending the meeting of the Board/Committees or any such other meeting.
6. Other benefits :
 - a) Gratuity as per the rules of the Company, but not exceeding half month salary for each completed year of service
 - b) Provision for use of car for Company's business and not considered as perquisites
 - c) Free mobile telephone facility and not considered as perquisites
 - d) Expenses for travelling, boarding, lodging during business trips and any medical assistance provided shall be reimbursed at actual cost and not considered as perquisites
 - e) Club fee payable shall be reimbursed at actual cost and not considered as perquisites
 - f) Premium expenses related to Insurance shall be reimbursed at actual cost and not considered as perquisites

In case, the Company has no profits or its profits are inadequate, then the remuneration shall be paid to him in accordance with the provisions of the Companies Act, 2013 read with Schedule V of the Act.

7. Other Conditions:
 - i. The office of the Whole-time Director cum Chief Financial Officer cum Chairman may be terminated by either party by giving the 3 (three) months prior notice in writing of such termination as may be mutually agreed between the parties i.e. Company and Mr. Parasmal Doshi.
 - ii. The appointee Director shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors and shall act in accordance with the Articles of Association of the Company. He shall adhere to the Company's Code of Conduct for its Directors, Senior Management, Officers and Employees of the Company.

iii. The appointee Director will perform his respective duties as such with regard to all work pertaining to financial planning, managing the financial risk of the Company, record-keeping as well as financial reporting to higher Management; and he will manage and attend to such business and carry out the orders and directions given by the Board and

Managing Director from time to time, conform to and comply with all such directions and orders. He will be responsible for overall financial matters of the Company.

The above may be treated as memorandum setting out the terms of re-appointment of Mr. Parasmal Doshi under Section 190 of the Companies Act, 2013.

I General Information			
1 Nature of Industry :	Shares & Stock Broking		
2 Date or expected date of commencement of production.	Company engaged in Shares & Stock Broking activities since 1995 after obtaining Certificate of Business Commencement of dated 08th Day of February 1995.		
3 In case of new companies expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus. :	Not Applicable		
4 Financial Performance :	Particulars	31.03.2014 Rs. In Lacs	31.03.2013 Rs. In Lacs
	Revenue	2109.88	1001.61
	PBT	93.15	3.85
	PAT	68.51	3.26
5 Foreign Investments or collaborators, if any. :	Not Applicable		
II Information about the appointee			
1 Background details :	Mr. Parasmal Doshi, aged 57 years, is a Founder Member, Promoter and Whole-time Director, Chairman and Chief Executive Officer of the Company and having over 28 years of experience in the field 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. 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'.		
2 Past Remuneration :	Rs. 1,00,000/- (Rupees One Lakh only) p.m. with Annual Increment of 10% plus all applicable perquisites		
3 Recognition or Awards :	NIL		
4 Job Profile & His Suitability :	As mentioned above in the sub point no. iii of point no. 7 under the terms and condition of his appointment. He has excellent grip and comprehensive knowledge and experience in the field of Taxation and Finance Management. His knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that the proposed re-appointment of Mr. Parasmal Doshi as Whole-time Director cum Chief Financial Officer cum Chairman is in the best interest of the Company for smooth and efficient management of finance and running of the Company's business. With the experience in the field of Taxation and Finance Management, Mr. Parasmal Doshi who will be re-appointed as Whole-time Director cum Chief Financial Officer cum Chairman will look after all finance matters in day to day operations of the Company.		

5 Remuneration Proposed :	As mentioned under point nos. 2 to 6 under the terms and condition of his appointment. The remuneration payable has the approval of the Nomination and Remuneration Committee and the Board of Directors.
6 Comparative remuneration profile with respect to industry, size of the Company profile of the position and person. :	In correspondence to the size and operations of the Company and the Industry bench marks, the profile of the appointee, along with the responsibilities shouldered on him, the remuneration proposed to be paid is reasonable to that of the alike companies.
7 Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel if any. :	To the extent of transaction covered under Note no. 39 of the Financial Statement for the year ended 31.03.2014
III Other Information	
1 Reasons of inadequate profits: :	Company had faced tough competition and difficult market conditions during financial year 2013-14
2 Steps taken or proposed to be taken for improvement :	Company has always been focused on customer service and would be able to comply with these requirements. Company is taking all necessary steps with potential development plan to introduce new clients and providing comfort facilities for trading to its proposed and existing clients. Company will achieve its goals with records profitability in coming years.
3 Expected increase in productivity and profits in measurable terms :	With a stable Government at the Centre, activity levels in the Indian capital markets have increased significantly and the benchmark Sensex and Nifty have gained significantly. There are signs of revival in economic activity which should lead to improvement prospects during the year

The Board commends the above appointment and accordingly recommends the Special Resolution as set out in Item No. 9 of the Notice for your approval.

Whole-time Director Mr. Parasmal Doshi is concerned or interested in the resolution, and Managing Director Mr. Dhanpal Doshi 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. The relatives of Mr. Parasmal Doshi may be deemed to be interested in the resolution set out in Item No. 9 of the notice, to the extent of their shareholding interest, if any in the Company. Save and except the above, none of the other Director/ Key Managerial Personnel of the Company / their relatives is, concerned or interested, financially or otherwise, in the resolution

ITEM NO. 10

Mr. Rajendra Bandi (DIN: 00051441), was re-appointed as Whole-time Director for further term of 3 years w.e.f. 01.04.2012 and his tenure will expire on March 31, 2015. Board feel that the services of Mr. Rajendra Bandi should be available for a further period of 3 (three) years from the date of 20th Annual General Meeting of the Company; consequently his previous office as Whole-time Director which is in force till 31.03.2015 will be terminated automatically from the date of this appointment.

The Company has received consent in writing to act as

directors in Form DIR-2 pursuant to Rule 8 of The Companies (Appointment & Qualification of Directors) Rules 2014, and intimation in Form DIR-8 in term of The Companies (Appointment & Qualification of Directors) Rules 2014, to the effect he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 from Mr. Rajendra Bandi.

In terms of the provisions of the Companies Act and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board, have at their meeting held on August 09, 2014 recommended the appointment of Mr. Rajendra Bandi as Whole-time Director of the Company on the following **terms and conditions:**

1. Period of Appointment : 3 (Three) years from the date of 20th Annual General Meeting of the Company and he will be liable to retire by rotation to comply with the provisions of Section 152 of the Companies Act 2013 and The Companies (Appointment and Qualification of Directors) Rules 2014, and whose name shall be considered for reckoning the number of Directors for liable to retiring by rotation.
2. Salary : Rs. 22,000/- (Rupees Twenty Thousand only) Per Month with Annual Increment of 10%.
3. Perquisites : All legal & applicable perquisites including Provident Fund at specified rates from time to time in force.

4. 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 197 and other applicable provisions of the Companies Act, 2013 read with schedule V to the said act as may from time to time be in force.

5. Sitting Fee : Mr. Rajendra Doshi shall not be paid any setting fee for attending the meeting of the Board/Committees or any such other meeting.

6. Other benefits :

- Gratuity as per the rules of the Company, but not exceeding half month salary for each completed year of service
- Provision for use of car for Company's business and not considered as perquisites
- Free mobile telephone facility and not considered as perquisites
- Expenses for travelling, boarding, lodging during business trips and any medical assistance provided shall be reimbursed at actual cost and not considered as perquisites

In case, the Company has no profits or its profits are inadequate, then the remuneration shall be paid to him in accordance with the provisions of the Companies Act, 2013 read with Schedule V of the Act.

7. Other Conditions:

- The office of the Whole-time Director may be terminated by either party by giving the 3 (three) months prior notice in writing of such termination as may be mutually agreed between the parties i.e. Company and Mr. Rajendra Bandi.
- The appointee Director shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors and shall act in accordance with the Articles of Association of the Company. He shall adhere to the Company's Code of Conduct for its Directors, Senior Management, Officers and Employees of the Company.
- The appointee Director will perform his duties in leading and overseeing the implementation of the Company's long and short term plans in accordance with its strategy; assessing the principal risks of the Company and ensuring that these risks are being monitored and managed; and performing regular administration and management activities of the corporation under the orders and directions given by the Board and Managing Director from time to time, conform and comply with all such directions made by the Board & Managing Director.

The above may be treated as memorandum setting out the terms of re-appointment of Mr. Rajendra Bandi under Section 190 of the Companies Act, 2013

I General Information			
1 Nature of Industry :	Shares & Stock Broking		
2 Date or expected date of commencement of production.	Company engaged in Shares & Stock Broking activities since 1995 after obtaining Certificate of Business Commencement of dated 08th Day of February 1995.		
3 In case of new companies expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus. :	Not Applicable		
4 Financial Performance :	Particulars	31.03.2014 Rs. In Lacs	31.03.2013 Rs. In Lacs
	Revenue	2109.88	1001.61
	PBT	93.15	3.85
	PAT	68.51	3.26
5 Foreign Investments or collaborators, if any. :	Not Applicable		
II Information about the appointee			
1 Background details :	Mr. Rajendra Bandi, aged 53 years, joined the Company in the year 1995, Whole-time Director of the Company and having over 18 years of experience in the field of Capital & Derivative Markets and also having profound		

	knowledge of construction and real estate business. Mr. Rajendra Bandi has degree of Bachelor of Science.
2 Past Remuneration :	Rs. 20,000/- (Rupees Twenty Thousand only) p.m. with Annual Increment of 10%
3 Recognition or Awards :	NIL
4 Job Profile & His Suitability :	As mentioned above in the sub point no. iii of point no. 7 under the terms and condition of his appointment. The appointee Director will perform his duties in leading and overseeing the implementation of the Company's long and short term plans in accordance with its strategy; assessing the principal risks of the Company and ensuring that these risks are being monitored and managed; and performing regular administration and management activities of the corporation under the orders and directions given by the Board and Managing Director from time to time, conform and comply with all such directions made by the Board & Managing Director.
5 Remuneration Proposed :	As mentioned under point nos. 2 to 6 under the terms and condition of his appointment. The remuneration payable has the approval of the Nomination and Remuneration Committee and the Board of Directors.
6 Comparative remuneration profile with respect to industry, size of the Company profile of the position and person. :	In correspondence to the size and operations of the Company and the Industry bench marks, the profile of the appointee, along with the responsibilities shouldered on him, the remuneration proposed to be paid is reasonable to that of the alike companies.
7 Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel if any. :	To the extent of transaction covered under Note no. 39 of the Financial Statement for the year ended 31.03.2014
III Other Information	
1 Reasons of inadequate profits: :	Company had faced tough competition and difficult market conditions during financial year 2013-14
2 Steps taken or proposed to be taken for improvement :	Company has always been focused on customer service and would be able to comply with these requirements. Company is taking all necessary steps with potential development plan to introduce new clients and providing comfort facilities for trading to its proposed and existing clients. Company will achieve its goals with records profitability in coming years
3. Expected increase in productivity and profits in measurable terms	Company had faced tough competition and difficult market conditions during financial year 2013-14

The Board commends the above appointment and accordingly recommends the Special Resolution as set out in Item No. 10 of the Notice for your approval.

Whole-time Director Mr. Rajendra Bandi is concerned or interested in the resolution pertaining to his re-appointment as Whole-time Director. The relatives of Mr. Rajendra Bandi may be deemed to be interested in the resolution set out in Item No. 10 of the notice, to the extent of their shareholding interest, if any in the Company. Save and except the above, none of the other Director/ Key Managerial Personnel of the Company / their relatives is, concerned or interested, financially or otherwise, in the resolution.

ITEM NO. 11

The members of the Company at their Extra-ordinary General Meeting held on September 29, 2010 had approved by way of Ordinary Resolution under Section 293(1)(d) read with Section 293 (1)(a) of the Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess the sum of Rs. 35,00,00,000 (Rupees Thirty Five Crores).

Under the provisions of Section 180(1)(c) of the Companies Act, 2013, the above powers can be

exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per a clarification issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed under Section 293(1)(d) Companies Act, 1956, will remain valid for a period of one year from the date of notification of Section 180 of the Companies Act, 2013, i.e. upto 11th September 2014. As such, it is necessary to obtain fresh approval of the shareholders by means of Special Resolution, to enable the Board of Directors of the Company to borrow moneys, apart from temporary loans including Bank Guarantee facility obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid up share capital and free reserves of the Company. The borrowing limit of Rs. 35,00,00,000 under the earlier resolution passed by the shareholders at the Extra-ordinary General Meeting held on September 29, 2010 remains unchanged.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 11 of the Notice. The Board recommends these resolutions for approval by the members of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 11 of the Notice.

ITEM NO. 12

Under the erstwhile Section 293(1)(a) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, create charge/mortgage/hypothecation on the Company's assets, both present and future, in favour of the lenders/trustees for the holders of the debentures/bonds, to secure the repayments of the moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

Under the provision of Section 180(1)(a) of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per a clarification issued by the Ministry of corporate Affairs, the Ordinary Resolution earlier passed under Section 293(1)(a) of the Companies Act, 1956, will remain valid for a period of one year from the date of notification of Section 180(1)(a) of the Companies Act, 2013, i.e. upto 11th September, 2014 As such, it is necessary to obtain fresh approval of the shareholders by means of Special Resolution, to enable the Board of Directors of the Company to create charge/mortgage/hypothecation or security in any form on the Company's assets both

present and future, in favour of the lenders/trustees for the holders of the debentures/bonds, to secure the repayments of the moneys borrowed by the Company (including fund based and non- fund based working capital credit facilities/temporary loans obtained from the Company's Bankers in the ordinary course of business). As the documents to be executed between the Company and the Lenders/trustees for the holders of debenture/bonds may contain the power to take over the management of the Company in certain events, it is necessary to obtain Members approval under Section 180(1)(a) of the Companies Act, 2013, by way of a Special Resolution.

The existing limit of Rs. 35 Crores under the earlier resolution passed by the shareholders at Extra-ordinary General Meeting held on September 29, 2010 remains unchanged.

The Board Comments the Special Resolution set out at Item No. 12 for the approval of the Members of the Company.

None of the Directors/Key managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 12 of the Notice.

ITEM NO. 13

The existing Articles of Association ("AOA") are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Act.

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal ("Tribunal") such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Companies Act, 2013, several regulations of the existing AOA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AOA by a new set of Articles.

The new AOA to be substituted in place of the existing

AOA are based on Table 'F' of the Act which sets out the model Articles of Association for a Company limited by shares. Shareholder's attention is invited to certain salient provisions in the new draft of AOA of the Company viz;

1. Provisions relating to the appointment of independent and women directors have been added.
2. Provisions relating to the appointment of Key Managerial Personnel have been added.
3. Provisions relating to giving of special notice by shareholders for moving any resolution at a shareholders meeting have been amended in accordance with the Act.
4. Provisions relating to disclosures to be made by directors at meetings of the board and vacation of office by directors have been amended in

accordance with the Act.

5. Provisions relating to use of the electronic medium to communicate with the shareholders and directors have been added.
6. Various existing articles have been aligned with the Act.

The proposed new draft AOA is being uploaded on the Company's website for perusal by the shareholders.

The Board of Directors recommends the Special Resolution set out at Item No. 13 of the Notice for approval by the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 13 of the Notice.

Date : August 09, 2014

Place : Indore

Registered Office :

16, 4th Floor, Dawa Bazar, R.N.T. Marg, Indore - 452001, Madhya Pradesh

CIN : L67120MP1995PLC008959

Website: www.indothai.co.in; Email : indothaigroup@indothai.co.in

Tel.:0731-2705420-22; Fax: 0731-2705423

By order of the Board of Directors

Indo Thai Securities Limited

Sd/-

Anurag Kumar Saxena

(Company Secretary)

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING
(Pursuant to Clause 49 of the Listing Agreement)

	Mr. Parasmal Doshi	Mr. Dhanpal Doshi	Mr. Rajendra Bandi
DIN	00051460	00700492	00051441
Date of Birth	05.07.1957	16.07.1965	01.03.1961
Nationality	Indian	Indian	Indian
Date of Appointment	01.10.2010	19.01.1995	19.01.1995
Qualifications	Chartered Accountant, Bachelor of Commerce, Master of Business Administration and passed various modules of NCFM, BCSM, NISM, MCCP & AMFI.	Chartered Accountant, Bachelor of Commerce, Master of Business Administration and passed various modules of NCFM, BCSM, NISM, MCCP & AMFI.	Bachelor of Science and NCFM Certifications in Capital Market (Dealers) Module and Derivatives Market (Dealers) Module.
Expertise in specific functional areas	Capital & Derivative Market Analysis, Industrial Analysis, Sectorial Economics, Real Estate and Commodity Market, Finance and Management"	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	Real Estate Business
Chairmanships/ Directorships of other Companies*	1. Indo Thai Commodities Pvt. Ltd. 2. Surana Estate And Commodity Trading Pvt. Ltd. 3. Indo Thai Real Estate Pvt. Ltd. 4. Geetanjali Buildcon Pvt. Ltd. 5. Vistar Villas Pvt. Ltd. 6. Sand & Stone Residency Pvt. Ltd. 7. Citadel Real Estates Pvt. Ltd. 8. Future Infraestates Pvt. Ltd. 9. Rising Infraareal Pvt. Ltd. 10. Provident Real Estates Pvt. Ltd. 11. Oscar Buildcon Pvt. Ltd. 12. Prosperity Residency Pvt. Ltd. 13. Red Carpet Residency Pvt. Ltd. 14. Indo Thai Fincap Ltd. 15. Indo Thai Realities Ltd	1. Indo Thai Commodities Pvt. Ltd. 2. Surana Estate And Commodity Trading Pvt. Ltd. 3. Indo Thai Real Estate Pvt. Ltd. 4. 3M Consultants Pvt. Ltd. 5. Vistar Villas Pvt. Ltd. 6. Sand & Stone Residency Pvt. Ltd. 7. Citadel Real Estates Pvt. Ltd. 8. Future Infraestates Pvt. Ltd. 9. Rising Infraareal Pvt. Ltd. 10. Provident Real Estates Pvt. Ltd. 11. Oscar Buildcon Pvt. Ltd. 12. Indo Thai Fincap Ltd.	1. Geetanjali Buildcon Pvt. Ltd. 2. Prosperity Residency Pvt. Ltd.
Chairmanship/Membership in Committees of other Companies	Indo Thai Realities Ltd. (Audit Committee - Chairman)	NIL	NIL
Number of shares held in the Company*	1165900	1265000	3000

	Mr. Sunil Kumar Soni	Mr. Om Prakash Gauba	Mr. Sukrati Ranjan Solanki	Mrs. Shobha Santosh Choudhary
DIN	00508423	00059231	05230304	06934418
Date of Birth	05.03.1958	26.04.1949	14.06.1975	25.06.1958
Nationality	Indian	Indian	Indian	Indian
Date of Appointment	28.03.2002	29.01.2005	06.05.2013	N.A
Qualifications	Master of Commerce	Master of Commerce passed the NCFM Modules of Capital Market (Dealers) Module, Derivatives Market (Dealers) Module and Currency Derivatives Module of NISM.	Bachelor of Laws	Bachelor of Science (Mathematics), Bachelor of Education, Master of Arts (Music), Master of Philosophy (Music).
Expertise in specific functional areas	Mining Business	Finance, Banking & General Administration	Legal Expert in Distress Property & Litigation	Banking & General Administration
Chairmanships/ Directorships of other Companies*	NIL	1. Indo Thai Realities Ltd 2. Indo Thai Fincap Ltd.	NIL	NIL
Chairmanship/Membership in Committees of other Companies	NIL	1. Indo Thai Realities Ltd. (Audit Committee- Member)	NIL	NIL
Number of shares held in the Company*	NIL	NIL	NIL	NIL

*Status as on 31st March 2014.

To,

Dear Members,

The Directors have pleasure in presenting their 20th Annual Report and Audited Statement of Accounts of the company for the financial year ended 31st March 2014.

FINANCIAL HIGHLIGHTS

The financial performance of Company is summarized below

(Rs. in Lacs)

Particulars	F.Y. : 2013-2014	F.Y. : 2012-2013
Revenue from Operations	1880.45	697.44
Other Income	229.44	304.18
Total Income	2109.89	1001.62
Total Expenditure (Including Exceptional Items)	2016.74	997.77
Profit Before Tax (PBT)	93.15	3.85
Provision for Income Tax	24.64	0.59
Profit After Income Tax	68.51	3.26
Surplus brought forward from previous year	213.36	210.07
Amount available for appropriations	281.87	213.36
Earnings Per Share	0.69	0.03

COMPANY'S PERFORMANCE/REVIEW OF OPERATIONS

Your Company has successfully completed another year of its operations. Despite the difficult market conditions, the Company had earned Profit this year. Your Company is a corporate member dealing in the business of stock and share broking, depository service. The Financial performance of your company during the financial year ended 31st March, 2014 remained healthy. Revenue growth has been driven by increase in operational income. The Net Worth of your company as on 31st March, 2014 was Rs. 36,68,02,277/- as against Rs. 35,99,51,351/- in previous year.

- Standalone

On a Standalone basis, your Company earned a higher Profit Before Tax (PBT) of Rs. 93.15 Lacs as against Rs. 3.85 Lacs in the previous year.

The Operating Revenue (including Sales of Shares) was higher at Rs. 1880.45 Lacs, as against Rs. 697.44 Lacs in previous year reporting an increase of approx 170%. The Operating Revenue was higher mainly on account of improved operational performance and favorable market conditions. Your Company has reported a Profit After Tax (PAT) of Rs. 68.51 Lacs as against Rs. 3.26 Lacs for the previous year.

During Financial Year 2013-14, due to higher earnings after full year's appropriation, the Earnings Per Share was at Rs. 0.69 as against Rs. 0.03 in the previous year.

- Consolidated

On a Consolidated basis, the Operating Revenue was higher at Rs. 1880.45 Lacs, as against Rs. 697.44, an increase of approx 170%. The increase in the Consolidated Operating Revenue was primarily on account of the higher revenue generated.

The Consolidated Profit after Tax at Rs. 86.50 Lacs is higher as compared to the previous year which stood at Rs. -6.99 Lacs. During Financial Year 2013-14, due to higher earnings after full year's appropriation on, the Earnings Per Share was at Rs. 0.48 as against Rs. -0.07 in the previous year.

DIVIDEND

The Company has been continuing its expansion drive and would require substantial outflow of funds. Further after looking towards future opportunities and considering other factors, your directors believe for the betterment of the company and growth in terms of capital appreciation, fund should be re-invested into the company.

In order to further consolidate your Company's position, your Board proposes to employ the surplus resources to augment capital requirements, and does not recommend a dividend for the financial year 2013-2014 (hereinafter referred to as 'current financial year').

FUTURE OUTLOOK

With the gradual weaning away of the economic slowdown witnessed last year, business conditions have improved substantially during recent months and the

Indian financial sector, with the rest of the economy has shown remarkable signs of recovery and resurgence. Following the global financial markets in the previous financial year, the current financial year was a year for your company to take steps for a recovery and confidence building. These steps seem to have paid off for Corporate India with companies declaring good results. Financial markets are expected to grow; however, uncertain global economic environment, inflation and competitive intensity continue to pose challenges. While the near term conditions pose a challenge for the economy, the medium to longer term secular trends based on rising incomes, aspirations, low consumption levels, etc. are positive and an opportunity for the Financial sector in general and for your Company in particular.

With a stable Government at the Centre, activity levels in the Indian capital markets have increased significantly and the benchmark Sensex and Nifty have gained significantly and touched the high level 26300.00 and 7840.95 respectively on July 25, 2014. Market volumes have also seen an increase during this period. The retail segment has still some concern on direct Equity as an asset class. This is visible in day to day traded volumes on Stock Exchanges. Full participation from this segment will result in enhanced business for your Company and your Company is focused in this direction. There are a host of changes in regulations being introduced by the Securities and Exchange Board of India with special emphasis on investor service and protection. Your Company has always been focused on customer service and would be able to comply with these requirements. Competition has intensified with margins coming under severe pressure. Your Company is taking all necessary steps to meet these challenges among others to build leadership position in the industry. On the global front there are still doubts on the economic scene with news of inability to service/ repay sovereign debt by certain countries coming in from time to time. However, the financial crisis in Europe is a matter of concern, since it may have a dampening effect on the Indian equity markets.

☛ **DIRECTORS**

Mr. Sanjay Parmar who was appointed as Non Executive Independent Director of the Company since 20th August, 2010, has resigned on 20th April, 2013 from the post of Directorship due to his pre occupation.

Mr. Sukrati Ranjan Solanki was appointed as an Additional Director (Non-executive Independent Director) with effect from 06th May, 2013, and was appointed as Non-executive Independent Director of the Company liable to retire by rotation at the 19th Annual General Meeting by the members.

Except above there are no changes in the Directorship of the Company during the year under review.

Shri Om Prakash Gauba, Shri Sunil Kumar Soni, Shri Sukrati Ranjan Solanki are the Independent Directors of the Company and they shall be appointed in terms of provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement. Company has received Declaration from them as 'Certificate of Independence' pursuant to the provisions of sub-section (6) of Section 149 of Companies Act, 2013 on 1st April, 2014. These Directors are proposed to be appointed at the 20th Annual General Meeting, due to changes arising from the implementation of the Companies Act, 2013.

Further as per the special provisions under Section 149 read with rule 3 of The Companies (Appointment and Qualification of Directors) Rules 2014, every listed company shall appoint at least one woman director. Smt. Shobha Santosh Choudhary is proposed to be appointed as Independent Director. She has given Declaration of Independence confirming that she meet the criteria of independent director as envisaged in the Companies Act, 2013 and Clause 49 of the Listing Agreement

Mr. Rajendra Bandi is the Director liable to retire by rotation and being eligible offer themselves for re-appointment at the ensuing Annual General Meeting. The Board recommends Director's appointment/re-appointment at ensuing Annual General Meeting and brief resume of the Directors proposed to be appointed/reappointed, nature of their experience in specific functions and area and number of companies in which they hold membership/chairmanship of Board Committees as stipulated under Clause 49 of the Listing Agreement of Stock Exchange are provided in the Explanatory Statement to the Notice of the 20th Annual General Meeting.

☛ **KEY MANAGERIAL PERSONNEL**

Mr. Deepak Sharma who was tendering his services as Accounts Manager has been appointed as Chief Financial Officer (herein after 'CFO') w.e.f. 09th May 2014, as defined under Section 2(19) and falls under Section 2(51) as "Key Managerial Personnel", as is made compulsory for every listed Company.

Mr. Anurag Kumar Saxena was appointed as Company Secretary and tendering his services since 16th November 2009 as Company Secretary cum Compliance Officer of the Company. He is responsible to ensure compliance with

applicable statutory requirement and to advice and assist the Board for Company's conduct of affairs and for effective decision making of Board.

➤ RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, the Directors, to the best of their knowledge and belief and according to the information and explanation obtained by them, confirm and declare that they have taken all reasonable steps, as are required, to ensure that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- ii) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;
- ii) They have taken proper and sufficient care 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,
- iv) They have prepared the annual accounts on a going concern basis.

➤ AUDITORS & AUDITORS' REPORT

M/s S. Ramanand Aiyar & Company, Indore retires at the ensuing Annual General Meeting. They have confirmed their eligibility and willingness for reappointment. The Company has received a confirmation from the Statutory Auditors to the effect that their re-appointment, if made, would be within limits prescribed under Section 141(3)(g) of the Companies Act, 2013.

The notes on Financial Statements referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments. There are no qualifications in the Auditors' Report.

➤ PUBLIC DEPOSITS

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.

➤ CORPORATE GOVERNANCE AND CODE OF CONDUCT

Your Company is committed for highest standard of Corporate Governance in adherence of SEBI and Listing Agreement norms. Pursuant to Clause 49 of the Listing

Agreement with the Stock Exchanges, a Report on Corporate Governance is given as annexure to this Report. A certificate from the Practicing Company Secretaries, confirming compliance by the Company of the conditions of Corporate Governance as provided in Clause 49 of the Listing Agreement is also annexed to this Report as "Certificate on Corporate Governance".

Pursuant to the provisions of Clause 49(1)(D) of the Listing Agreement, your Company has also laid down a Code of Conduct for its Board Members and Senior Management Personnel. All the Directors and the Senior Management Personnel have affirmed compliance with the said Code of Conduct. A declaration by the CEO & MD regarding compliance by Board Members and Senior Management, Officers And Employees of the Company with the Code of Conduct for the year ended March 31, 2014 is annexed as 'Certificate on Adherence With Company's Code of Conduct' to this Annual Report.

Disclosures required in accordance with Sub-section IV, Section II of Part II of Schedule V of Companies Act, 2013 regarding remuneration package of executive directors seeking re-appointment; their service contract, notice period etc. are made in the Explanatory Statement of Notice of 20th Annual General Meeting in Item No. 8, 9 & 10 under the para of terms and condition of appointment.

➤ MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated Under Clause 49 of the Listing Agreement with the Stock Exchanges in India is presented in a separate Section forming part of this Annual Report.

➤ ENHANCEMENT OF BUSINESS OPERATIONS

Your Company is in process to expand its business in India by way of setting-up of new Branches, Terminal Locations, Authorised Person Locations. Recently, your Company had opened a new Branch at Jodhpur (Rajasthan).

➤ SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

Indo Thai Fincap Limited (ITFL) and Indo Thai Realities Limited (ITRL) are the subsidiaries of your Company with effect from 27th February, 2013 & 1st March, 2013 respectively. The Financial Statements of the subsidiaries (prepared in accordance with Accounting Standard 21 issued by the Institute of Chartered Accountants of India), form part of the Annual Report and are reflected in the Consolidated Accounts of the Company. In addition, the financial data of the subsidiaries have been furnished under Note No. 37 to the Consolidated Financial Statements and forms part of this Annual Report.

The annual accounts of the subsidiaries and related detailed information will be kept at the Registered Office of the Company, as also at the head offices of

the respective subsidiary companies and will be available to investors seeking information at any time.

Indo Thai Fincap Limited has made an application to Reserve Bank of India (RBI) to register the Company as Non Banking Financial Institution (NBFI) and to obtain Certificate of Registration under section 45-IA of RBI Act, 1934 and made all necessary correspondence with the RBI. But ITFL has received a letter from RBI, wherein RBI has returned the application of ITFL with some remarks. After, all necessary steps taken by the ITFL in this regard, M/s Indo Thai Fincap Limited has decided to rescind its decision to get Certificate of Registration from RBI under Section 45-IA of RBI Act, 1934 and not interested to submit said application again. Furthermore, the fund of Rs. 2,11,00,000/- (Rupees Two Crore Eleven Lacs) which was invested by Indo Thai Securities Limited in ITFL are trapped and it is not fruitful for the Company. Therefore, Company is in the planning to make disinvestment from Wholly Owned Subsidiary M/s Indo Thai Fincap Limited and release its trapped fund for future growth.

Indo Thai Realities Limited was incorporated on 01.03.2013 as Wholly Owned Subsidiary and Indo Thai Securities Limited has invested Rs. 7,97,87,000/- (Rupees Seven Crores Ninety Seven Lacs Eighty Seven Thousand only) as a subscription to the Memorandum of Association. Mr. Parasmal Doshi, Mr. Dhanpal Doshi and Mr. Om Prakash Gauba were the First Directors of Indo Thai Realities Limited. Later on Mr. Dhanpal Doshi resigned from the Board on 28.02.2014 and two new directors Mr. Mayur Rajendrabhai Parikh and Mr. Saurabh Oswal have joined the Board as Additional Directors w.e.f. 28.02.2014. Ms. Shikha Komal Jain was appointed as Company Secretary of Indo Thai Realities Limited w.e.f. 20.01.2014.

☛ SURRENDER OF MEMBERSHIP OF UNITED STOCK EXCHANGE OF INDIA LIMITED

Your Company was a trading member of United Stock Exchange of India Limited (USE) in Currency Derivative Segment since 22.09.2010, but from the date of obtaining such membership company did not make any trade through United Stock Exchange of India Limited (USE), therefore the Company has decided to surrender of membership of USE as it will be in the interest of the Company. This matter was considered in last Annual General Meeting of the Company and members' approval also taken on the same. The surrender application of membership moved to United Stock Exchange of India Limited is still pending with USE/SEBI.

☛ INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

A system of strict internal control, including suitable

monitoring procedures has always believed that transparency, systems and controls are important factors in the success and growth of any organization. The Company has an adequate system of internal control supported by an extensive programme of internal control; and systems are established to ensure that financial and other records reliable for preparing financial statements. This department assumes great significance given the size, scope and rapid rate of growth of the Company. Whenever it is required, the systems and procedures are upgraded to suit the changing business needs.

Internal Audit Reports and significant Audit observations are brought to the attention of the Audit Committee of the Directors. The internal controls existing in the company are considered to be adequate vis-a-vis the business requirements. Your Company ensures adequacy with its current size and business, to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of laws and regulations. It is supported by the internal audit process and will be enlarged to be adequate with the growth in the business activity.

☛ INTERNAL AUDITORS

The Company has appointed M/s Abhijeet Jain & Associates, Chartered Accountants for conducting Internal Audit of the Company for the financial year 2014-15. The purpose of this internal audit is to examine that the processes and procedures followed and the operations carried out by the company are according to the prescribed norms. The Internal Auditors reviews the adequacy and efficiency of the Company's financial statement and also conducts periodic audit of various functions of the Company so as to provide true and fair view of the company's financial position.

In accordance with the circulars issued by SEBI, the Company has appointed M/s SPARK & Associates (Formerly Known As Harish Dayani & CO.) for conducting an Internal Audit of stock broking and depository participant operations, regulatory compliance audit and system audit. The purpose of this internal audit is to examine that the processes and procedures followed and the operations carried out by the Company meet with the requirements prescribed by stock exchanges and SEBI for Trading Members/Clearing Members. The Auditors reviews the adequacy and efficiency of the Company's internal controls and also conducts periodic audit of various functions of the Company.

Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company.

☛ HUMAN RESOURCES

Your Company continuously strives to foster a culture of high performance. Your Management has infused a lot of rigor and intensity in its people development processes and in honing skill sets. Your Company is putting in place the various human resource policies and assigning personnel for the same.

The biggest strength of the Company has always been its people. Only with their participation we manage to achieve a healthy work culture, transparency in working, fair business practices and passion for efficiency. Thus development of human resources at all levels is taken on priority to upgrade knowledge and skill of employees and sensitize them towards productivity, quality, cost reduction, safety and environment protection. The Company's ultimate objective is to create a strong and consistent team of employees wherein each link in the resource chain is as strong as the other.

Constant focus on the Human Resources dimension is an integral part of the company's values. Attracting, retaining and developing our workforce to meet the current and future needs of our business are a key focus area. The organization is committed to achieve the above through comprehensive interventions in training and development, providing career growth opportunities and creating an entrepreneurial culture.

☛ RISKS AND CONCERNS/INSURANCE

The Company's operations are prone to general risks associated with economic conditions, change in Government regulations, tax regimes, other statutes, financial risks and capital market fluctuations.

To cover the risk arising from operations, your company has taken Brokers Indemnity Insurance Policy for exchange(s) and In addition, assets 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.

☛ PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the Company does not carry out any manufacturing activities, particulars to be disclosed with respect to conservation of energy and technology absorption under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable. During the year under review there has been no earning and outgo in foreign exchange.

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.

☛ E-VOTING

As Ministry of Corporate Affairs (MCA) has made it mandatory to provide facility of Electronic Voting to its Shareholders for resolutions which is/are intends to pass and obtain approvals of shareholders through Postal Ballot or at the venue of AGM/EGM, therefore in this regard the Company has taken initiative to fulfill the obligations considering future requirements as laid down by the MCA. Your company has executed tripartite agreement with CDSL in this regard.

☛ 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 (Particulars of Employees) Rules 1975, as amended.

☛ LISTING & DEPOSITORY FEE

Your Company got honour of Listing at two national level stock exchanges (i.e. BSE Limited and the National Stock Exchange of India Limited) and Company's equity are available for trading from listing date (i.e. 02.11.2011). The Annual Listing Fee for the year 2014-15 has been duly paid by the Company to BSE & NSE according to the prescribed norms and regulations.

Company has also paid Annual Custody Fee to NSDL, Issuer Fee to CDSL for the financial year 2014-15.

☛ ENHANCING SHAREHOLDER VALUE

The Company accords top priority for creating and enhancing share holder value. All the Company's operations are guided and aligned towards maximizing shareholder's value. Efforts have been made for capacity expansion and cost reduction measures are taken up to enhance the growth in revenue and profitability.

☛ FINES AND PENALTIES

NSE has imposed a total penalty of Rs. 15000 for 4 instances during the financial year 2013-14 in respect of periodic call auction wrongly executed by Clients in illiquid scrips with reference to SEBI circular no. CIR/MRD/DP/6/2013 and Exchange circular no. NSE/SURV/17/2013. NSE has also imposed penalty of Rs. 1500 each for adverse findings reported in Internal

Audit Report for half year ended on March 2013 and September 2013. The same is accepted by management and corrective action taken thereon.

BSE has imposed penalty of Rs. 1500 each on adverse findings reported in Internal Audit Report for half year ended on September 2012 and March 2013. The same is accepted by management and corrective action taken thereon. A further penalty of Rs. 10,000 was imposed in respect of Inspection of Books of Accounts and other documents by BSE for not settling accounts of clients on a monthly/quarterly basis which was paid by Company.

In respect of our suo moto filed Petition(s) CA 317/2012, CA 318/2012, CA 319/2012 u/s 621A of the Companies Act, 1956 (Compounding of Offences), The Company Law Board, Mumbai has imposed penalty of Rs. 15000, Rs. 7500, Rs. 40000 respectively each for all four applicants including Company and its three Directors at hearing held on 08.11.2013. Such penalty has been paid on 13.11.2013.

Securities and Exchange Board of India has also imposed a penalty of Rs. 500000/- U/s 15HB of SEBI Act under Adjudication Order dated 16.05.2014 issued in the matter of Magma Fincorp Ltd., which has been paid on 30th June 2014.

☛ SURVEY BY INCOME TAX TDS CIRCLE

TDS of Income Tax Department has conducted a survey proceeding U/s 133A of the IT Act, 1961, at Company's Registered Office and its two branches on 03.10.2013 and Company has submitted all documents demanded by the TDS Department.

☛ GREEN INITIATIVES

The colour 'green' is the colour of responsibility towards the environment. It signifies the correlation between human behavior and nature. The Green Initiative strongly support and promote environment related initiatives. This Initiative will bring the sustainable technologies into the mainstream and which will help us become more energy independent. As a bright and a green tomorrow await us, it is our responsibility and opportunity to join hands and create a success story for India. Since 2012, we followed sustainability initiatives with the aim of going green and minimizing our impact on global environment. In the

present scenario of climate change and Global warming, your company is taking further step towards paperless compliance by sending various documents, (i.e. Annual Report, Proxy Form and other Notices) to the shareholders/members through electronic mode as it will keep our earth/ environment green and safe.

Members are requested to appreciate and participate into the 'Green Initiative' by register/update their e-mail address with Depository Participants. 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.

☛ APPRECIATION

During the year under review, NSE has celebrated its 20th Anniversary and on this occasion it has awarded Silver Plate (Trophy) to selected broker companies; and you will be glad to know that your Company was one of them.

☛ ACKNOWLEDGEMENTS

It will be the Company's endeavour to build and nurture strong links with the trade based on mutuality of benefits, respect for and co-operation with each other, consistent with clients interests.

Your Directors would like to express their gratitude and its sincere appreciation for all the guidance and co-operation received from various regulatory authorities including, Securities and Exchange Board of India, Central Depository Services (India) Limited, National Securities Depository Limited, National Stock Exchange of India Limited, BSE Limited, Reserve Bank of India, Ministry of Corporate Affairs, Registrar of Companies and all other Government & Regulatory Authorities; and to thank its Shareholders, Clients, Bankers, Lenders, Business Associates and Employees for the continuous support given by them to the Company and for their confidence in its management. Your Directors also wish to extend a special thanks to the employees at all levels, which have exhibited the qualities of perseverance, teamwork and enthusiasm and have enabled the Company to achieve exceptional business growth.

Date : August 09, 2014

Place : Indore

By order of the Board of Directors

Indo Thai Securities Limited

Sd/-

Parasmal Doshi

(Chairman & Whole-time Director)

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, 2014**, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned 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.

Dated: August 09, 2014

Place : Indore

Kaushal Ameta & Co.

Sd/-

Kaushal Ameta

Practicing Company Secretary

Mem. No. - 20408, CP No. - 9103

1. Global Economic Scenario

Global activity has broadly strengthened and is expected to improve further in upcoming years, with much of the impetus for growth coming from advanced economies. Although downside risks have diminished overall, lower-than-expected inflation poses risk for advanced economies, there is increased financial volatility in emerging market economies, and increases in the cost of capital will likely dampen investment and weigh on growth.

These dynamics imply a changing environment for emerging market and developing economies. Stronger growth in advanced economies implies increased demand for their exports. The normalization of monetary policy, however, implies tighter financial conditions and a tougher financial environment. Investors will be less forgiving, and macroeconomic weaknesses will become more costly.

Potential growth in many advanced economies is very low. This is bad on its own, but it also makes fiscal adjustment more difficult. In this context, measures to increase potential growth are becoming more important from rethinking the shape of labor market institutions, to increasing competition and productivity in a number of non tradable sectors, to rethinking the size of the government, to examining the role of public investment.

Although the evidence is not yet clear, potential growth in many emerging market economies also appears to have decreased. In some countries, such as China, this may be in part a desirable byproduct of more balanced growth. In others, there is clearly scope for some structural reforms to improve the outcome.

Finally, as the effects of the financial crisis slowly diminish, another trend may come to dominate the scene, namely, increased income inequality. Though inequality has always been perceived to be a central issue, until recently it was not believed to have major implications for macroeconomic developments. This belief is increasingly called into question. How inequality affects both the macro-economy and the design of macroeconomic policy will likely be increasingly important items on our agenda.

2. OVERVIEW OF THE INDIAN ECONOMY

The proactively working of government and Reserve Bank in ensuring macroeconomic management and cutting of financial barriers leads to increasing investments and investors sentiments. Besides the sluggish domestic demands and timid investor activities, the economy

does not appear to be out of the woods, yet. While recessionary headwinds are counting on corporate and banks, there are some signs of slippages starting to come off. In present scenario if the renewed political commitments are put in place and risk are well managed, both the financial and real sector could gain. In the interim, a closer and continuous monitoring of potential risks and pre-emptive policy action appears to be the need of the hour.

The economy went through challenging times since the crisis in the Euro area in 2011-12 with a cyclical down turn with growth slowdown, elevated current account deficit, persistent inflation, and the need to restore fiscal policy to a sustainable path. As a measure the Reserve Bank of India, in consultation with the Government of India (GoI) launched Inflation Indexed Bonds (IIBs) for institutional investors, with inflation protection to both principal and coupon.

The Union Budget 2013-14 laid considerable emphasis, inter alia, on containment of inflationary pressures and mitigation of structural bottlenecks to growth. The policy response of the Government to the present growth slowdown has been in the form of structural reforms aimed at reducing entry-barriers and boosting competition and productivity in various sectors; fiscal consolidation and reforms in administered prices; further strengthening of financial/banking sectors; introduction of instruments to encourage financial savings of households; measures to restart the investment cycle through support to infrastructure financing and encouragement to micro, small and medium enterprises; steps to revive growth in manufacturing and reforms in energy pricing.

3. INDUSTRY STRUCTURE & DEVELOPMENT

Securities market is most promising sector in an Indian economy for raising the level of Indian financial system. After liberalization phase stock market has proven as a weapon of fighting with the foreign economies. Directions of an economy can be measured by movement of volatility index. Stock Index has been a barometer for measuring the performance of Indian economy with its development. Micro and macro economic factors have continuously affected the industrial growth. Our financial industry has been affected by financial crisis frequently that has proven the stock market full of risk and uncertainty. Nifty and Sensex always have been in the mind of active investors which have changed the life as miracle.

Indian stock market has gained new milestones and its volatility has surprised our economy with the expansion in equity, debentures, bonds, real estate, Options, Futures,

and Derivatives. Our Indian economy will be the third largest economy after 2035 according to a survey. After getting freedom from Britishers, Indian economy has survived with rebuilding their stand through monetary policies, fiscal policies, five year plans etc. Efficient and effective stock market is that place where prices of the security are showing all related information about that with its true worth. Working on Indian stock market has become interesting job for various researchers. Already appreciable studies have been conducted in this area. As a result, Indian markets have emerged as one of the better performing markets in the world in the year 2013 especially when compared to the other emerging markets. On a longer horizon, the Indian equity market has given a compounded annual growth rate of 15.8 per cent over the 10-year period which may be regarded as a comparable return vis-à-vis other global markets.

The leading role of stock market is financing corporate industry, encourage entrepreneurship, mobilizing resources, allocation of resources with respect of economic growth. Listing of corporates' on various stock exchanges will impact the liquidity in the market. Stock market is always related with the demand and supply forces, fiscal deficit and political stability.

Last year Honorable Finance Minister announced that the start ups and SMEs can get listed on the bourses without IPO. Accordingly, SEBI has made the provision in ICDR guideline whereby listing on the Exchange made possible without bringing Initial Public Offer (IPO). SME Platform facilitate capital raising by small and medium enterprises including start-up companies which are in their early stages of growth. Provide easier entry and exit options for informed investors like angel investors.

4. FINANCIAL CONDITION

a. SOURCES OF FUNDS/ APPLICATION OF FUNDS

Share Capital

At present, we have only one class of shares – equity shares of par value Rs.10/- each. Our authorized share capital is Rs. 12 Crores, divided into 1.20 crores equity shares of Rs. 10/- each. The issued, subscribed and paid up capital stood at Rs. 10 crores as at March 31, 2014 (same as the previous year).

b. RESERVES AND SURPLUS

Security Premium Reserve

The balance in securities premium account as at March 31, 2014 amounted to Rs. 23.86/- Crore. There are no changes in securities premium account as compared to last year.

Profit and Loss account

The balance in the Profit and Loss account as at March 31, 2014 is Rs. 2.82/- Crore, which has increased from Rs. 2.13/- Crore as reported in the previous year.

Shareholder funds

The total shareholder funds increased to Rs. 36.68/- Crore as at March 31, 2014 from Rs. 35.99/- Crore as of the previous year end. The market value per share increased as compared to previous year. The company price made a high of Rs. 13.25/- as at March 31, 2014, compared to Rs. 10.05/- as of the previous year-end in NSE, And simultaneously made a high of Rs. 12.95/- As at 31st March, 2014 and Rs. 10.45/- Year ended 31st March, 2013 in BSE Ltd.

Fixed assets

During the year ended 31st March, 2014, we capitalized Rs. 0.74/- Crore to our gross block reporting a total figure of Rs. 4.60/- Crore.

Deferred tax assets / liabilities

We recorded deferred tax assets of Rs. 334319/- as at March 31, 2014 which was Rs. 638610/- during the previous year. We assess the likelihood that our deferred tax assets will be recovered from future taxable income.

Trade Receivables

The figure of Trade Receivables was reported at Rs. 4.40Crore as on March 31, 2014 which was Rs. 4.47Crore as on March 31, 2013.

Cash & Cash equivalents

During the year under review your Company is under process to deploy fund raised through Initial Public Offer (IPO) which is kept in the bank deposits, consequently the Cash & Cash Equivalents of the company is being decreased as compared to previous financial year and reached at Rs. 13.67 Crore as on 31st March, 2014 which was Rs. 20.99 Crore in the previous year.

Income from operations

Income from operations reported a figure of Rs. 1,77,94,345/- as on 31st March, 2014 as compared to Rs. 2,02,64,163/- in the previous year ended 31st March, 2013.

Revenue

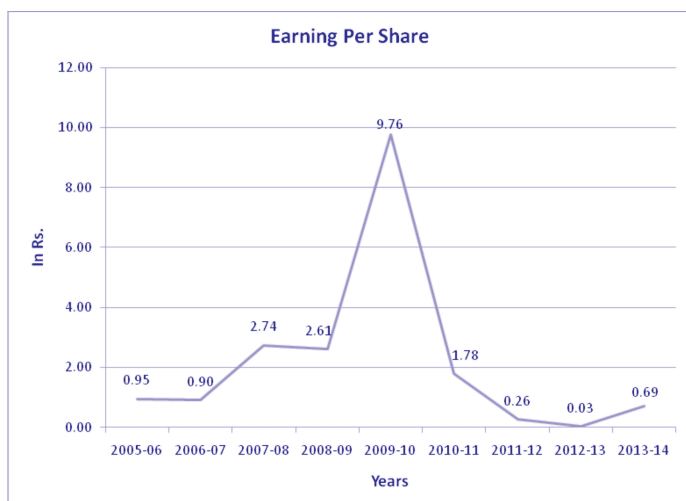
Total revenue from operations increased from Rs. 6.97 Crore as on 31st March, 2013 to Rs. 18.80 Crore as on 31st March, 2014 on account of higher income from sale of shares.

Other Income

Other income was Rs. 3.04/- Crore as on 31st March, 2013 and as on 31st March, 2014 the figure was reported at Rs. 2.29/- Crore.

Earnings Per Share

The earnings per share in the financial year 2013-14 was much higher from the figure reported during financial year 2012-13. It was 0.69/- and 0.03/- respectively.



5. OPPORTUNITIES AND THREATS:

The Company being a participant in the financial market, the performance of the Company largely depends on the National and Global Capital Markets. The High volatility in the market along with higher inflation has intensified the competition. We have been acting to our own responses to these challenges and we believe that we can turn them into opportunities, which can unlock growth for us in the future.

- OPPORTUNITIES

• No slowing of demand for investment in securities market

Indian securities/stock market has gained new milestones and its volatility has surprised our economy with the expansion in equity, debentures, bonds, real estate, Options, Futures, and Derivatives. Securities market is most promising sector in an Indian economy for raising the level of Indian financial system.

• Favorable environment to induce investment in securities market

It is now vital to promote the structural reforms of our economy by reallocating capital from less-efficient sectors into more-efficient growth sectors serving greater social needs, through encouraging the participation of investors in the securities markets and ensuring the efficiency of their assets management creating a favorable environment to encourage investment in securities market.

• Regulatory reforms would aid greater participation by all the class of investors.

India's financial sector is diversified and expanding rapidly. It comprises commercial banks, insurance companies, non-banking financial companies, cooperatives, pensions funds, mutual funds and other smaller financial entities. The regulation and supervision of the financial system in India is carried out by different regulatory authorities. The Reserve Bank of India (RBI) regulates and supervises the major part of the financial system. These regulatory reforms would help in larger contribution by investors.

- THREATS:

"Risk in the stock market cannot be eliminated but that can be measured with help of volatility and variability of previous trends."

• Constant risk attached with price movement in Securities & Currency Market

The derivative instruments are more uncertain in comparison to other financial instruments as it involves leveraged positions on the underlying assets. Financial losses can arise if we fail to manage risks associated with the clients' dealings in derivative instruments, particularly due to price and market instability.

• Slowdown in global liquidity flows

Global liquidity is very fluctuating and is unpredictable and due to this expansionary monetary policies are being conducted everywhere. This should continue to inflate the size of international capital flows and exchange rate fluctuations as to overcome the Slowdown in global liquidity flows.

• Intense competition from global and local players.

Global players compete in several, heterogeneous markets and local players are active in a single

market only. The Foreign Institutional Investors captured the maximum market and they deal with the international market players. In recent time new competitors emerging in the Indian Capital Market with low brokerage rate, consequently the brokerage rate of the Company severally declined to compete the alike companies.

6. SEGMENTWISE PERFORMANCE

The Company carries on Stock Broking which is its core activity, besides undertaking other Capital Market activities. The business segments have been identified based on the nature of business carried out by the Company and services provided to its clients. Focus on management will result in achievement of balanced growth. Each market segment is unique and marketing managers decide on various criteria to create their target market(s). They may approach each segment differently, after fully understanding the needs, lifestyles, demographics and personality of the target. We present below a composite summary of performance of the various business segments of the Company. Your Company's performance for the year 2013-14 has to be viewed in the context of the economic and market environment.

I. Equity Segment:

During the year, turnover in our equities broking segment was Rs. 1938.187 Crores. The turnover and brokerage received from equity trading/ broking and other related activities are covered under Equity Segment.

II. F&O Segment:

Futures and Options (F&O) is a segment where a select set of stocks are traded. Each Stock traded has a fixed lot size and one needs to buy or sell in lot sizes. The exchange puts a limit on number of contracts that can be traded in F & O for each stock based on the availability of shares in equity. In this Segment ITSL was acting as Trading Member since year 2000 and obtained clearing membership of NSE in 2012. The Company had recorded a turnover of Rs. 3578.838 Crores form this segment.

III. Currency Segment:

Currency Derivatives are Future and Options contracts which you can buy or sell specific quantity of a particular currency pair at a future date. In your company Currency Segment had recorded the total

turnover of Rs 19937.619 Crores this year which includes proprietary turnover. Your Company is Self Clearing Member of Currency Derivative Segment in NSE; and Trading Member in MCX-SX & USE.

IV. Income from (DP) Depository Participant

A depository is an organisation which holds securities (like shares, debentures, bonds, government securities, mutual fund units etc.) of investors in electronic form at the request of the investors through a registered depository participant. It also provides services related to transactions in securities. And a DP is an agent of the depository through which it interfaces with the investor and provides depository services. Our income during financial year 2013-14 from Depository Operations is Rs. 12,37,600/-.

7. MACRO-ECONOMIC AND BUSINESS DEVELOPMENT

The Stock Market has been revolutionized by adopting modern technology, as the exchanges are now able to reach out to the far flung centers of the country with an efficient trading network for the benefit of retail customers. The Capital Market is most efficient when it discounts all information's in pricing of traded equity stocks. The maturity of the Stock Market has made it increasingly less risky through built-in information system made available to the participants over and above supervisory oversight. The ongoing efforts for further broadening and deepening of the Stock Market domestically and aligning the market with global trading system is not only expanding the customer base but also attracting more resources for investments.

The Indian broking industry is one of the oldest trading industries that have been around even before the establishment of the BSE in 1875. Despite passing through a number of changes in the post liberalization period, the industry has found its way towards sustainable growth. The financial markets have been classified as cash market, derivatives market, debt market and commodities market. The fragmented nature of the industry, coupled with increasing competition from large players in the retail and institutional broking side is likely to exert pressure on broking houses, hence the ability to maintain market share, margins and consequently, return ratios stands as a big question mark. Moreover, declining market turnover due to declining retail and institutional investor

participation, significant correction in stock prices, miserable investment banking outlook and a worsening macroeconomic scenario do not promise well for brokerage firms.

8. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has a proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and applicable statutes, codes of conduct and corporate policies are duly complied with. The Internal Audit department reviews the adequacy and efficiency of the key internal controls, guided by the Audit Committee of the Board. One of the objectives of the Company's Audit Committee is to review the reports submitted by the Internal Audit department and to monitor follow-up and corrective actions by Management. Your Company has a compliance procedure to ensure that all laws, rules and regulations applicable to it are complied with. The Company Secretary is the designated Compliance Officer to ensure compliance with Securities and Exchange Board of India regulations and with the Listing Agreement with the National Stock Exchange of India Limited and BSE Limited.

Your Company has a process of both external and internal safety audits for each area of operation. Your Company is in full compliance with all laws, rules and regulations relating to airworthiness, air safety and other statutory operational requirements. Your Company, as part of its Risk Management strategy, reviews, on a continuous basis, its strategies, processes, procedures and guidelines to effectively identify and mitigate risks. Further, the Management has developed a procedure to ensure adequate disclosures of key risks and mitigation initiatives to the Audit Committee of the Board.

9. RISK & CONCERNS

Your company aims to address the opportunities offered and threats posed by its business environment strategically by maintaining sustainable and robust business strategies and further improving on them.

Business, Finance & Operational risks

The Company's risk management policy is in line with the Company's guidelines on risk management and as such adequate measures have been adopted by the Company to combat the various risks including:

- i) Business risks which takes into consideration competition, consumer preferences, technology changes etc.
- ii) Finance risks include cost, credit, liquidity, foreign exchange and so on.

Reputational Risk

The consequence of reputational risk is a negative impact to the Company's public image, which may influence its ability to obtain future proceeding. Reputational risk may arise under many situations like poor health of business and safety record, non-compliance with laws or regulations.

The Company has adopted a focused approach towards risk management which has the goal of optimizing the financing of insurable risks by using a combination of risk retention and risk transfer techniques. This program duly covers any risks relating to business interruption resulting from property damage and legal liability resulting from property damage or personal injury.

Financial risk

Investments of cash and cash equivalents are subject to credit requirements and counterparty limits. Interest rate, certain commodity and currency risk exposures and use of financial derivative instruments in transactions with external financial institutions to offset such concentrated exposures.

Counterparty risk

When client does not pay the service charges on time or the debt becomes time bound, counterparty risks occur.

Regulatory and Compliance risks

Your Company operates within the letter and spirit of all applicable laws. General compliance with legal requirements is an important component of the Business Manual and the same directs the following action from every employee :

- i) To obey all legal requirements at all times.
- ii) To understand exactly what legal requirements apply to the work function.
- iii) To address and resolve, in a timely manner, any legal compliance issues that have been identified.
- iv) Absolutely no violation of any law.
- v) Your Company has set in place the requisite mechanism for meeting with the compliance

requirements, periodic monitoring of compliance to avoid any deviations, and regular updations to keep pace with the regulatory changes.

☛ Economic Risk:

The major risk and concern areas are related to driving profitable and high double-digit growth in an environment of slower economic and disposable income growth, uncertainty and volatility and greater competitiveness that could increase the cost of doing business. In our recent economic evaluation the challenge of overspending will be curbed, however with limited space for rate cut, RBI is unlikely to ease its policy rates in every meet this year due to persistent inflation and volatile industrial output and manufacturing prices threatening the inflation prospect. RBI is giving full attention to the inflation problem, which is undermining the fragile economic

10. HUMAN RESOURCES AND PERSONNEL RELATIONS

Your company's people are the primary source of its competitiveness and the company continues to focus on people development developing a continuously learning human resource base to unleash their potential and fulfill their aspirations. The Company's vision is to be the benchmark for value creation and to increase the goodwill. This has to be done by making a difference through its people, by fostering team work, nurturing talent, enhancing leadership capability and acting with pace, pride and passion. The year under review saw the HR activities directed towards this end through initiatives in areas of training, talent management, compensation, leadership development and knowledge sharing.

Greater employee engagement, supported by an energizing performance management culture that holds people accountable for results and behavior and rewards them for the value they generate, is a fundamental component of your Company's people strategy. Towards that, the focus is on enhancing both individual competencies – skills, knowledge, attitude, and organizational capabilities – processes, metrics, structure and culture.

The Company firmly believes that in the quest for maintaining a high performance culture, a calibration of performance and merit is important. This needs to be supported by a compensation structure which is comparable to the market so as to attract and retain the best talent especially against growing competition.

KNOWLEDGE SHARING : Seminars and training programmes are conducted regularly which act as a platform for individuals to get together, share their ideas with each other and join in thoughtful conversation with knowledgeable persons in the pursuit of holistic learning. It is believed that learning in totality is imperative to ignite the passion and still potential of human beings.

11. STATUTORY COMPLIANCE

The Managing Director informs verbally at each Board Meeting regarding the compliance with provisions of various statutes after obtaining confirmation from all the segments of the company. The Company Secretary ensures compliance with the SEBI regulations, guidelines on the insider trading for prevention of insider trading and provisions of the Listing Agreement.

Introduction

Corporate Governance is about working ethically and finding a balance between economic and social goals. It includes the ability to function profitably while obeying laws, rules and regulations. Corporate Governance is about maximizing shareholder value legally, ethically and on a sustainable basis while ensuring fairness to every shareholder, company's clients, employees, investors, vendor partners, government of the land and the community. Thus corporate governance is the reflection of company's culture, policies and its relationship with the stakeholders and its commitment to values.

1. OUR CORPORATE GOVERNANCE PHILOSOPHY

We believe that Corporate Governance in any organization derives its genesis from culture and mindset of the organization and is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to the values.

Indo Thai Securities Limited believe 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 is central to the working of the Company and its directors.

Corporate Governance essentially is the system by which companies are directed and controlled by the management in the best interest of the stakeholders and others. Corporate Governance is a way of life, rather than a mere legal compulsion. It further inspires and strengthens investor's confidence and commitment to the Company. The corporate governance philosophy of the Company has been further strengthened with the adoption of the Code of Conduct, Code for Prevention of Insider Trading etc. The Company, through its Board and Committees, endeavors to strike and deliver the highest governing standards for the benefit of its stakeholders. The premise of Corporate Governance framework in Company, is based on devotion to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders including customers, employees and society at large and sound system of

internal control to mitigate the risks to achievement of business objectives both short term and long term. Corporate Governance is essential for the following objects: .

- ☛ Compliance of laws, rules & regulations in true letter and spirit is required for smooth functioning. Strategic supervision by the Board of Directors of appropriate composition, size, varied experience and commitment to discharge their responsibilities.
- ☛ Clearly defined standards against which performance of responsibilities can be measured. Accuracy and transparency in timely disclosures regarding operations, performance, risk and financial position.
- ☛ Assist management in setting strategy, establishing goals and integrating sustainability into daily business activities across the Company.
- ☛ Review on a continuing basis that will permit the Company to achieve sustainable growth and Company actions to protect those technologies.
- ☛ Review on a continuing basis relationships, both current and proposed, with customers and others that support the Company's sustainable growth.

In compliance with the disclosure requirements of Clause 49 of the Listing Agreement executed with the Stock Exchanges, the details are set out below:

2. Board of Directors

☛ Role of Board of Directors

Your Company's Board of Directors plays primary function in ensuring good governance, smooth functioning of the Company and in the creation of shareholder value. The Board's role is fiduciary in nature, and the functions, responsibility and accountability are clearly defined. Board is responsible for ensuring that the Company runs on sound ethical business practices and that the resources of the Company are utilized in a manner so as to create sustainable growth and value for the Company's shareholders and the other stakeholders and also to fulfill the aspirations of the society and the communities in which it operates. As part of its function, your Board periodically reviews all the relevant information, which is required to be placed before it pursuant to Clause 49 of the Listing Agreement and, in particular, reviews and approves corporate strategies, business plans, projects and capital expenditure. Your Board monitors

the Company's overall corporate performance, directs and guides the activities of the Management towards the set goals and seeks accountability. Your Board also sets standards of corporate behavior, ensures transparency in corporate dealings and compliance with the laws and regulations. Company has adopted various codes and policies to carry out duties in an ethical manner. A copy of the code has been put on the Company's website (www.indothai.co.in) and has been circulated to Directors and Management Personnel. Some of them are, Code for Business Conduct and Ethics for Directors/ Management Personnel; Code of Conduct for Prohibition of Insider Trading.

☛ Composition of Board

The Board of Directors along with its Committees provides leadership and guidance to the Company's Management and direct supervises and controls the performance of the Company. Your Company's Board comprises of 6 Directors, having considerable professional experience in their respective fields. Out of them 3 are Independent Directors designated as Non-Executive Directors and rest 3 are Executive Directors. The Executive Directors include Managing Director and Whole-time Directors. The composition of the Board is in conformity with the requirements of Clause 49 of the Listing Agreement.

Every Independent Director, at the first meeting of the Board in which he participated as a Director have confirmed that they meet the 'Independence' criteria as mentioned under Clause 49 of the Listing Agreement.

None of the Directors on the Company's Board is a Member of more than ten Committees and Chairman of more than five Committees across all the Indian Public Limited Companies in which he is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than fifteen Public Limited Companies. The appointment of the Managing Directors and Whole-time Directors including the tenure and terms of remuneration are also approved by the members.

There was no change in Board of Directors during the financial year ended on 31.03.2014 except resignation of Mr. Sanjay Parmar who has resigned on 20th April, 2013 from the post of Directorship due to

his pre occupation; And in his place Mr. Sukrati Ranjan Solanki, was appointed as an Additional Director (Non-executive Independent Director) with effect from 6th May, 2013, and later on he was appointed as Director liable to retire by rotation at the 19th Annual General Meeting.

Agenda of the Board Meeting and Notes on Agenda are circulated to the Directors as far as possible well in advance of each Board Meeting. At the Board Meeting, elaborate presentations are made to the Board. The Members of the Board discuss each agenda item freely in detail. Some of the matters included are:

- Minutes of the earlier Board Meetings
- Minutes of The Committee Meetings
- Minutes of Board Meetings of Subsidiary Companies
- Consolidated and Standalone Audited/Unaudited Annual/Quarterly Financial Results
- Company's Annual Financial Statements, Auditors' Report and Board's Report
- Limited Review Report issued by the Auditors of the Company on quarterly basis
- Review of the Financial And Operational Performance of The Company
- Formation/Reconstitution and Renaming of Committees
- Appointment, remuneration and resignation of Directors, Key Managerial Personnel
- Appointment of Internal Auditors and Secretarial Auditors
- Fixing of Remuneration of Statutory Auditors of the Company
- Disclosure of interest of Directors and Key Managerial Persons
- Declaration of Independent Directors
- Quarterly review on Shareholding Pattern, Share Transfers etc
- Reconciliation of Share Capital Audit Report under SEBI Regulations, 1996
- Certificate under Clause 47(C) of the listing agreement on half yearly basis
- Project implementation and Deployment of IPO proceeds
- Action Taken Report on decision/minutes of the previous meetings
- Review of Internal Audit Report(s)
- Investment of Company's Fund

- Applying and availing credit facilities
- Materially important Show cause, demand, prosecution and penalty notices

☛ **Board Meetings, Attendance of Directors at Board Meetings, Last AGM & Number of other Boards/Committees in which Directors are either Member or Chairman as at 31.03.2014**

Your Board meets at least once in a quarter to review the quarterly financial results and operations of your Company and the maximum time-gap between any two consecutive meetings did not exceed four months. Apart from the above, additional Board Meetings are convened by giving appropriate notice to address the specific needs and the business requirements of the Company.

During the year under review, four Board Meetings were held on May 6, 2013, July 22, 2013, November 12, 2013, and January 21, 2014. All meeting were held at the Company's Registered Office located at 16, 4th Floor, Dawa Bazar, R.N.T. Marg, Indore, Madhya Pradesh. The composition of the Board, attendance at Board Meetings held during the Financial Year under review and at the last Annual General Meeting, number of directorships, memberships/chairmanships of the Board and Committees of public companies and their shareholding as on March 31, 2014 in the Company are as follows :

S. No.	Name & Designation of Directors	Category	Date of Joining The Board	No of Board Meetings attended during the F.Y. 2013-14	Attendance at the last AGM	No of other directorships in other companies as on 31.03.2014*	No of committee memberships in other companies as on 31.03.2014*	
							As Member	As Chairman
1.	Mr. Parasmal Doshi (Chairman cum Whole-Time Director)	Promoter, Executive Director	01/10/2010	4	Present	2	1	1
2.	Mr. Dhanpal Doshi (Managing Director)	Promoter, Executive Director	19/01/1995	4	Present	1	Nil	Nil
3.	Mr. Rajendra Bandi (Whole-Time Director)	Executive Director	19/01/1995	4	Present	Nil	Nil	Nil
4.	Mr. Sunil Kumar Soni (Independent Director)	Non- Executive Director	28/03/2002	4	Present	Nil	Nil	Nil
5.	Mr. Om Prakash Gauba (Independent Director)	Non- Executive Director	29/01/2005	4	Present	2	2	Nil
6.	Mr. Sukrati Ranjan Solanki (Independent Director)	Non- Executive Director	06/05/2013	4	Present	Nil	Nil	Nil

*While considering the total number of directorship, Directorships in Private Limited has been excluded.

3. AUDIT COMMITTEE

☛ **Brief description of Terms of reference**

Your Company has an Audit Committee at the Board level which acts as a link between the Management, the Statutory and Internal Auditors and the Board of Directors; and oversees the financial reporting process. It interacts with statutory, internal auditors and reviews and recommends their appointment and remuneration. The Audit Committee is provided with necessary assistance and information so as to enable it to carry out its function effectively includes:

- a) Overseeing the Company's financial reporting process and disclosure of its financial information;

- b) Recommending to the Board the appointment, reappointment, 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 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, debenture holders, 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;
- n) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee; and
- o) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

Composition of Audit Committee

The Company has an Audit Committee of Directors since 28.08.2010. Due to change in Directors Audit Committee was re-constituted on 06.05.2013. The 'Terms of Reference' of the Committee are in conformity with the provisions of Section 292A of The Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchanges. The Committee consists of three Independent, Non-executive Directors. Four meetings of the Audit Committee were held during the year ended 31st March 2014.

Committee Meeting held during the financial year under review

Four Audit Committee Meetings were held on May 6, 2013, July 22, 2013, November 12, 2013, and January 21, 2014 during the financial year 2013-14

Name	Status	No. of Meetings Attended/No. of Meetings Held
Mr. Om Prakash Gauba	Chairman	4/4
Mr. Sunil Kumar Soni	Member	4/4
Mr. Sukrati Ranjan Solanki	Member	3/4

In addition to Chairman and Members of Audit Committee, The Chief Executive Officer Mr. Parasmal Doshi regularly attends the committee meetings as Management's Representative. Mr. Amit Singhvi also attended meetings as representative of Auditors. The Company Secretary, Mr. Anurag Kumar Saxena acts as the Secretary of the Committee.

4. NOMINATION AND REMUNERATION COMMITTEE (Former Name-Remuneration Committee)

Brief description of Terms of reference

The 'Remuneration Committee' which was re-constituted on 06.05.2013 further renamed as Nomination and Remuneration Committee in the Board Meeting held on 9th May 2014, aims 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 and Senior Employees, if any.

While deciding on the remuneration of the Directors, the committee considers the performance of the Company, the current trends in the industry, their experience, past performance and other relevant factors. The Committee regularly keep track of the

market trends in terms of compensation levels and practices in relevant industries. This information is used to review remuneration policies. The Company pays remuneration by way of salary, perquisites and allowances (fixed component) to its Managing/ Whole-Time Directors. No remuneration by way of commission was given to any Executive Director.

- 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.

Composition & Meetings of Committee

The Remuneration Committee (now Nomination and Remuneration Committee) comprises of three Independent Non-Executive Directors (including the Chairman of the Committee). The Company Secretary, Mr. Anurag Kumar Saxena acts as Secretary of the Committee.

NAME OF DIRECTOR	STATUS
Mr. Sunil Kumar Soni	Chairman
Mr. Om Prakash Gauba	Member
Mr. Sukrati Ranjan Solanki	Member

No Meeting of Committee was held during the financial year 2013-14.

Remuneration Policy

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

Particulars of Remuneration paid to Directors

Company had paid Remuneration to Executive Directors for the year ended 31st March, 2014 as per following manner:

(Amount 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	204000
HRA	1,20,000	-	-
Conveyance	9,600	60,000	36000
Child Allowance	2,400	-	-
Total	6,24,000	12,00,000	2,40,000
Provident Fund	59040	51840.00	-

All the Non-Executive Directors receive remuneration only by way of sitting fees for attending meetings of the Board/Committees. The details of the remuneration paid to the Non-executive Directors during the year are as under:

(Amount in Rs.)

Particulars	Mr. Om Prakash Gauba (Independent Director)	Mr. Sunil Kumar Soni (Independent Director)	Mr. Sukrati Ranjan Solanki (Independent Director)
Sitting Fee	16,000	16,000	15,000
Total	16,000	16,000	15,000

5. STAKEHOLDERS RELATIONSHIP COMMITTEE (Former Name – Shareholders' / Investors' Grievance Committee)

Composition & Meetings of Committee

Initially the Shareholders' / Investors' Grievance Committee was formed on 28.08.2010 in compliance with Clause 49 of the Listing Agreement, and it was re-constituted on 06.05.2013 due to change in Director. Further as per requirement under The Companies Act, 2013 and The Companies Rules, 2014 the Committee has been renamed on 09.05.2014 as Stakeholders Relationship Committee.

The Committee comprise of following Independent Directors designated as Non-Executive Directors::

NAME OF DIRECTOR	STATUS
Mr. Sukrati Ranjan Solanki	Chairman
Mr. Om Prakash Gauba	Member
Mr. Sunil Kumar Soni	Member

No Meeting of Shareholders' / Investors' Grievance Committee (Now-Stakeholders Relationship Committee) was held during the year.

☛ Powers of the Committee

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

☛ 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 dematerialization 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.

☛ Name of Non-executive Director heading the Committee

Mr. Sukrati Ranjan Solanki was appointed as Chairman of the Committee as re-constituted by the Board of Directors at the meeting held on 06.05.2013 in compliance with Clause 49 of the Listing Agreement.

☛ Name and designation of Compliance Officer

Company Secretary of the Company Mr. Anurag Kumar Saxena is acting as Compliance Officer for Committee.

☛ Number of Shareholders complaints received so far

No complaint was received during the Financial Year 2013-14. Further in the running financial year 2014-15 there was no complaint registered till date.

6. GENERAL BODY MEETINGS

The details of last three Annual General Meetings

AGM	Date and Time	Venue	Resolution Passed
2013	27th September 2013, at 11.00 A.M.	Hotel Sarovar Portico, Treasure Island, 11, South Tukoganj, M.G. Road, Indore (M.P.)- 452001	<i>Ordinary Resolutions:</i> <ul style="list-style-type: none"> - Appointment of Mr. Sukrati Ranjan Solanki as Director liable to retire by rotation - Surrender of membership of United Stock Exchange of India Limited
2012	28th September 2012, at 11.00 A.M.	Hotel Sarovar Portico, Treasure Island, 11, South Tukoganj, M.G. Road, Indore (M.P.)- 452001	<i>Special Resolutions:</i> <ul style="list-style-type: none"> - Re-appointment of Mr. Dhanpal Doshi as Managing Director for further term of 3 years - Re-appointment of Mr. Parasmal Doshi as Whole-time Director for further term of 3 years - Re-appointment of Mr. Rajendra Bandi as Whole-time Director for further term of 3 years
2011	30th September 2011, at 2 P.M.	16, 4th Floor, Dawa Bazar, R.N.T Marg, Indore (M.P.)- 452001	

☛ Resolution Passed through Postal Ballot Procedure:

In previous financial year 2012-13, a Special Resolution for Reviewing and modifying the terms of utilization of the Initial Public Offering proceeds mentioned in Prospectus under "Objects of the Issue" has been passed pursuant to Section 192(A) of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules 2011, with the requisite majority and results was announced on December 29, 2012 at 11.00 A.M. at Registered Office of the Company. During Financial year 2013-14 no resolution was passed through postal ballot process.

7. Subsidiary Companies

Indo Thai Securities Limited has two wholly owned subsidiary companies, M/s Indo Thai Fincap Limited and M/s Indo Thai Realities Limited which was incorporated during the financial year 2012-13. Mr. Om Prakash Gauba, one of the Independent Director of Holding Company is also appointed as Director on the Board of both Subsidiary Companies. Both subsidiary companies do not fall under definition of "material non listed Indian subsidiary". The financial statements of the subsidiary companies are reviewed by audit committee of holding

company. The minutes of the board meetings of subsidiary companies are periodically placed before the board. The annual accounts of the subsidiaries and related detailed information will be kept at the Registered Office of the Company and will be available to investors seeking information at any time.

☛ **Indo Thai Fincap Limited**

With the approval of shareholders through Postal Ballot under Section 192A of the Companies Act, 1956, Indo Thai Securities Limited may also utilize Working Capital for providing services related to funding includes 'Margin Funding' through Non Banking Financial Company (NBFC) and in this connection in February 2013, Company has incorporated a new Company M/s Indo Thai Fincap Limited (ITFL) as Wholly Owned Subsidiary and made initial Investment of Rs. 2,11,00,000/- (Rupees Two Crore Eleven Lacs) by way of subscription to the Memorandum of Association of ITFL. The Board of Indo Thai Fincap Limited comprises Mr. Parasmal Doshi, Mr. Dhanpal Doshi and Mr. Om Prakash Gauba.

Further, Indo Thai Fincap Limited has made an application to Reserve Bank of India (RBI) to register the Company as Non Banking Financial Institution (NBFI) and to obtain Certificate of Registration under section 45-IA of RBI Act, 1934, but RBI has returned the application of Indo Thai Fincap Limited with some remarks related to our Company (M/s Indo Thai Securities Limited) and its Associate Company (M/s Indo Thai Commodities Private Limited). After, all necessary steps taken by the ITFL in this regard, M/s Indo Thai Fincap Limited has decided to withdraw its decision to get Certificate of Registration from RBI under Section 45-IA of RBI Act, 1934 and not interested to submit said application again.

Furthermore, the Company's fund of Rs. 2,11,00,000/- (Rupees Two Crore Eleven Lacs) which was invested in the M/s Indo Thai Fincap Limited are trapped and it is not fruitful for the Company. Therefore, Company is in the planning to make disinvestment from Wholly Owned Subsidiary M/s Indo Thai Fincap Limited and release its trapped fund for their future growth.

☛ **Indo Thai Realities Limited**

Indo Thai Realities Limited (ITRL) was incorporated on 01.03.2013 as Wholly Owned Subsidiary Company, and Indo Thai Securities Limited has invested Rs. 7,97,87,000/- (Rupees Seven Crores Ninety Seven Lacs Eighty Seven Thousand only) as a subscription to the Memorandum of Association of ITRL. Mr. Parasmal Doshi, Mr. Dhanpal Doshi and Mr. Om Prakash Gauba

were the First Directors of Indo Thai Realities Limited. Later on Mr. Dhanpal Doshi resigned from the Board on 28.02.2014 and two new directors Mr. Mayur Rajendrabhai Parikh and Mr. Saurabh Oswal have joined the Board as Additional Directors w.e.f. 28.02.2014. Ms. Shikha Komal Jain was appointed as Company Secretary of Indo Thai Realities Limited w.e.f. 20.01.2014.

8. DISCLOSURES

☛ **Materially significant related party transactions:**

All the related party transactions are strictly done on arm's length basis. The Company presents a statement of all related party transactions before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transaction. Transactions with related parties are conducted in a transparent manner with the interest of the Company as utmost priority. There are no significant related party transactions, monetary transactions or relationships between the company and directors, the management, subsidiaries or relatives except as disclosed in the Note No. 39 of financial statement of this report for the year ended 31st March 2014.

☛ **Compliance by the Company:**

The Company has complied with all applicable requirements prescribed by the regulatory and statutory authorities including Stock Exchanges and SEBI during the preceding Financial Years on all matters related to capital markets and no penalties in this respect have been imposed on the Company except below:

- NSE has imposed a total penalty of Rs. 15000 for 4 instances during the financial year 2013-14 in respect of periodic call auction wrongly executed by Clients in illiquid scrips with reference to SEBI circular no. CIR/MRD/DP/6/2013 and Exchange circular no. NSE/SURV/17/2013. NSE has also imposed penalty of Rs. 1500 each for adverse findings reported in Internal Audit Report for half year ended on March 2013 and September 2013. The same is accepted by management and corrective action taken thereon.
- BSE has imposed penalty of Rs. 1500 each on adverse findings reported in Internal Audit Report for half year ended on September 2012 and March 2013. The same is accepted by management and corrective action taken thereon. A further penalty of Rs. 10,000 was imposed in respect of Inspection of Books of Accounts and other documents by BSE for not settling accounts of clients on a monthly/quarterly basis which was paid by Company.

- In respect of our suo moto filed Petition(s) CA 317/2012, CA 318/2012, CA 319/2012 u/s 621A of the Companies Act, 1956 (Compounding of Offences), The Company Law Board, Mumbai has imposed penalty of Rs. 15000, Rs. 7500, Rs. 40000 respectively each for all four applicants including Company and its three Directors at hearing held on 08.11.2013. Such penalty has been paid on 13.11.2013.
- Securities and Exchange Board of India has also imposed a penalty of Rs. 500000/- U/s 15HB of SEBI Act under Adjudication Order dated 16.05.2014 issued in the matter of Magma Fincorp Ltd., which has been paid on 30th June 2014.

☛ **Whistle Blower policy/Vigil Mechanism:**

The Company has not established any formal Whistle Blower Policy.

☛ **Surveillance Policy**

The company has adopted Surveillance policy as per requirement by Exchange(s) made for necessary actions generated from exchanges/ at member's end, under requirement of surveillance obligations for trading members, for effective monitoring of transactions.

☛ **Risk Management Policy**

The Company aims to use risk management policy to take better informed decisions and improve the probability of achieving its strategic and operational objectives. Like every business the Company faces numerous risks. These risks have the potential to disrupt achievement of the Company's strategic and operational objectives.

☛ **Insider Trading Policy**

The Company has adopted insider trading policy as per the SEBI (Prohibition of Insider Trading) Regulations, 1992, and according to the prescribed circulars of The BSE Limited and National Stock Exchange of India Limited for prevention of insider of insider trading.

☛ **Accounting Standards of ICAI & Secretarial Standard of ICSI**

The Accounting Treatment prescribed under the Accounting Standards has been followed by the Company and there is no deviation.

Secretarial Standards has been issued by The Institute of Company Secretaries of India (ICSI), one of India's premier professional bodies, on important aspects

like Board meetings, General meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings, Transmission of Shares and Debentures, Passing of Resolutions by Circulation, Affixing of Common Seal and Board's Report. Although these standards, as of now, are recommendatory in nature, the Company substantially adheres to these standards voluntarily.

☛ **Management Framework on Risk & Exposure**

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.

☛ **Utilization Status of Initial Public Offer Proceeds**

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 / Postal Ballot Notice of the Company.

☛ **Compliance requirements under Clause 49 of the Listing Agreement**

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 (now Nomination & Remuneration Committee) as mentioned in Annexure ID of Clause 49 of the Listing Agreement

☛ **Reconciliation of Share Capital Audit**

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.

☛ **Code of Conduct for its Board Member and Senior Management**

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, 2014. A declaration of Managing Director and Chief Executive Officer to this effect is also appended to this report.

☛ Listing Fee & Custodian Fee

Listing fee for the Financial Year 2014-15 have been paid to the Stock Exchanges on which the shares of the Company are listed. Company has also paid issuer/custodian fee for folios maintained by National Securities Depository Limited and Central Depository Services (India) Limited

☛ Employee Option Scheme

The Company does not have any Employee Option Scheme.

☛ Acquisition of Shares by Promoters and Promoter Group

During the Period of Financial Year 2013-14, total 60,93,900 Equity Shares of Company comprising 60.94% to total issued paid-up capital of the Company; and in the current financial year 2014-15 till date further 3.996% equity shares of the company have been acquired by Promoters and Promoter Group. The present shareholding of Promoter & Promoter Group comprises of 60.94% amounting to 64,93,550 Equity Shares of the Company. Disclosure under SEBI (Substantial Acquisition of Shares And Takeovers) Regulations, 2011 and provisions of Regulations of SEBI (Prohibition of Insider Trading) Regulations, 1992 and provisions of SEBI (Prohibition of Insider Trading) (Amendment) Regulations 2011 have been complied by Acquirer as well as Target Company in respect of acquisition of such shares.

☛ Electronic Voting

The company shall provide facility of electronic voting to Company's shareholders; tripartite agreement was executed with Company (itself), Depository & Registrar and Transfer Agent to finalize the terms and conditions of voting system

9. MEANS OF COMMUNICATION

The quarterly and annual results are intimated to the stock exchanges within the stipulated time period, And results are generally published in daily newspapers such as Chautha Sansar (Hindi News Paper), Free Press & Financial Express (English News Papers).

For the advantage of the shareholders and public at large, periodic compliances covering Notices of Board and General Meetings, Quarterly / Annual Results, Shareholding Pattern, Corporate Governance Report, Reconciliation of Share Capital Audit Report, Certificate under Clause 47(C) of Listing Agreement, Agreement between Company & RTA, and other essential information relating to the Company are uploaded on Company's website www.indothai.co.in; and electronically filed to NSE and BSE through their web based application NSE Electronic Application Processing System (**NEAPS**), BSE Corporate Compliance & Listing Centre (**BSE Listing Centre**) and also filed through Corporate Filing and Dissemination System (**CFDS**) a web based applications designed, managed by BSE & NSE jointly for Corporates. Further SEBI introduced SEBI Complaints Redress System (**SCORES**) where upon the Investor complaints are processed in Centralized web based complaints redress system. There is no complaint lodged by any shareholders in the last two years, through SCORES or in any other way.

10. General Shareholder Information

I. Annual General Meeting Day, Date, Time Venue	20th Annual General Meeting
	Saturday, 20th September 2014, 11.00 A.M
	Hotel Fortune Landmark, Scheme No. 54, Vijay Nagar,
	Indore, Madhya Pradesh 452010 (M.P.)
II. Financial Year	1st April 2014 - 31st March 2015
	Financial Calendar (Tentatively) for Quarterly Results
	◆ Q1 (30.06.2014) - 2nd Week of August 2014
	◆ Q2 (30.09.2014) - 1st Week of November 2014
	◆ Q3 (31.12.2014) - 3rd Week of January 2015
	◆ Q4 (31.03.2015) - 2nd Week of May 2015
III. Record Date / Book Closure	Annual General Meeting - September 2015
	Saturday, 13th September 2014 to Saturday, 20th September 2014 (Both days inclusive)

IV. Dividend Payment Date	Not Applicable
V. Listed on Stock Exchanges	Company's Shares are listed on 02.11.2011 at BSE & NSE 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 & Share Transfer Agent:	Sharepro Services (India) Private Limited 13 AB, Samhita Warehousing Complex, 2nd Floor, Near Sakinaka Telephone Exchange, Andheri-Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072, Maharashtra - India Tel: +91-22- 67720300 / 400 Fax:+91-22- 28591568/28508927 Email Id: sharepro@shareproservices.com Website: www.shareproservices.com

VIII. Market Price Data during the financial year 2013-14 :

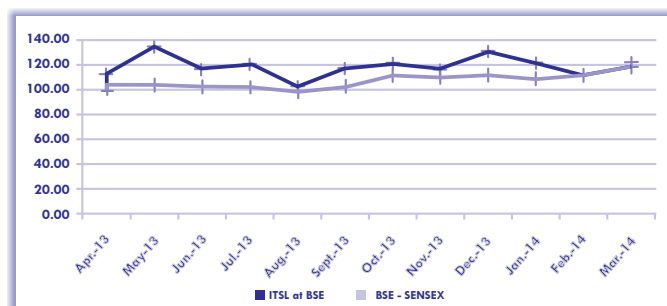
(Amount in Rs.)

Month	BSE		NSE	
	High	Low	High	Low
Apr-13	11.50	9.78	11.60	10.00
May-13	15.00	10.75	16.00	10.45
Jun-13	14.20	10.75	15.00	10.20
Jul-13	13.78	11.11	14.30	11.10
Aug-13	12.00	8.91	12.25	8.10
Sep-13	12.80	9.26	13.40	9.25
Oct-13	12.99	11.16	13.25	10.65
Nov-13	13.55	11.41	14.60	11.20
Dec-13	14.79	11.34	15.30	11.35
Jan-14	13.80	11.88	14.65	11.35
Feb-14	12.25	11.00	12.50	10.50
Mar-14	12.95	10.51	13.25	10.00

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

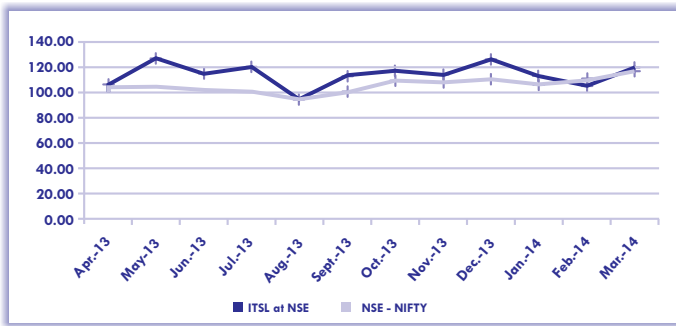
BSE (% Change)		NSE (% Change)	
ITSL	SENSEX	ITSL	NIFTY
20.09%	18.67.%	19.42%	17.53%

The above mentioned change in percentage is based on the closing price of the 1st day of financial year (i.e. 1st April, 2013) and last trading day of financial year (i.e. 31st March, 2014)

ITSL Price Performance Vs BSE Sensex

The Monthly closing prices of the SENSEX and ITSL's equity shares have been indexed to 100 as on April 1, 2013.

ITSL Shares Price Performance Vs NSE Nifty



The Monthly closing prices of the NIFTY and ITSL's equity shares have been indexed to 100 as on April 1, 2013.

X. Share Transfer System

Company's shares are traded compulsorily in electronic form under trading mechanism of NSE/BSE. The Shares in demat form are transferred electronically through respective depository participants. As per Company's policy, the Share Transfer Applications for physical shares are processed, registered and returned within 15 days from the date of lodgment. During the financial year 2013-14 only one request was lodged by a shareholder for transfer of 10500 Equity Shares held physically. The Transfer was made effected by Registrar & Transfer Agent well within the time; and necessary entry for such transfer was made in Transfer Register.

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, 2nd Floor, Near Sakinaka Telephone Exchange, Andheri-Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072 Maharashtra, or may also be sent to the Company Secretary at the registered office of the Company.

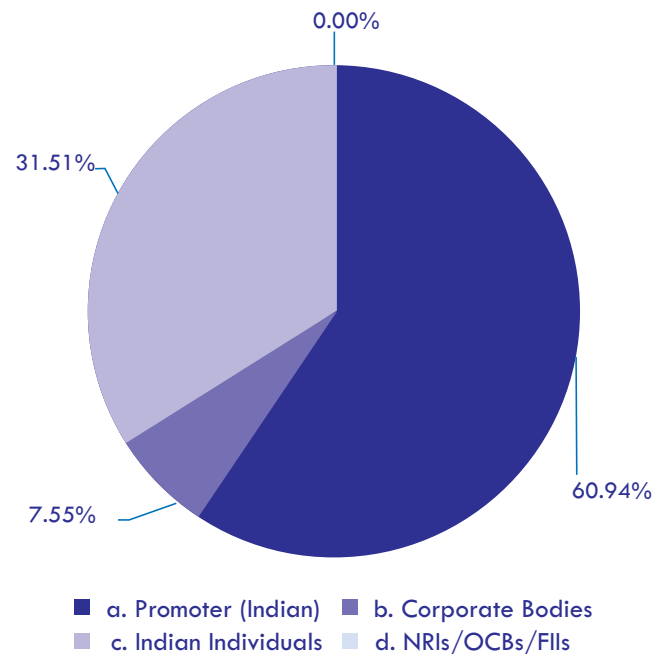
XI. Shareholding Details

A. Shareholding of the Company as on March 31, 2014:

Category	No. of Share held	% of Holding
Promoters		
Indian	60,93,900	60.94
Foreign	Nil	Nil
Sub-Total (A)	60,93,900	60.94

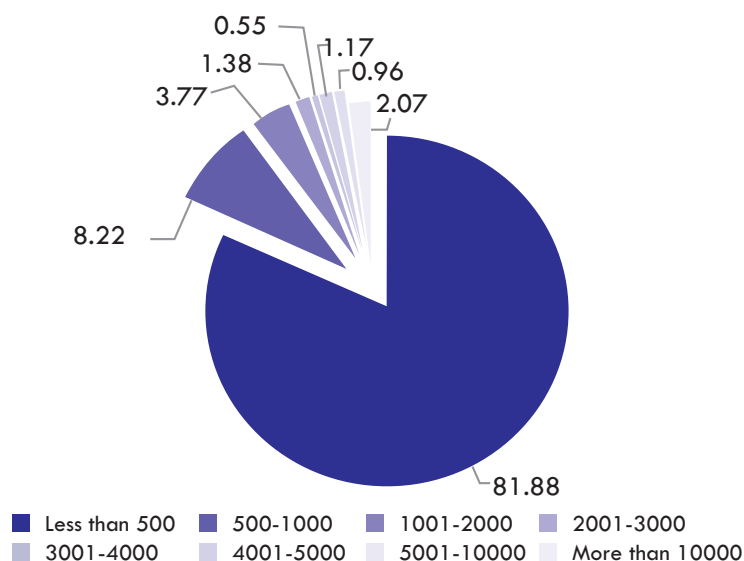
Category	No. of Share held	% of Holding
Public		
a. Banks & financial institutions	Nil	Nil
b. Corporate bodies	7,54,746	7.55
c. Indian Individuals	31,50,969	31.51
d. NRIs/OCBs/FIIs	385	0.00
Sub-Total (B)	39,06,100	39.06
Grand Total (A+B)	1,00,00,000	100.00

Shareholding Pattern



B. Distribution of shareholding as on March 31, 2014:

Description	No. of Holders	Holding %	Shares	%
Less than 500	3086	81.88	449177	4.49
500 - 1000	310	8.22	259061	2.59
1001 - 2000	142	3.77	219834	2.20
2001 - 3000	52	1.38	137190	1.37
3001 - 4000	21	0.55	77148	0.77
4001 - 5000	44	1.17	208126	2.08
5001 - 10000	36	0.96	276861	2.77
More than 10000	78	2.07	8372603	83.73
TOTAL	3769	100.00	10000000	100.00

Distribution of Shareholding**XII. Dematerialization and Liquidity:**

Sr.	Particulars	Total Folios	No. of Shares	Holding %
1	Held in Dematerialized with CDSL	1775	86,63,391	86.63
2	Held in Dematerialized with NSDL	1993	13,36,594	13.36
3	Held in Physical	1	15	0.01
	TOTAL	3769	1,00,00,000	100.00

As on 31st March, 2014, 99.99% 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 and 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, 2014 the Company does not have any outstanding GDRs/ ADRs/ Warrants or 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:

Investor's correspondence may be addressed to:

Sharepro Services (India) Pvt. Ltd.

13 AB, Samhita Warehousing Complex,
 2nd Floor, Near Sakinaka Telephone Exchange,
 Andheri-Kurla Road, Sakinaka, Andheri (E),
 Mumbai - 400 072, Maharashtra - India
 Tel: +91-22- 67720300 / 400
 Fax: +91-22- 28591568/28508927
 Email Id: sharepro@shareproservices.com
 Website: www.shareproservices.com

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 : indothaigroup@indothai.co.in
 Website : www.indothai.co.in

To,

The Shareholders

Indo Thai Securities Limited

This is to confirm that the Company has adopted Code of Conduct for its Directors, Senior Management, Officers And Employees of the Company, as stipulated under Clause 49(I.D.)(ii) of the Listing Agreement, and the Directors, Senior Management, Officers And Employees of the Company have affirmed compliance with this Code of Conduct for the Financial Year ended on 31st March, 2014.

Sd/-

Dated: August 09, 2014

Place : Indore

Dhanpal Doshi

(Managing Director)

Sd/-

Parasmal Doshi

(Chief Executive Officer)

To,

The Board of Directors of Indo Thai Securities Limited

We, Parasmal Doshi (Chief Executive Officer), Dhanpal Doshi (Managing Director), and Deepak Sharma (Chief Financial Officer) of Indo Thai Securities Limited 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.

Dated: August 09, 2014
Place : Indore

Sd/-
Parasmal Doshi
(Chief Executive Officer)

Sd/-
Dhanpal Doshi
(Managing Director)

Sd/-
Deepak Sharma
(Chief Financial Officer)

To
The Members of
Indo Thai Securities Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Indo Thai Securities Limited** ("the Company"), which comprise the Balance Sheet as at **March 31st, 2014**, and the Statement of Profit and Loss and Cash Flow Statement for the year ended 31st March 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- As required by section 227(3) of the Act, we report that:
 - 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;
 - In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Forming an Opinion and Reporting on Financial Statements

For S.Ramanand Aiyar & Co.
Chartered Accountants
Firm's Reg. No. 000990 N
Sd/-

CA Amit Singhvi
Partner

Membership Number: 129331

Date : May 9, 2014
Place : Indore

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, where 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, 2014, 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)	Period to which the amount relates	Forum before dispute is pending
1.	Income Tax Act, 1961	Income Tax	18.60 (9.00 Lacs paid)	Assessment Year 2009-10	Appellate Tribunal

- x. The Company has neither accumulated losses as at 31st March 2014 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. The company has not raised any money by public issue during the year.
- 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's Reg. No. 000990 N
 Sd/-

CA Amit Singhvi
 Partner

Membership Number: 129331

Place : Indore
 Date : May 09, 2014

AUDITORS' REPORT

We have audited the attached Balance Sheet of **Indo Thai Securities Limited**, 16, 4th Floor, Dawa Bazar, Indore as at **31st March, 2014** 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 2014, and
 - B. In case of the Profit & Loss Account, of the profit of the company for the year ended on that date.

Date : May 9, 2014
Place : Indore

For S.Ramanand Aiyar & Co.
Chartered Accountants
Firm's Reg. No. 000990 N
Sd/-

CA Amit Singhvi
Partner
Membership Number: 129331

STANDALONE BALANCE SHEET

as at 31st March, 2014

(Amount in Rs.)

PARTICULARS	Note No.	As at 31st Mar 2014	As at 31st Mar 2013
I EQUITY & LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	10,00,00,000	10,00,00,000
(b) Reserves & Surplus	3	26,68,02,277	25,99,51,351
(2) Share Application Money Pending Allotment		-	-
(3) Non - Current Liabilities			
(a) Other Long Term Liabilities	4	11,71,243	10,36,243
(b) Long Term Provision	5	-	14,19,730
(4) Current Liabilities			
(a) Short Term Borrowings	6	2,61,94,994	3,21,82,964
(b) Trade Payables	7	6,38,23,572	2,26,04,168
(c) Other Current Liabilities	8	19,12,739	24,86,556
(d) Short Term Provisions	9	47,00,428	12,16,604
Total		46,46,05,253	42,08,97,616
II ASSETS			
(1) Non- Current Assets			
(a) Fixed Assets	10		
(i) Tangible Assets		2,85,92,442	2,90,05,376
(ii) Intangible Assets		71,496	1,19,160
(iii) Capital Work in Progress		45,16,375	-
(iv) Intangible assets under development		-	-
(b) Non Current Investments	11	10,51,39,000	2,60,86,780
(c) Deferred Tax Asset	12	3,34,319	6,38,610
(d) Long Term Loans and Advances	13	2,31,70,988	3,17,02,941
(e) Other non current assets		-	-
(2) Current Assets			
(a) Current Investments	14	4,06,46,329	6,38,50,356
(b) Inventories		2,09,45,174	4,22,480
(c) Trade Receivables	15	4,40,57,419	4,46,69,546
(d) Cash & Cash Equivalents	16	13,66,66,050	20,99,20,080
(e) Short Term Loans and Advances	17	2,29,65,264	39,98,413
(f) Other Current Assets	18	3,75,00,396	1,04,83,874
Total		46,46,05,253	42,08,97,616

SIGNIFICANT ACCOUNTING POLICIES
AND NOTES TO THE ACCOUNTS

1-39

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
Place : Indore
Date : May 09, 2014

For and on behalf of board of directors

Sd/-
Dhanpal Doshi
Managing Director

Sd/-
Deepak Sharma
Chief Financial Officer

Sd/-
Parasmal Doshi
Whole Time Director & CEO

Sd/-
Anurag Kumar Saxena
Company Secretary

PARTICULARS	Note No.	Ended on 31st MAR 2014	Ended on 31st MAR 2013
I Revenue from Operations	19	18,80,45,066	6,97,44,330
II Other Income	20	2,29,43,723	3,04,17,492
III Total Revenue	(I+II)	21,09,88,789	10,01,61,822
IV. Expenses			
Purchases and Operating Expenses	21	19,47,68,292	7,22,51,492
Changes in Inventories	22	(2,05,22,694)	15,39,586
Employee Benefit Expenses	23	1,19,08,414	1,14,79,281
Financial Cost	24	47,31,641	29,90,092
Depreciation and amortization expenses	10	13,09,275	13,31,326
Other Expenses	25	94,78,471	1,01,84,837
Total Expenses		20,16,73,398	9,97,76,614
V. PROFIT before exceptional and extraordinary items and tax	(III-IV)	93,15,391	3,85,208
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax	(V-VI)	93,15,391	3,85,208
VIII. Extraordinary Items		-	-
IX. Profit Before Tax	(VII-VIII)	93,15,391	3,85,208
X. Tax Expenses			
(1) Current Tax	21,60,175	-	8,201
(2) Deferred Tax	3,04,291	24,64,466	50,352
XI. Profit(Loss) from the continuing operations	(IX-X)	68,50,925	3,26,655
XII. Profit/(Loss) for the period		68,50,925	3,26,655
XIII. Earning per Equity Share:	26		
(1) Basic		0.69	0.03
(2) Diluted		0.69	0.03
SIGNIFICANT ACCOUNTING POLICIES	1-39		
AND NOTES TO THE ACCOUNTS			

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
Date : May 09, 2014
Place : Indore

For and on behalf of board of directors

Sd/-
Dhanpal Doshi
Managing Director

Sd/-
Deepak Sharma
Chief Financial Officer

Sd/-
Parasmal Doshi
Whole Time Director & CEO

Sd/-
Anurag Kumar Saxena
Company Secretary

STANDALONE CASH FLOW STATEMENT

for the year ended March 31, 2014

(Amount in Rs.)

Particulars	2013-14	2012-13
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	93,15,391	3,85,208
Adjustment for:		
Depreciation / Amortization	13,09,275	13,31,326
(Profit) / Loss on sale of Investments (net)	(32,81,992)	96,732
Interest income	(1,68,79,009)	(1,85,73,481)
Interest expenses	47,15,488	29,60,652
Dividend income	(12,22,154)	(7,54,722)
(Profit)/ Loss on sale of fixed assets	(6,786)	3,537
Income from Mutual Fund	(13,52,324)	(1,07,40,278)
Cash generated from operations before working capital changes	(74,02,112)	(2,52,91,025)
Adjustment for:		
(Increase)/ Decrease in inventories	(2,05,22,694)	15,39,586
(Increase)/ Decrease in trade and other receivables	(3,65,35,003)	(4,43,67,066)
Increase/ (Decrease) in trade and other payables	4,28,44,682	49,64,483
Cash generated from/ (used in) operations	(2,16,15,127)	(6,31,54,022)
Direct tax paid (Net)	(24,64,466)	(56,659)
Net cash from/ (used in) Operating Activities (A)	(2,40,79,593)	(6,32,10,681)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments made for purchase of fixed assets/ capital expenditure	(8,51,890)	(74,71,297)
Expenditure on capital work in progress	(45,16,375)	-
Proceeds from sale of fixed assets	10,000	4,000
Interest received	1,68,79,009	1,85,73,481
(Purchase) / Sale of Investments	(5,58,48,193)	4,23,48,811
Profit / (Loss) on sale of Investments (net)	32,81,992	(96,732)
Income from Mutual Fund	13,52,324	1,07,40,278
Dividend income	12,22,154	7,54,722
Net cash from/ (used in) Investing Activities (B)	(3,84,70,978)	6,48,53,263
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings (net of repayment)	(59,87,970)	3,14,13,497
Interest paid	(47,15,488)	(29,60,652)
Net cash from/ (used in) Financing Activities (C)	(1,07,03,458)	2,84,52,845
Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C)	(7,32,54,030)	3,00,95,427
Cash and Cash Equivalents at the beginning of the year/period	20,99,20,080	17,98,24,653
Cash and Cash Equivalents at the end of the year/period	13,66,66,050	20,99,20,080

Particulars	2013-14	2012-13
Components of Cash and Cash Equivalents at the end of the year/period		
Cash in hand	328,129	346,951
Balance with scheduled banks		
Current account	8,161,595	87,79,486
Fixed deposit/ margin money	128,176,325	20,07,93,643
Total	136,666,050	20,99,20,080

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
Date : May 09, 2014
Place : Indore

For and on behalf of board of directors

Sd/-
Dhanpal Doshi
Managing Director

Sd/-
Parasmal Doshi
Whole Time Director & CEO

Sd/-
Deepak Sharma
Chief Financial Officer

Sd/-
Anurag Kumar Saxena
Company Secretary

for the year ended March 31, 2014

SIGNIFICANT ACCOUNTING POLICIES

1.1 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.

1.2 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.

1.3 Revenue recognition

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

1.4 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.

1.5 Depreciation / Amortization

- 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%

- 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".

1.6 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.

1.7 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.

1.8 Keyman Insurance

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

1.9 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.

1.10 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.

1.11 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

for the year ended March 31, 2014

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.

1.12 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.

1.13 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.

1.14 Preliminary expenses

Preliminary expenses are written off in the financial year in which it is incurred.

for the year ended March 31, 2014

2. SHARE CAPITAL

(Amount in Rs.)

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
Authorised Equity Share Capital		
1,20,00,000 Equity Shares of Rs. 10 each (1,20,00,000)	12,00,00,000	12,00,00,000
Issued, Subscribed & Paid Up Capital		
1,00,00,000 Equity Shares of Rs. 10 each (1,00,00,000)	10,00,00,000	10,00,00,000
Total Rs.	10,00,00,000	10,00,00,000

2.1 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st Mar 2014		As at 31st Mar 2013	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
Equity Shares at the beginning of the year	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Add : Shares issued through IPO	-	-	-	-
Add : Shares issued through allotment Bonus	-	-	-	-
Less : Shares buy back of during the year	-	-	-	-
Equity Shares at the end of the year	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000

2.2 Details of Shareholders holding more than 5% shares:

Name of Shareholder	As at 31st Mar 2014		As at 31st Mar 2013	
	No. of Shares	% held	No. of Shares	% held
Parasmal Doshi	11,65,900	11.66%	11,65,900	11.66%
Dhanpal Doshi	12,65,000	12.65%	12,65,000	12.65%
Varsha Doshi	14,09,850	14.10%	14,04,850	14.05%
Sadhana Doshi	10,45,000	10.45%	8,73,450	8.73%

2.3 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.

3 RESERVES AND SURPLUS

(Amount in Rs.)

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
Security Premium Reserve		
As per previous year balance sheet	23,86,15,136	23,86,15,136
Add: Share Premium	-	-
Less: Expenses adjusted against Share Premium *	-	-
Total Rs.	23,86,15,136	23,86,15,136

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
Profit & Loss Account		
As per previous year balance sheet	2,13,36,216	2,10,07,666
Add: Profit As Per P&L Statement	68,50,925	3,26,655
Add : Excess Provision reverse (FY 2011-2012)	-	1,894
Total Rs.	2,81,87,141	2,13,36,215
Grand Total Rs.	26,68,02,277	25,99,51,351
4 OTHER LONG TERM LIABILITIES		
Security Deposits From Branches & Franchisee's	11,71,243	10,36,243
Total Rs.	11,71,243	10,36,243
5 LONG TERM PROVISIONS		
Provision for Gratuity	-	14,19,730
Total Rs.	-	14,19,730
6 SHORT TERM BORROWINGS		
Secured Loan :		
From Banks *	2,61,94,994	3,21,82,964
Total Rs.	2,61,94,994	3,21,82,964
* Loan from bank secured against FDR's		
7 TRADE PAYABLE		
Micro, Small and Medium Enterprises	-	-
Others	6,38,23,572	2,26,04,168
Total Rs.	6,38,23,572	2,26,04,168

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.)

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
8 OTHER CURRENT LIABILITIES		
Creditors For Expenses	14,83,988	15,26,461
Salary Payable	-	4,18,561
Other Payables	4,28,751	5,41,534
Total Rs.	19,12,739	24,86,556
9 SHORT TERM PROVISIONS		
Provision for Wealth Tax	4,75,833	3,36,128
Provision for Gratuity	8,91,499	5,38,299
Provision for Income Tax	21,60,175	-
Other Provisions	11,72,921	3,42,177
Total Rs.	47,00,428	12,16,604

for the year ended March 31, 2014

10 FIXED ASSETS

(Amount in Rs.)

DESCRIPTION	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	AS AT 01/04/2013	ADDITIONS (DELETION)	AS AT 31/03/2014	AS AT 01/04/2013	WRITTEN BACK	For The Period	Total 31/03/2014	AS AT 31/03/2014	AS AT 31/03/2013
TANGIBLE ASSETS :									
LAND & BUILDING	2,42,44,000	-	2,42,44,000	-	-	-	-	2,42,44,000	2,42,44,000
PLANT & MACHINERY	1,28,30,534	4,77,650	1,33,08,184	1,04,76,227	-	7,58,070	1,12,34,297	20,73,887	23,54,307
FURNITURE & FIXTURE	31,96,000	-	31,96,000	26,41,730	-	1,00,323	27,42,053	4,53,947	5,54,270
OFFICE EQUIPMENTS	20,50,619	3,74,240	24,24,859	11,84,391	-	1,48,404	13,32,795	10,92,064	8,66,228
VEHICLES	19,46,187	(41,086)	19,05,101	9,59,615	37,872	2,54,814	11,76,557	7,28,544	9,86,572
Total	4,42,67,340	8,10,804	4,50,78,144	1,52,61,963	37,872	12,61,611	1,64,85,702	2,85,92,442	2,90,05,376
INTANGIBLE ASSETS :									
COMPUTER SOFTWARE	18,24,703	-	18,24,703	17,05,543	-	47,664	17,53,207	71,496	1,19,160
Total	18,24,703	-	18,24,703	17,05,543	-	47,664	17,53,207	71,496	1,19,160
GRAND TOTAL	4,60,92,043	8,10,804	4,69,02,847	1,69,67,506	37,872	13,09,275	1,82,38,909	2,86,63,938	2,91,24,536
CAPITAL WORK IN PROGRESS :									
WORK IN PROGRESS	-	45,16,375	45,16,375	-	-	-	-	45,16,375	
Previous year figures	3,86,67,246	74,24,797	4,60,92,043	1,56,75,143	38,963	13,31,326	1,69,67,506	2,91,24,536	2,29,92,102

(Amount in Rs.)

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
11 NON CURRENT INVESTMENT		
Investment In Equity Shares Unquoted :		
7,44,100 Indo Thai Commodities Pvt. Ltd.	42,52,000	42,52,000
(7,44,100)		
21,10,000 Indo Thai Fincap Ltd.	2,11,00,000	2,11,00,000
(21,10,000)		
79,78,700 Indo Thai Realities Ltd.	7,97,87,000	7,34,780
(7,34,78)		
Total Rs.	10,51,39,000	2,60,86,780
12 DEFERRED TAX ASSET (NET)		
Deferred Tax Asset related to timing difference of depreciation on Fixed Assets	58,846	33,579
Deferred Tax Asset related to disallowances under the Income Tax Act, 1961	2,75,473	6,05,031
Total Rs.	3,34,319	6,38,610
13 LONG TERM LOAN & ADVANCES		
Deposits With Exchange	1,30,25,000	2,40,00,000
Other Deposits	10,87,128	11,14,128
Other Advances	90,58,860	65,88,813
Total Rs.	2,31,70,988	3,17,02,941

(Amount in Rs.)

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
14 CURRENT INVESTMENT		
Investment In Equity Instrument (Quoted) :		
Investment In Shares *	4,06,46,329	81,09,473
Investment In Mutual Fund# (Quoted) :		
Units		
- Reliance Gilt Securities Fund (976615.302)	-	1,43,28,704
- Religare Ultra St Fund Rg (3086.513)	-	50,06,761
- Religare MF Collection A/C (6960.027)	-	1,12,94,797
- IDBI MF Collection A/C (3979.913)	-	50,09,933
- Reliance LF Fund Treasury Plan (7040.295)	-	2,01,00,688
Total Rs.	4,06,46,329	6,38,50,356
* Market Value of quoted Equity Investment as on 31-MAR-2014 is Rs. 5,85,60,373/- (Previous Year Rs. 86,75,832/-)		
# Investment in Mutual Fund Shown on NAV		
Note : Figures in brackets shows previous year units.		
15 TRADE RECEIVABLES		
More than 6 months		
Secured	61,255	-
Unsecured considered good	37,53,431	20,95,803
Others		
Secured	2,58,16,282	1,96,37,486
Unsecured considered good	1,44,26,451	2,29,36,257
Total Rs.	4,40,57,419	4,46,69,546
16 CASH & CASH EQUIVALENTS		
Cash In Hand	3,15,129	3,40,351
Stamp In Hand	13,000	6,600
Bank Balances :		
With Scheduled Banks		
Current Accounts	81,61,595	87,79,486
Deposit Accounts with maturity		
- Less than 1 year	12,05,21,219	18,74,85,705
- More than 1 year	76,55,107	1,33,07,938
Total Rs.	13,66,66,050	20,99,20,080

for the year ended March 31, 2014

(Amount in Rs.)

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
17 SHORT TERM LOANS & ADVANCES (Unsecured And Considered Good)		
Misc. Receivables	4,47,260	2,13,659
Prepaid Expenses	15,49,071	16,55,606
Other Advances	2,09,68,933	21,29,148
Total Rs.	2,29,65,264	39,98,413
18 OTHER CURRENT ASSETS		
Accrued Interest	3,66,819	11,637
Interest Receivable	5,08,180	6,85,611
Others	3,66,25,397	97,86,626
Total Rs.	3,75,00,396	1,04,83,874

Particulars	2013-14	2012-13
19 REVENUE FROM OPERATIONS		
Income from Operation		
Brokerage	1,65,56,745	
Income From Depository Operations	12,37,600	
Sales of Shares	16,75,03,790	2,02,64,163
Other Operating Income	52,03,204	6,70,82,751
Loss in F&O Segment (Proprietary A/c)	(24,56,273)	48,70,243
Total Rs.	18,80,45,066	(2,24,72,827)
20 OTHER INCOME		
Dividend:		
Dividend Received	12,22,154	7,54,722
Interest :		
Interest on FDR's	1,68,79,009	1,85,73,481
Other Income:		
Miscellaneous Income	11,929	1,45,511
Recovery of Bad Debts.	-	2,03,500
Income From Mutual Fund Investment	13,52,324	1,07,40,278
Profit from sale of assets	6,787	-
Short term Capital Gain	32,81,992	-
Excess provision of Gratuity Reversed	1,89,528	-
Total Rs.	2,29,43,723	3,04,17,492
21 PURCHASE & OPERATING EXPENSES		
Purchase of Shares	18,86,75,271	6,70,51,915
Operating Expenses		
Membership & Subscription fee	1,24,500	1,75,500
Commission to Branches	23,05,582	26,57,740
Depository Expenses	5,85,153	5,22,662
Annual Maintenance Expenses	12,16,395	11,20,083
VSAT & Internet Charges	7,02,244	6,86,123
Other Operating Expenses	11,59,148	37,469
Total Rs.	19,47,68,292	7,22,51,492
22 CHANGE IN INVENTORIES		
Opening Inventory	4,22,480	19,62,066
Closing Inventory	2,09,45,174	4,22,480
Total Rs.	(2,05,22,694)	15,39,586

Note : Inventory valued at cost or market price whichever is less

for the year ended March 31, 2014

(Amount in Rs.)

Particulars	2013-14	2012-13
23 EMPLOYEE BENEFIT EXPENSES		
Salary and Wages	1,10,52,950	1,03,16,194
Contribution to Provident & Other Funds	3,72,107	6,52,041
Staff Welfare	4,83,357	5,11,046
Total Rs.	1,19,08,414	1,14,79,281
23.1 Details of Director's Remuneration:		
Managing Director		
- Salary	4,92,000	4,92,000
- Perquisites	1,32,000	1,32,000
Whole Time Directors		
- Salary	14,40,000	14,40,000
Total Rs.	20,64,000	20,64,000

23.2 Defined Contribution Plans :

During the year company has made an arrangement with Life Insurance Corporation for Gratuity Benefits. Now the company makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for eligible employees. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method, with actuarial valuations.

The Company has made provision for Gratuity amounting to Rs. 12.30 Lacs payable to employees, in compliance of recommendation of Accounting Standard 15 "Employees Benefit".

Actuarial Assumptions :

Particulars	2013-14	2012-13
Withdrawal Rate	1% to 3% depending on age	1% to 8% depending on age
Discount rate	8 % p. a.	8.25 % p. a.
Salary Escalation	7%	5 %

Amount Recognized In the Balance Sheet :

Particulars	2013-14	2012-13
Present Value of past services benefit	8,91,499	17,07,842
Present Value of current year services cost	3,14,552	2,50,187
Total Provision made in the year	12,30,202	19,58,029

24 FINANCIAL COST		
Bank Charges	16,153	29,440
Bank Guarantee Commission	1,50,057	2,55,744
Bank Interest	45,65,431	26,52,399
Other Interest	-	52,509
Total Rs.	47,31,641	29,90,092
25 OTHER EXPENSES		
Administrative Expenses		
Electricity Expenses	9,57,220	9,61,112
Insurance Charges	1,32,209	2,10,423
Rent	19,46,831	21,27,517
Telephone & Postage Expenses	7,89,666	7,70,488
Repairs & Maintenance Expenses	5,27,835	3,92,445
Printing & Stationery	1,56,818	2,94,827
Legal & Professional Expenses	10,45,917	11,12,903
Advertisement & Business Promotion Expenses	9,95,049	13,99,529
Traveling Expenses	3,85,641	2,43,132
Wealth Tax	5,37,227	13,14,035
General Expenses	20,04,058	94,78,471
Loss on Sale of Fixed Asset	-	3,537
Loss on Sale of Investment	-	96,732
Total Rs.	94,78,471	1,01,84,837

for the year ended March 31, 2014

(Amount in Rs.)

Particulars	2013-14	2012-13
25.1 Details of Auditor's Remuneration (excluding service tax)		
Statutory Audit Fee	50,000	40,000
Tax Audit Fee	10,000	10,000
Certification fee	10,000	10,000
Total Rs.	70,000	60,000
26 EARNINGS PER SHARE (EPS)		
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.)	68,50,925	3,26,656
ii) Weighted Average number of equity shares used as denominator for calculating EPS	1,00,00,000	1,00,00,000
iii) Basic and Diluted Earnings per share (Face value Rs. 10/- per equity share)	.69	.03

27 CONTINGENT LIABILITIES:

A. Contingent Liabilities not provided for :

(Amount in Rs.)

Particulars	2013-14	2012-13
Counter guarantees in respect of guarantees given by banks to the Stock Exchanges towards base capital, margin deposits etc.	1,36,80,000	1,36,80,000
Pledged of fixed deposits with the bank against the above bank guarantees	84,43,659	68,40,000

B. 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 18.60 Lacs. Earlier decision of CIT appeal was in favor of company, during the year income tax department has challenged the said decision in Appellate Tribunal. Based on the decisions of the CIT 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.

28 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.

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'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

32 During the Financial Year 2011-12 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. Fund utilization details are given below:

(Amount in Lacs)

S.No.	Particulars of Funds Utilisation	Revised Objects of IPO*	Utilisation upto 31.03.2014
1	Expansion and up gradation of Existing Branches and network of Branches	2.13	2.13
2	Purchase of office space for Mumbai regional office	0.00	0.00
3	Purchase & set up of office space for corporate office	200.00	164.63
4	Brand building & advertising	25.00	25.00
5	Augmenting long term working capital requirement	1100.00	1100.00
6	General Corporate Purpose	667.97	667.97
7	Public Issue Expenses	167.03	167.03
8	Investment in Wholly Owned subsidiary company (ies) engaged in acquiring land, premises or in any way building space for the Company on ownership / lease basis and its funds management*	797.87	797.87
	Total	2960.00	2924.63

The unutilized proceeds of IPO is invested in and Fixed Deposits of Rs. 35.37 Lacs.

* During the previous year the Company has revised its objectives given in IPO prospectus through postal ballot process.

33 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, 2014, are as under

		(Amount in Rs.)	
Minimum Lease Rentals		2013-14	2012-13
Due for:			
- Up to one year		1,64,000	9,45,495
- One to five years		4,47,800	34,500
- Over five years		Nil	Nil
Total		6,11,800	9,79,995

34 During the previous year company has formed two 100% wholly owned subsidiaries.

- Indo Thai Fincap Ltd.
- Indo Thai Realities Ltd.

35 Disclosure of loans/advances in its subsidiaries and associates etc. As required under clause 32 of the listing agreement

				(Amount in Rs.)
S.No.	Name	Particulars	2013-14	2012-13
1.	Indo Thai Fincap Ltd.	Outstanding at year end	2,11,00,000	2,11,00,000
		Maximum Amount Outstanding	2,11,00,000	2,11,00,000
2.	Indo Thai Realities Ltd.	Outstanding at year end	7,97,87,000	7,34,780
		Maximum Amount Outstanding	7,97,87,000	7,34,780
3.	Indo Thai Commodities Pvt. Ltd	Outstanding at year end	42,52,000	42,52,000
		Maximum Amount Outstanding	42,52,000	42,52,000

36 Company has following open position in derivatives as on March 31, 2014

Instrument Name	Expiry Date	Strike Price	Qty	Exposure
BANKINDIA	24-04-2014	0.00	30000	6907500
BANKNIFTY	24-04-2014	0.00	125	1603094
IBREALEST	29-05-2014	0.00	40000	2178000
INFY	24-04-2014	0.00	750	2473575
IOC	24-04-2014	0.00	-2000	559400
L&TFH	24-04-2014	0.00	28000	2070600
MCDOWELL-N	24-04-2014	0.00	125	332087
NIFTY	24-04-2014	0.00	650	4380772
RANBAXY	24-04-2014	0.00	-2000	735000
SBIN	24-04-2014	0.00	-1625	3126744
SUNPHARMA	24-04-2014	0.00	-1000	576700
TATAGLOBAL	24-04-2014	0.00	-4000	603600
USDINR	28-04-2014	0.00	3475	209064687
Total				234611760

for the year ended March 31, 2014

37 Fixed deposits with Scheduled Banks under the lien of (as on 31 st March 2014) :

Bank Name	FD Amount (In Lacs)	Lien
Axis Bank	20.26	With Exchange
Bank of India	170.17	With Exchange
Canara Bank	305.00	Against Overdraft
Central Bank of India	25.98	With Exchange
Indusind Bank	90.39	Bank Guarantee to Exchange
Indusind Bank	501.41	With Exchange
Indusind Bank	80.06	Against Overdraft

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

39 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)	Dhanpal Doshi
	Parasmal Doshi
	Rajendra Bandi
Relatives of Key Management Personnel	Awantabai Doshi
	Sadhana Doshi
	Varsha Doshi
	Rajmati Hingad
	Vijaya Jain
	Nishit Doshi
	Sarthak Doshi
	Praveen Bandi
	Sunita Bandi
	Jaya Bandi
	Anita Khasgiwala
	Romil Bandi
	Seema Bandi
Enterprises where key management personnel exercise significant influence	Paras Doshi (HUF)
	Dhanpal Doshi (HUF)
	Rajendra Bandi (HUF)
	M/s Dinesh Enterprises
	M/s Sun Décor World
	M/s Balmukund Ramkishan Bang
	Citadel Real Estates Private Limited
	Future Infraestates Private Limited
	3M Consultants Private Limited
Wholly owned subsidiaries	Indo Thai Fincap Ltd.
	Indo Thai Realities Ltd.

(ii) Transactions during the year with related parties :

(Amount in Rs.)

Nature of Transaction	KMP & their Relatives	Associates	Subsidiaries	Total
Brokerage Received	7,54,856	-	-	7,54,856
	(15,26,190)	-	-	(15,26,190)
Remuneration Paid	22,50,000	-	-	22,50,000
	(23,85,866)	-	-	(23,85,866)
Rent Paid	4,14,000	-	-	4,14,000
	(4,14,000)	-	-	(4,14,000)
Receivables	1029	-	-	1029
	(12,97,538)	-	-	(12,97,538)
Payables	32	-	-	32
	(5,14,607)	-	-	(5,14,607)
Investments	-	42,52,000	4,06,46,329	4,48,98,329
	-	(42,52,000)	(2,18,34,780)	(2,60,86,780)

Note: Figures in brackets indicate previous year figures.

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
Date : May 09, 2014
Place : Indore

For and on behalf of board of directors

Sd/-
Dhanpal Doshi
Managing Director

Sd/-
Parasmal Doshi
Whole Time Director & CEO

Sd/-
Deepak Sharma
Chief Financial Officer

Sd/-
Anurag Kumar Saxena
Company Secretary

To
The Members of **Indo Thai Securities Limited**

Report on the Financial Statement

We have audited the accompanying consolidated financial statements of **Indo Thai Securities Limited** ("the Company") and its **subsidiaries**, which comprise the consolidated balance sheet as at **March 31, 2014**, and the consolidated statement of profit and loss and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We did audit the financial statements of subsidiaries namely **Indo Thai Fincap Limited** and **Indo Thai Realities Limited** included in the consolidated financial results, whose consolidated financial statements reflect total assets of Rs. 46,60,63,369/- as at March 31, 2014; as well as the total revenue of Rs. 21,35,16,718/- for the year ended on that date.

Opinion

Based on our audit and on the other financial information of Indo Thai Securities Limited and its subsidiaries, In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- In the case of the consolidated Profit and Loss Account, of the loss for the year ended on that date; and
- In the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Forming an Opinion and Reporting on Financial Statements

For S.Ramanand Aiyar & Co.
Chartered Accountants
Firm's Reg. No. 000990 N
Sd/-

CA Amit Singhvi
Partner
Membership Number: 129331

Date : May 9, 2014
Place : Indore

(Amount in Rs.)

PARTICULARS	Note No.	As at 31st Mar 2014	As at 31st Mar 2013
I EQUITY & LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	10,00,00,000	10,00,00,000
(b) Reserves & Surplus	3	26,75,75,363	25,89,25,472
(c) Money Received against share warrants		-	-
(2) Share Application Money Pending Allotment		-	-
(3) Non - Current Liabilities			
(a) Long Term Borrowings	4	-	-
(b) Deferred Tax Liabilities(Net)		-	-
(c) Other Long Term Liabilities	5	11,71,243	10,36,243
(d) Long Term Provisions	6	-	14,19,730
(4) Current Liabilities			
(a) Short Term Borrowings	7	2,61,94,994	3,21,82,964
(b) Trade Payables	8	6,38,23,572	2,26,04,168
(c) Other Current Liabilities	9	19,26,727	24,86,556
(d) Short Term Provisions	10	53,71,470	12,19,412
Total		46,60,63,369	41,98,74,545
II ASSETS			
(1) Non- Current Assets			
(a) Fixed Assets	11		
(i) Tangible Assets		2,85,92,442	2,90,05,376
(ii) Intangible Assets		71,496	1,19,160
(iii) Capital Work in Progress		45,16,375	-
(iv) Intangible assets under development		-	-
(b) Non Current Investments	12	7,50,37,643	42,52,000
(c) Deferred Tax Asset	13	3,34,319	6,38,610
(d) Long Term Loans and Advances	14	2,31,70,988	3,17,02,941
(e) Other non current assets		-	-
(2) Current Assets			
(a) Current Investments	15	4,06,46,329	6,38,50,356
(b) Inventories		2,09,45,174	4,22,480
(c) Trade Receivables	16	4,40,57,419	4,46,69,546
(d) Cash & Cash Equivalents	17	16,78,53,147	23,07,31,789
(e) Short Term Loans and Advances	18	2,29,65,264	39,98,413
(f) Other Current Assets	19	3,78,72,773	1,04,83,874
Total		46,60,63,369	41,98,74,545

SIGNIFICANT ACCOUNTING POLICIES
AND NOTES TO THE ACCOUNTS

1-41

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

Date : May 09, 2014

Place : Indore

For and on behalf of board of directors

Sd/-
Dhanpal Doshi
Managing Director

Sd/-
Parasmal Doshi
Whole Time Director & CEO

Sd/-
Deepak Sharma
Chief Financial Officer

Sd/-
Anurag Kumar Saxena
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT & LOSS

for the year ended March 31, 2014

(Amount in Rs.)

PARTICULARS	Note No.	Ended on 31st Mar 2014	Ended on 31st Mar 2013
I Revenue from Operations	20	18,80,45,066	6,97,44,330
II Other Income	21	2,54,71,652	3,04,22,554
III Total Revenue	(I+II)	21,35,16,718	10,01,66,884
IV. Expenses			
Purchases and Operating Expenses	22	19,47,68,292	7,22,51,492
Changes in Inventories	23	(2,05,22,694)	15,39,586
Employee Benefit Expenses	24	1,19,08,414	1,14,79,281
Financial Cost	25	47,31,641	29,90,092
Depreciation and amortization expenses	11	13,09,275	13,31,326
Other Expenses	26	95,67,979	1,12,15,778
Total Expenses		20,17,62,907	10,08,07,555
V. PROFIT before exceptional and extraordinary items and tax	(III-IV)	1,17,53,811	(6,40,671)
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax	(V-VI)	1,17,53,811	(6,40,671)
VIII. Extraordinary Items		-	-
IX. Profit Before Tax	(VII-VIII)	1,17,53,811	(6,40,671)
X. Tax Expenses			
(1) Current Tax	27,99,629		8,201
(2) Deferred Tax	3,04,291	31,03,920	50,352
XI. Profit(Loss) from the continuing operations	(IX-X)	86,49,891	(6,99,224)
XII. Profit/(Loss) for the period		86,49,891	(6,99,224)
XIII. Earning per Equity Share:	27		
(1) Basic		0.48	(0.07)
(2) Diluted		0.48	(0.07)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS	1-41		

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
Date : May 09, 2014
Place : Indore

For and on behalf of board of directors

Sd/-
Dhanpal Doshi
Managing Director

Sd/-
Deepak Sharma
Chief Financial Officer

Sd/-
Parasmal Doshi
Whole Time Director & CEO

Sd/-
Anurag Kumar Saxena
Company Secretary

(Amount in Rs.)

PARTICULARS	2013-14	2012-13
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,17,53,811	(6,40,671)
Adjustment for:		
Depreciation / Amortization	13,09,275	13,31,326
(Profit) / Loss on sale of Investments (net)	(32,92,635)	96,732
Interest income	(1,93,96,295)	(1,85,78,543)
Interest expenses	47,15,488	29,60,652
Dividend income	(12,22,154)	(7,54,722)
(Profit)/ Loss on sale of fixed assets	(6,786)	3,537
Income from Mutual Fund	(13,52,324)	(1,07,40,278)
Cash generated from operations before working capital changes	(74,91,621)	(2,63,21,967)
Adjustment for:		
(Increase)/ Decrease in inventories	(2,05,22,694)	15,39,586
(Increase)/ Decrease in trade and other receivables	(3,69,07,380)	(4,43,67,066)
Increase/ (Decrease) in trade and other payables	4,35,26,904	49,67,292
Cash generated from/ (used in) operations	(2,13,94,791)	(6,41,82,155)
Direct tax paid (Net)	(31,03,920)	(56,659)
Net cash from/ (used in) Operating Activities (A)	(2,44,98,711)	(6,42,38,814)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments made for purchase of fixed assets/ capital expenditure	(8,51,890)	(74,71,297)
Expenditure on capital work in progress	(45,16,375)	-
Proceeds from sale of fixed assets	10,000	4,000
Interest received	1,93,96,295	1,85,78,543
(Purchase) / Sale of Investments	(4,75,81,616)	6,41,83,591
Profit / (Loss) on sale of Investments (net)	32,92,635	(96,732)
Income from Mutual Fund	13,52,324	1,07,40,278
Dividend income	12,22,154	7,54,722
Net cash from/ (used in) Investing Activities (B)	(2,76,76,471)	8,66,93,105
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings (net of repayment)	(59,87,970)	3,14,13,497
Interest paid	(47,15,488)	(29,60,652)
Net cash from/ (used in) Financing Activities (C)	(1,07,03,458)	2,84,52,845
Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C)	(6,28,78,641)	5,09,07,136
Cash and Cash Equivalents at the beginning of the year/period	23,07,31,789	17,98,24,653
Cash and Cash Equivalents at the end of the year/period	16,78,53,148	23,07,31,789

(Amount in Rs.)

Particulars	2013-14	2012-13
Components of Cash and Cash Equivalents at the end of the year/period		
Cash in hand	3,28,129	3,46,951
Balance with scheduled banks		
Current account	81,72,750	95,86,133
Fixed deposit/ margin money	15,93,52,268	22,07,98,705
Total	16,78,53,148	23,07,31,789

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
Date : May 09, 2014
Place : Indore

For and on behalf of board of directors

Sd/-
Dhanpal Doshi
Managing Director

Sd/-
Deepak Sharma
Chief Financial Officer

Sd/-
Parasmal Doshi
Whole Time Director & CEO

Sd/-
Anurag Kumar Saxena
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES

1.1 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.

1.2 Basis of Consolidation

The consolidated financial statements related to Indo Thai Securities Limited (the Company) and its wholly owned subsidiaries. The consolidated financial statements have been prepared on the following basis:

The consolidated financial statements of the company and its subsidiaries are based on the respective financial statements duly certified by the Auditors/Management estimates of the respective companies. Line by line like items of assets, liabilities, income and expenses of the respective financial statements has been added to draw up the consolidated financial statements. Intra-group balances, intra-group transactions if any have been eliminated.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible.

1.3 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.

1.4 Revenue recognition

- Income from brokerage activities is recognized as income on the trade date of the transaction.
- Income from arbitrage operations is stated net of commission expenses, if any, incurred against it and without deduction of Securities Transaction Tax.

- Profit / Loss on sale of investments are recognized on the trade date of the transaction and are stated net of Securities Transaction Tax incurred.

- Other Income is accounted for on accrual basis.

1.5 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.

1.6 Depreciation / Amortization

- 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%

- 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".

1.7 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.

1.8 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.

1.9 Keyman Insurance

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

1.10 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.

for the year ended March 31, 2014

▶ **Leave Encashment**

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

1.11 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.

1.12 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.

1.13 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.

1.14 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.

1.15 Preliminary expenses

Preliminary expenses are written off in the financial year in which it is incurred.

for the year ended March 31, 2014

(Amount in Rs.)

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
2. SHARE CAPITAL		
Authorised Equity Share Capital 1,20,00,000 Equity Shares of Rs. 10 each (1,20,00,000)	12,00,00,000	12,00,00,000
Issued, Subscribed & Paid Up Capital 1,00,00,000 Equity Shares of Rs. 10 each (1,00,00,000)	10,00,00,000	10,00,00,000
Total Rs.	10,00,00,000	10,00,00,000

2.1 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st Mar 2014		As at 31st Mar 2013	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares at the beginning of the year	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
Add : Shares issued through IPO	-	-	-	-
Add : Shares issued through allotment Bonus	-	-	-	-
Less : Shares buy back of during the year	-	-	-	-
Equity Shares at the end of the year	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000

2.2 Details of Shareholders holding more than 5% shares:

Name of Shareholder	As at 31st Mar 2014		As at 31st Mar 2013	
	No. of Shares	% held	No. of Shares	% held
Parasmal Doshi	11,65,900	11.66%	11,65,900	11.66%
Dhanpal Doshi	12,65,000	12.65%	12,65,000	12.65%
Varsha Doshi	14,09,850	14.10%	14,04,850	14.05%
Sadhana Doshi	10,45,000	10.45%	8,73,450	8.73%

2.3 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.)

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
3 RESERVES AND SURPLUS		
Security Premium Reserve		
As per previous year balance sheet	23,86,15,136	23,86,15,136
Add: Share Premium	-	-
Less: Expenses adjusted against Share Premium	-	-
Total Rs.	23,86,15,136	23,86,15,136
Profit & Loss Account		
As per previous year balance sheet	2,03,10,336	2,10,07,666
Add : Profit As Per P&L Statement	86,49,891	(6,99,224)
Add : Excess Provision reverse (FY 2011-2012)	-	1,894
Total Rs.	2,89,60,227	2,03,10,336
Grand Total Rs.	26,75,75,363	25,89,25,472

for the year ended March 31, 2014

(Amount in Rs.)

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
4 OTHER LONG TERM LIABILITIES		
Security Deposits From Branches & Franchisee's	11,71,243	10,36,243
Total Rs.	11,71,243	10,36,243
5 LONG TERM PROVISIONS		
Provision for Gratuity	-	14,19,730
Total Rs.	-	14,19,730
6 SHORT TERM BORROWINGS		
Secured Loan :		
From Banks *	2,61,94,994	3,21,82,964
Total Rs.	2,61,94,994	3,21,82,964
* Loan from bank secured against FDR's		
7 TRADE PAYABLE		
Micro, Small and Medium Enterprises	-	-
Others	6,38,23,572	2,26,04,168
Total Rs.	6,38,23,572	2,26,04,168

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.)

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
8 OTHER CURRENT LIABILITIES		
Creditors For Expenses	14,83,988	15,26,461
Salary Payable	-	4,18,561
Other Payables	4,42,739	5,41,534
Total Rs.	19,26,727	24,86,556
9 SHORT TERM PROVISIONS		
Provision for Wealth Tax	4,75,833	3,36,128
Provision for Gratuity	8,91,499	5,38,299
Provision for Income Tax	28,25,600	-
Other Provisions	11,78,539	3,44,985
	53,71,471	12,19,412

10 FIXED ASSETS

(Amount in Rs.)

DESCRIPTION	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	AS AT 01/04/2013	ADDITIONS (DELETION)	AS AT 31/03/2014	AS AT 01/04/2013	WRITTEN BACK	For The Period	Total 31/03/2014	AS AT 31/03/2014	AS AT 31/03/2013
TANGIBLE ASSETS :									
LAND & BUILDING	2,42,44,000	-	2,42,44,000	-	-	-	-	2,42,44,000	2,42,44,000
PLANT & MACHINERY	1,28,30,534	4,77,650	1,33,08,184	1,04,76,227	-	758,070	11,2,34,297	20,73,887	23,54,307
FURNITURE & FIXTURE	31,96,000	-	31,96,000	26,41,730	-	100,323	27,42,053	4,53,947	5,54,270
OFFICE EQUIPMENTS	20,50,619	3,74,240	24,24,859	11,84,391	-	148,404	13,32,795	10,92,064	8,66,228
VEHICLES	19,46,187	(41,086)	19,05,101	9,59,615	37,872	254,814	11,76,557	7,28,544	9,86,572
Total	4,42,67,340	8,10,804	4,50,78,144	1,52,61,963	37,872	1,261,611	1,64,85,702	2,85,92,442	2,90,05,376
INTANGIBLE ASSETS :									
COMPUTER SOFTWARE	18,24,703	-	18,24,703	17,05,543	-	47,664	17,53,207	71,496	1,19,160
Total	18,24,703	-	18,24,703	17,05,543	-	47,664	17,53,207	71,496	1,19,160
GRAND TOTAL	4,60,92,043	8,10,804	4,69,02,847	1,69,67,506	37,872	13,09,275	1,82,38,909	2,86,63,938	2,91,24,536
CAPITAL WORK IN PROGRESS :									
WORK IN PROGRESS	-	45,16,375	45,16,375	-	-	-	-	45,16,375	-
Previous year figures	3,86,67,246	74,24,797	4,60,92,043	1,56,75,143	38,963	13,31,326	1,69,67,506	2,91,24,536	2,29,92,102

(Amount in Rs.)

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
11 NON CURRENT INVESTMENT		
Investment In Equity Shares Unquoted :		
7,44,100 Indo Thai Commodities Pvt. Ltd. (7,44,100)	42,52,000	42,52,000
Investment In Mutual Fund :		
Mutual Fund	7,07,85,643	
Total Rs.	7,50,37,643	42,52,000
12 DEFERRED TAX ASSET (NET)		
Deferred Tax Asset related to timing difference of depreciation on Fixed Assets	58,846	33,579
Deferred Tax Asset related to disallowances under the Income Tax Act, 1961	2,75,473	6,05,031
Total Rs.	3,34,319	6,38,610
13 LONG TERM LOAN & ADVANCES		
Deposits With Exchange	1,30,25,000	2,40,00,000
Other Deposits	10,87,128	11,14,128
Other Advances	90,58,860	65,88,813
Total Rs.	2,31,70,988	3,17,02,941

for the year ended March 31, 2014

(Amount in Rs.)

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
14 CURRENT INVESTMENT		
Investment In Equity Instrument (Quoted) :		
Investment In Shares *	4,06,46,329	81,09,473
Investment In Mutual Fund# (Quoted) :		
Units		
- Reliance Gilt Securities Fund (976615.302)	-	1,43,28,704
- Religare Ultra St Fund Rg (3086.513)	-	50,06,761
- Religare MF Collection A/C (6960.027)	-	1,12,94,797
- IDBI MF Collection A/C (3979.913)	-	50,09,933
- Reliance LF Fund Treasury (7040.295)	-	2,01,00,688
Total Rs.	4,06,46,329	6,38,50,356
*Market Value of quoted Equity Investment as on 31-MAR-2014 is Rs. 5,85,60,373/- (Previous Year Rs. 86,75,832/-) # Investment in Mutual Fund Shown on NAV Note : Figures in brackets shows previous year units.		
15 TRADE RECEIVABLES		
More than 6 months		
Secured	61,255	-
Unsecured considered good	37,53,431	20,95,802
Others		
Secured	2,58,16,282	1,96,37,486
Unsecured considered good	1,44,26,451	2,29,36,258
Total Rs.	4,40,57,419	4,46,69,546
16 CASH & CASH EQUIVALENTS		
Cash In Hand	3,15,129	3,40,351
Stamp In Hand	13,000	6,600
Bank Balances :		
With Scheduled Banks		
Current Accounts	81,72,750	95,86,133
Deposit Accounts with maturity		
- Less than 1 year	13,12,74,569	19,74,88,233
- More than 1 year	2,80,77,699	2,33,10,472
Total Rs.	16,78,53,147	23,07,31,789
17 SHORT TERM LOANS & ADVANCES		
(Unsecured And Considered Good)		
Misc. Receivables	4,47,260	2,13,659
Prepaid Expenses	15,49,071	16,55,606
Other Advances	2,09,68,933	21,29,148
Total Rs.	2,29,65,264	39,98,413

(Amount in Rs.)

Particulars	As at 31st Mar 2014	As at 31st Mar 2013
18 OTHER CURRENT ASSETS		
Accrued Interest	3,66,819	11,637
Interest Receivable	5,08,180	6,85,611
Others	3,69,97,774	97,86,626
Total Rs.	3,78,72,773	1,04,83,874

Particulars	2013-14	2012-13
19 REVENUE FROM OPERATIONS		
Income from Operation		
Brokerage	1,65,56,745	
Income From Depository Operations	12,37,600	
Sales of Shares	16,75,03,790	6,70,82,751
Other Operating Income	52,03,204	48,70,243
Loss in F&O Segment (Proprietary A/c)	-24,56,273	-2,24,72,827
Total Rs.	18,80,45,066	6,97,44,330

20 OTHER INCOME		
Dividend:		
Dividend Received	12,22,154	7,54,722
Interest :		
Interest on FDR's	1,93,96,294	1,85,78,543
Other Income:		
Miscellaneous Income	11,929	1,45,511
Recovery of Bad Debts	-	2,03,500
Income From Mutual Fund Investment	13,62,968	1,07,40,278
Profit from sale of assets	6,787	-
Short Term Capital Gain	32,81,992	-
Excess provision of Gratuity Reversed	189,528	-
Total Rs.	2,54,71,652	3,04,22,554

21 PURCHASE & OPERATING EXPENSES		
Purchase of Shares	18,86,75,271	6,70,51,915
Operating Expenses		
Membership & Subscription fee	1,24,500	1,75,500
Commission to Branches	23,05,582	26,57,740
Depository Expenses	5,85,153	5,22,662
Annual Maintenance Expenses	12,16,395	11,20,083
VSAT & Internet Charges	7,02,244	6,86,123
Other Operating Expenses	11,59,148	37,469
Total Rs.	19,47,68,292	7,22,51,492

22 CHANGE IN INVENTORIES		
Opening Inventory	4,22,480	19,62,066
Closing Inventory	2,09,45,174	4,22,480
Total Rs.	(2,05,22,694)	15,39,586

Note : Inventory valued at cost or market price whichever is less

23 EMPLOYEE BENEFIT EXPENSES		
Salary and Wages	1,10,52,949	1,03,16,194
Contribution to Provident & Other Funds	3,72,107	6,52,041
Staff Welfare	4,83,358	5,11,046
Total Rs.	1,19,08,414	1,14,79,281

(Amount in Rs.)

Particulars	2013-14	2012-13
23.1 Details of Director's Remuneration:		
Managing Director		
- Salary	4,92,000	4,92,000
- Perquisites	1,32,000	1,32,000
Whole Time Directors		
- Salary	14,40,000	14,40,000
Total Rs.	20,64,000	20,64,000

23.2 Defined Contribution Plans :

The Indo Thai Securities Limited has made provision for Gratuity amounting to Rs. 12.30 Lacs payable to employees, in compliance of recommendation of Accounting Standard 15 "Employees Benefit".

Actuarial Assumptions :

Particulars	2013-14	2012-13
Withdrawal Rate	1% to 3% depending on age	1% to 8% depending on age
Discount rate	8 % p. a.	8.25 % p. a.
Salary Escalation	7 %	5 %

Amount Recognized In the Balance Sheet :

Particulars	2013-14	2012-13
Present Value of past services benefit	8,91,499	17,07,842
Present Value of current year services cost	3,14,552	2,50,187
Total Provision made in the year	12,30,202	19,58,029

24 FINANCIAL COST

Bank Charges	16,153	29,440
Bank Guarantee Commission	1,50,057	2,55,744
Bank Interest	45,65,431	26,52,399
Other Interest	-	52,509
Total Rs.	47,31,641	29,90,092

25 OTHER EXPENSES

Administrative Expenses		
Electricity Expenses	9,57,220	9,61,112
Insurance Charges	1,32,209	2,10,423
Rent	19,46,831	21,27,517
Telephone & Postage Expenses	7,89,666	7,70,488
Repairs & Maintenance Expenses	5,27,835	3,92,445
Printing & Stationery	1,64,998	2,94,827
Legal & Professional Expenses	10,54,878	11,12,903
Advertisement & Business Promotion Expenses	9,95,049	13,99,529
Traveling Expenses	3,85,641	2,43,132
Wealth Tax	5,37,227	13,14,035
Preliminary Expenses	-	10,25,324
General Expenses	20,76,425	12,63,774
Loss on Sale of Fixed Asset	-	3,537
Loss on Sale of Investment	-	96,732
Total Rs.	95,67,979	1,12,15,778
25.1 Details of Auditor's Remuneration (Excluding Service Tax)		
Statutory Audit Fee	56,000	40,000
Tax Audit Fee	14,000	10,000
Certification fee	10,000	10,000
Total Rs.	80,000	60,000

Particulars	2013-14	2012-13
26 EARNINGS PER SHARE (EPS)		
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.)	86,49,891	(6,99,224)
ii) Weighted Average number of equity shares used as denominator for calculating EPS	1,81,39,467	(1,00,11,820)
iii) Basic and Diluted Earnings per share (Face value Rs. 10/- per equity share)	0.48	(.07)

27 CONTINGENT LIABILITIES:

A. Contingent Liabilities not provided for :

(Amount in Rs.)

Particulars	2013-14	2012-13
Counter guarantees in respect of guarantees given by banks to the Stock Exchanges towards base capital, margin deposits etc.	1,36,80,000	1,36,80,000
Pledged of fixed deposits with the bank against the above bank guarantees	84,43,659	68,40,000

B. 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 18.60 Lacs. Earlier decision of CIT appeal was in favor of company, during the year income tax department has challenged the said decision in Appellate Tribunal. Based on the decisions of the CIT 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.

- 28 The Company Indo Thai Fincap Ltd., during the year has applied for registration for NBFC from the Reserve Bank of India (RBI). The RBI has sought certain clarifications and the company is in the process of complying / clarification of the same. Pending this clarification, the company has also not given the certification of commencement of business by ROC, Gwalior as at the date of approval of accounts.
- 29 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.
- 30 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.
- 31 Securities received from clients as collateral for margins are held by the Company in its own name in a fiduciary capacity.
- 32 During the Financial Year 2011-12 the Company Indo Thai Securities Ltd. has made an Initial Public Offer (IPO) of 40 Lacs Equity Shares of Rs. 10/- each at premium of Rs. 64/- per share. Fund utilization details are given below:

(Rs. in Lacs)

S.No.	Particulars of Funds Utilisation	Revised Object of IPO*	Utilisation upto 31.03.2014
1	Expansion and up gradation of Existing Branches and network of Branches	2.13	2.13
2	Purchase of office space for Mumbai regional office	0.00	0.00
3	Purchase & set up of office space for corporate office	200.00	164.63
4	Brand building & advertising	25.00	25.00
5	Augmenting long term working capital requirement	1100.00	1100.00
6	General Corporate Purpose	667.97	667.97
7	Public Issue Expenses	167.03	167.03
8	Investment in Wholly Owned subsidiary company (ies) engaged in acquiring land, premises or in any way building space for the Company on ownership / lease basis and its funds management*	797.87	797.87
	Total	2960.00	2924.63

The unutilized proceeds of IPO is invested in Fixed Deposits of Rs. 35.37 Lacs.

for the year ended March 31, 2014

33. SEGMENT REPORTING:
 Segment information for the year ended March 31 2014. Primary segment information (by Business segment)
 (Amount in Rs.)

S.No.	Particulars	Equities, Brokerage & related	Financing and Investment	Realities	Total
1	Segment Revenue				
	External	21,09,88,789	18,96,410	6,31,520	21,35,16,718
		10,01,61,822	5,062	-	10,01,66,884
	Inter-Segment	-	-	-	-
		-	-	-	-
	Total Revenue	21,09,88,789	18,96,410	6,31,520	21,35,16,718
		10,01,61,822	5,062	-	10,01,66,884
2	Segment Result	93,15,391	18,74,333	5,64,087	1,17,53,811
		3,85,209	-2,99,179	-7,26,701	-6,40,671
	Less: Unallocated Expenses	-	-	-	-
		-	-	-	-
	Operating Profit	93,15,391	18,74,333	5,64,087	1,17,53,811
		3,85,209	-2,99,179	-7,26,701	-6,40,671
	Interest Expenses				-
	Profit before Tax	93,15,391	18,74,333	5,64,087	1,17,53,811
		3,85,209	-2,99,179	-7,26,701	-6,40,671
	Net Profit after Tax	68,50,925	13,18,685	4,80,281	-
		3,26,656	-2,99,179	-7,26,701	-6,99,224
3	Segment Assets	46,46,05,253	2,26,87,457	7,96,57,660	56,69,50,369
		40,37,23,149	2,08,00,821	10,888	42,45,34,858
	Unallocated Corporate Asset	-	-	-	-
	Total Assets	46,46,05,253	2,26,87,457	7,96,57,660	56,69,50,369
		40,37,23,149	2,08,00,821	10,888	42,45,34,858
4	Segment Liabilities	9,78,02,976	5,67,951	1,17,080	9,84,88,007
		60,946,264	-	2,809	60,949,073
	Unallocated Corporate Liabilities	-	-	-	-
	Total Liabilities	9,78,02,976	5,67,951	1,17,080	9,84,88,007
		6,09,46,264	-	2,809	6,09,49,073
5	Capital Expenditure	8,51,890	-	-	8,51,890
		74,24,797	-	-	74,24,797
	Unallocated Capital Expenditure	-	-	-	-
	Total Expenditure	8,51,890	-	-	8,51,890
		74,24,797	-	-	74,24,797
6	Depreciation	13,09,275	-	-	13,09,275
		13,31,326	-	-	13,31,326
	Unallocated Depreciation	-	-	-	-
	Total Depreciation	13,09,275	-	-	13,09,275
		13,31,326	-	-	13,31,326
7	Non-cash Expenditure	-	-	-	-
	Other than Depreciation	-	-	-	-

Note : Figures in italic shows previous year figures.

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, 2014, are as under:

(Amount in Rs.)

Minimum Lease Rentals	2013-14	2012-13
Due for:		
- Up to one year	164,000	9,45,495
- One to five years	4,47,800	34,500
- Over five years	Nil	Nil
Total	6,11,800	9,79,995

35 The summary of consolidated financial summary represents consolidation of accounts of the company with its following subsidiaries as detailed below :

Subsidiary	Proportion of ownership interest	
	As at 31st March 2014	As at 31st March 2013
Indo Thai Fincap Ltd	100 %	100 %
Indo Thai Realities Ltd	100 %	100 %

36 Disclosure of Investment/loans/advances in its subsidiaries and associates etc. As required under clause 32 of the listing agreement

(Amount in Rs.)

S.No.	Name	Particulars	2013-14	2012-13
1	Indo Thai Fincap Ltd.	Outstanding at year end	2,11,00,000	2,11,00,000
		Maximum Amount Outstanding	2,11,00,000	2,11,00,000
2	Indo Thai Realities Ltd.	Outstanding at year end	7,97,87,000	7,34,780
		Maximum Amount Outstanding	7,97,87,000	7,34,780
3	Indo Thai Commodities Pvt Ltd	Outstanding at year end	42,52,000	42,52,000
		Maximum Amount Outstanding	42,52,000	42,52,000

37. Statement pursuant to exemption under section 212 (8) of the Companies Act, 1956 relating to subsidiary companies:

In terms of General Circular No. 2/2011 of the Ministry of Corporate Affairs, Government of India dated 8 February 2011.

Particulars	For the year ended 31 March, 2014		For the year ended 31 March, 2013	
	Indo Thai Fincap Ltd.	Indo Thai Realities Ltd.	Indo Thai Fincap Ltd.	Indo Thai Realities Ltd.
Capital	2,11,00,000	7,97,87,000	2,11,00,000	7,34,780
Reserve & Surplus	10,19,506	(2,46,420)	(2,99,179)	(7,26,701)
Total Assets (Fixed Assets+Investment+Other Asset)	2,26,87,457	7,96,57,660	2,08,00,821	10,888
Total Liabilities (Borrowing+Other Liabilities+Provisions)	5,67,951	1,17,080	-	2,809
Total Income	18,96,410	6,31,520	5,062	-
Total Expenditure	22,077	67,433	3,04,241	7,26,701
Profit/(loss) before Taxation	18,74,333	5,64,087	(2,99,179)	(7,26,701)
Provision for Taxation	5,55,648	83,806	-	-
Profit/(loss) after Taxation	13,18,685	4,80,281	(2,99,179)	(7,26,701)
Proposed Dividend and Tax	-	-	-	-

for the year ended March 31, 2014

38 Company has following open position in derivatives as on March 31, 2014

Instrument Name	Expiry Date	Strike Price	Qty	Exposure (In Rs.)
BANKINDIA	24-04-2014	0.00	30000	69,07,500
BANKNIFTY	24-04-2014	0.00	125	16,03,094
IBREALEST	29-05-2014	0.00	40000	21,78,000
INFY	24-04-2014	0.00	750	24,73,575
IOC	24-04-2014	0.00	-2000	5,59,400
L&TFH	24-04-2014	0.00	28000	20,70,600
MCDOWELL-N	24-04-2014	0.00	125	3,32,088
NIFTY	24-04-2014	0.00	650	43,80,773
RANBAXY	24-04-2014	0.00	-2000	7,35,000
SBIN	24-04-2014	0.00	-1625	31,26,744
SUNPHARMA	24-04-2014	0.00	-1000	5,76,700
TATAGLOBAL	24-04-2014	0.00	-4000	6,03,600
USDINR	28-04-2014	0.00	3475	20,90,64,687
Total				23,46,11,760

39 Fixed deposits with Scheduled Banks under the lien of (as on 31st March 2014) :

Bank Name	FD Amount (In Lacs)	Lien
Axis Bank	20.26	With Exchange
Bank of India	170.17	With Exchange
Canara Bank	305.00	Against Overdraft
Central Bank of India	25.98	With Exchange
Indusind Bank	90.39	Bank Guarantee to Exchange
Indusind Bank	501.41	With Exchange
Indusind Bank	80.06	Against Overdraft

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

41 (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)	Dhanpal Doshi
	Parasmal Doshi
	Rajendra Bandi
Relatives of Key Management Personnel	Awantabai Doshi
	Sadhana Doshi
	Varsha Doshi
	Rajmati Hingad
	Vijaya Jain
	Nishit Doshi
	Sarthak Doshi
	Praveen Bandi
	Sunita Bandi

41 (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
	Jaya Bandi
	Anita Khasgiwala
	Romil Bandi
	Seema Bandi
Enterprises where key management personnel exercise significant influence	Paras Doshi (HUF)
	Dhanpal Doshi (HUF)
	Rajendra Bandi (HUF)
	M/s Dinesh Enterprises
	M/s Sun Décor World
	M/s Balmukund Ramkishan Bang
	Citadel Real Estates Private Ltd.
	Future Infraestates Private Limited
	3M Consultants Private Limited

(ii) Transactions during the year with related parties :

(Amount in Rs.)

Nature of Transaction	KMP & their Relatives	Associates	Total
Brokerage Received	7,54,856	-	7,54,856
	(15,26,190)	-	(15,26,190)
Remuneration Paid	22,50,000	-	22,50,000
	(23,85,866)	-	(23,85,866)
Rent Paid	4,14,000	-	4,14,000
	(4,14,000)	-	(4,14,000)
Receivables	1029	-	1029
	(12,97,538)	-	(12,97,538)
Payables	32	-	32
	(5,14,607)	-	(5,14,607)
Investments	-	42,52,000	42,52,000
	-	(42,52,000)	(42,52,000)

Note: Figures in brackets indicate previous year figures.

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
Date : May 09, 2014
Place : Indore

For and on behalf of board of directors

Sd/-
Dhanpal Doshi
Managing Director

Sd/-
Parasram Doshi
Whole Time Director & CEO

Sd/-
Deepak Sharma
Chief Financial Officer

Sd/-
Anurag Kumar Saxena
Company Secretary

[illegible]



20th Annual Report

[illegible]

**INDO THAI SECURITIES LIMITED**

CIN No. : L67120MP1995PLC008959

Registered Office : 16, 4th Floor, Dawa Bazar, R.N.T. Marg, Indore - 452001, M.P., India.

Tel. No. + 91 -731- 2705420/22, Fax No. + 91 -731- 2705423

Email : indothaigroup@indothai.co.in Website : www.indothai.co.in

ATTENDANCE SLIP

DP ID									Regd. Folio No.	
Client ID									No. of Shares held	
Name of Shareholder										
Registered Address										

I/ We hereby record my/ our presence at the 20th Annual General Meeting of the Company held on Saturday, 20th September 2014 at 11.00 A.M. at Hotel Fortune Landmark, Scheme No. 54, Vijay Nagar, Indore, Madhya Pradesh-452010 (M.P.).

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.

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Email : indothaigroup@indothai.co.in Website : www.indothai.co.in

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration), Rules, 2014]

Name of Shareholder										
Registered Address										
DP ID									Regd. Folio No.	
Client ID									Email ID	

I/We, being the member(s) of.....shares of **Indo Thai Securities Limited**, hereby appoint;

- 1) _____ of _____ having e-mail Id _____ Signature _____, or failing him
- 2) _____ of _____ having e-mail Id _____ Signature _____, or failing him
- 3) _____ of _____ having e-mail Id _____ Signature _____,

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company, to be held on Saturday, 20th September 2014 at 11.00 A.M. at Hotel Fortune Landmark, Scheme No. 54, Vijay Nagar, Indore, Madhya Pradesh-452010 (M.P.) and at any adjournment thereof in respect of resolutions as are indicated below:

	Resolutions	For	Against
1.	Adoption of Annual Accounts		
2.	Re-appointment of Mr. Rajendra Bandi as a Director		
3.	Appointment of Auditors		
4.	Appointment of Mr. Om Prakash Gauba as an Independent Director of the Company		
5.	Appointment of Mr. Sunil Kumar Soni as an Independent Director of the Company		





	Resolutions	For	Against
6.	Appointment of Mr. Sukrati Ranjan Solanki as an Independent Director of the Company		
7.	Appointment of Mrs. Shobha Santosh Choudhary as an Independent Director of the Company		
8.	Re-appointment of Mr. Dhanpal Doshi as Managing Director cum Chief Executive Director of the Company		
9.	Re-appointment of Mr. Parasmal Doshi as Whole-time Director cum Chief Financial Officer of the Company		
10.	Re-appointment of Mr. Rajendra Bandi as Whole time Director of the Company		
11.	Authority to Borrow Money in terms of Section 180 (1)(c) of the Companies Act, 2013		
12.	Creation of charge / mortgage etc. on company's movable or immovable properties in terms of section 180 (1)(a) of the Companies Act, 2013		
13.	To adopt of new set of Article of Association containing regulations in conformity with the Companies Act 2013		

Signed this _____ day of _____ 2014

Signature of Shareholder

Affix
Revenue
Stamp

Signature of First Proxy holder

Signature of Second Proxy holder

Signature of Third Proxy holder

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.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of 20th Annual General Meeting.
- Please complete all details including detail of member(s) in above box before submission.



Token of Appreciation from NSE





Indo Thai

Trade with Confidence

INDO THAI SECURITIES LIMITED

(Member : NSE, BSE, MCX-SX, DP-CDSL)



If undelivered please return to :

INDO THAI SECURITIES LIMITED

16, 4th Floor, Dawa Bazar, R.N.T. Marg, Indore-452001 Madhya Pradesh, India.

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