

CS/2013-14/AR&N

Date : September 02, 2013

To,  
The Listing Department  
**National Stock Exchange of India Ltd.**  
Exchange Plaza, Plot No. C/1, G Block  
Bandra-Kurla Complex, Bandra (E)  
Mumbai - 400 051

Dear Sir(s),

**Subject : Submission of Annual Report 2012-13 alongwith Form-A and Notice  
of 19<sup>th</sup> Annual General Meeting**

**Reference : ISIN - INE337M01013**

With reference to above cited subject and in adherence of norms of Clause 31 of the Listing Agreement we are submitting herewith 6 copies of Annual Report for the financial year 2012-13 containing Statutory Report, Director's Report, Balance Sheet, Profit & Loss Account **alongwith Form A (Form Specified for Unqualified Report)** and Notice of 19<sup>th</sup> Annual General Meeting of the Company to be held on 27<sup>th</sup> September, 2013 at 11.00 A.M. at Hotel Sarovar Portico, Treasure Island, 11, South Tukoganj, M. G. Road, Indore (Madhya Pradesh) – 452001.

You are requested to please find the same and take in your records.

Thanking you,

Yours truly,

**For Indo Thai Securities Limited**

  
**Anurag Kumar Saxena**

*(Company Secretary cum Compliance Officer)*



# 19<sup>th</sup> Annual Report - 2012-13



**Indo Thai**

Trade with Confidence

**INDO THAI SECURITIES LIMITED**

## Inside this Annual Report

### Company Overview

Corporate Information	1
7 Years Performance At A Glance	2
Gratefulness & Accolades	3
Events	4-6
Board of Indo Thai Securities Limited	7
Chairman's Letter	8-10

### Notice

Notice of Annual General Meeting	11-13
----------------------------------	-------

### Analysis & Statutory Reports

Directors' Report	14-19
Management's Discussion And Analysis Report	20-24
Corporate Governance Report	25-34
Declaration Regarding Adherence to Company's Code of Conduct	35
CEO And MD Certificate	36
Certificate on Corporate Governance	37

### Financial Statement & Reports

<b>Standalone</b>	
Independent Auditors' Report on Financial Statements	38-39
Balance Sheet	40
Statement of Profit and Loss	41
Cash Flow Statement	42-43
Notes on Financial Statements	44-55
<b>Consolidated</b>	
Independent Auditors' Report on Financial Statements	56
Balance Sheet	57
Statement of Profit and Loss	58
Cash Flow Statement	59-60
Notes on Financial Statements	61-74
Attendance Slip and Proxy Form	-

### Annual General Meeting

#### Day & Date Time Venue

Friday, September 27, 2013  
11.00 A.M.  
Hotel Sarovar Portico, Treasure Island, 11,  
South Tukoganj, M.G. Road, Indore (M.P.)

## Board of Directors

<b>Mr. Parasmal Doshi</b>	Chairman & Whole-time Director & Chief Executive Officer
<b>Mr. Dhanpal Doshi</b>	Managing Director
<b>Mr. Rajendra Bandi</b>	Whole-time Director
<b>Mr. Om Prakash Gauba</b>	Independent Director
<b>Mr. Sunil Kumar Soni</b>	Independent Director
<b>Mr. Sukrati Ranjan Solanki</b> (w.e.f. 06.05.2013)	Independent Director
<b>Mr Sanjay Parmar</b> (upto 20.04.2013)	Independent Director

### Audit Committee (w.e.f. 06.05.2013)

<b>Mr. Om Prakash Gauba</b>	(Chairman)
<b>Mr. Sunil Kumar Soni</b>	(Member)
<b>Mr. Sukrati Ranjan Solanki</b>	(Member)

### Remuneration Committee (w.e.f. 06.05.2013)

<b>Mr. Sunil Kumar Soni</b>	(Chairman)
<b>Mr. Om Prakash Gauba</b>	(Member)
<b>Mr. Sukrati Ranjan Solanki</b>	(Member)

### Shareholders' / Investors' Grievance Committee (w.e.f. 06.05.2013)

<b>Mr. Sukrati Ranjan Solanki</b>	(Chairman)
<b>Mr. Om Prakash Gauba</b>	(Member)
<b>Mr. Sunil Kumar Soni</b>	(Member)

### Company Secretary & Compliance Officer

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

### Statutory Auditors

**M/s. S. Ramanand Aiyar & Co.**  
Chartered Accountants  
S-113-114, 2nd Floor, Yashwant Plaza,  
Opp. Railway Station, Indore- 01

### Solicitors

**Mr. Anant Sinnarkar**  
**Mr. Parasmal Mehta**  
**Mr. Tarun Modi**

### Registered Office :

16, 4th Floor, Dawa Bazar, R.N.T. Marg,  
Indore - 452001 Madhya Pradesh, India  
Ph : (0731) 2705420/22  
Fax : (0731) 2705423  
Email: indothaigroup@indothai.co.in  
Website: www.indothai.co.in

### 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

### Bankers

- Indusind Bank Ltd.
- Canara Bank

### Internal Auditors

**M/s. Harish Dayani & Co.**  
Chartered Accountants  
211, Sunrise Tower, 579, M.G. Road, Indore- 01

### M/s. Abhijeet Jain & Associates

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

### Management Team

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

### Consultants

**M/s. M. Mehta & Co.**  
Chartered Accountants  
11/5, South Tukoganj, Nath Mandir Road, Indore-01  
**M/s. Kaushal Ameta & Co.**  
Company Secretaries  
404, Navneet Palaza, 5/2 Old Palasia, Indore-01  
**Mr. Ashish Garg**  
Practicing Company Secretary  
107, Gold Arcade, 311 New Palasia,  
Opp. Curewell Hospital, Indore-01



# 7 Years Performance at a Glance



**Indo Thai**

Trade with Confidence

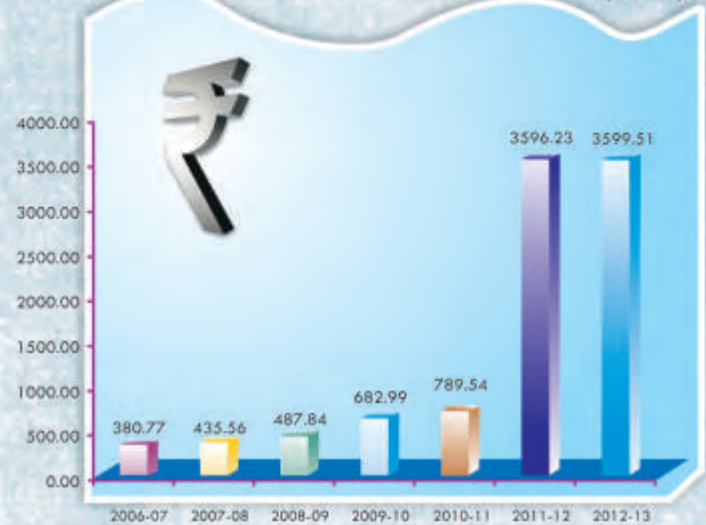
## Total Revenue

(In Lacs)



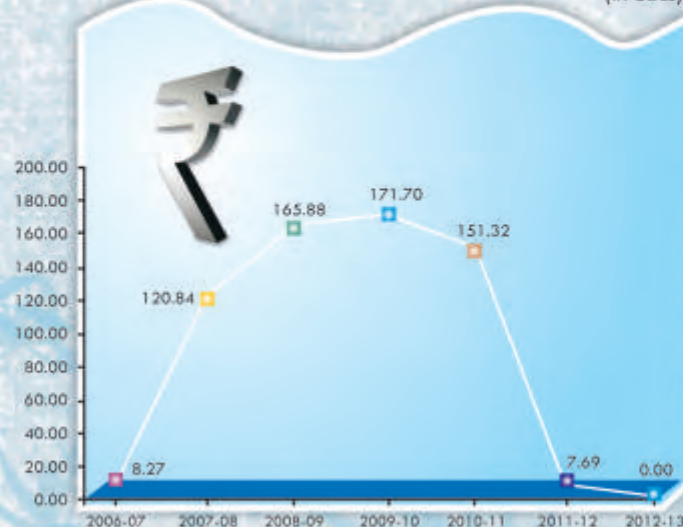
## Net Worth

(In Lacs)



## Borrowings

(In Lacs)





## Appreciation from NSE for Trading in GOLD ETF



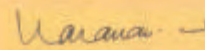
### Appreciation Certificate

This Certificate is being presented to

Indo Thai Securities Ltd.

in appreciation of the excellent support during the special trading session held  
by the **National Stock Exchange of India Limited** on the auspicious event of  
Dhanteras on November 11, 2012.

**GOLD**  
E T F



**Ravi Varanasi**  
SVP, Business Development

*May prosperity always bloom*



**GOLD**  
E T F

### CERTIFICATE OF APPRECIATION

We at NSE express our sincere appreciation to

Indo Thai Securities Ltd.

for their outstanding efforts in promoting Gold Exchange Traded Funds (Gold ETF)  
and contributing to the overall growth of this product category  
during **Akshay Tritiya 2012**

Date: April 25, 2012  
Place: Mumbai



Sumit Tyagi



Ravi Varanasi





*Lamp Enlightenment by Mr. Parasmal Doshi  
in the event of 'BHAJANO KI SANJH' sponsored by Indo Thai Securities Limited*



*Event 'BHAJANO KI SANJH' sponsored by Indo Thai Securities Limited*





*Indo Thai Participation in Investothion*



*Indo Thai Securities Limited  
was awarded for Most Shareholders Award*





*Discussion meet on Union Budget 2013 sponsored by Indo Thai Securities Limited*



*Speaker CA Sunil Jain in the Personality Grooming Session for Indo Thai Family*



**BOARD OF  
INDO THAI SECURITIES LTD.**



Mr. Sunil Kumar Soni  
(Independent Director)

Mr. Rajendra Bandi  
(Whole-time Director)

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

CA Dhanpal Doshi  
(Managing Director)

Mr. Sukrati Ranjan Solanki  
(Independent Director)

Mr. Om Prakash Gauba  
(Independent Director)





Indo Thai

Trade with Confidence

INDO THAI SECURITIES LIMITED

## Chairman's Letter

Dear Shareholders,

In the financial Year 2012-13, despite an increasingly challenging business environment, we have been put our efforts to deliver our best performance to grow economically. The India growth story faced tough macro and global headwinds which put corporate earnings under pressure and impacted investor sentiments towards equities.

While a number of initiatives are being taken by the government to attract retail investors to the markets, but retail participation remained depressed due to the market performance and retail investors exited from over 1,000 listed stocks at the NSE, in varying degrees, between March 2012 and March 2013. The investor base on an average shrank by 4.4 per cent, not counting exits from companies' share buyback programmes.



**INDO THAI  
SECURITIES LTD.**

In the recent times, a conscious effort is being made to change this scenario. Realising the importance of increased retail participation in both (equity and debt) markets, a couple of initiatives have been announced. While the Rajiv Gandhi Equity Savings Scheme (RGESS) was announced by the finance minister in the Union budget 2012 to spread equity culture in the country, a dedicated debt segment has been announced and launched by the stock exchanges to deepen the debt market soon. Now, we will analyze these initiatives and see how much variation they can make to retail participation in both these markets.

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

Your Company has received SEBI approval and NSCCL permissions for enablement as Trading Cum Clearing Member (TCM) and Self Clearing Member (SCM) in Future & Option and Currency Derivatives Segments respectively; consequently started the clearing activities from 16.04.2012 as TCM and from 14.05.2012 as SCM.

Your Company has started trading in F&O Segment of BSE from 31.10.2012 and Margin Trading facility in BSE & NSE and Your Board of Directors are in the opinion that it will be add on facility to the Company's clients and worthwhile for the company in future.

In view of dynamic and diversified nature of industry in which company operates and because of market conditions and impact of global economic recession on Indian capital market it would not be more productive for the Company if IPO proceeds would deploy in the manner and schedule as specified in the Prospectus. In this connection to review and modify the terms of utilization of IPO proceeds as mentioned in the 'Object of the Issue' in the Prospectus, the company has taken the approval of shareholders by Special

Resolution through Postal Ballot Procedure in December 2012 and revised the deployment schedule of IPO Proceeds and insert a new object for deployment i.e. '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'.

By acting in this path company has established two wholly owned subsidiary companies i.e. Indo Thai Realities Limited and Indo Thai Fincap Limited. Indo Thai Fincap Limited was incorporated as Non Banking Financial Company which will facilitate Margin Funding Activity for the Clients of ITSL.

For commencing business of NBFC and margin funding activity, Indo Thai Fincap Limited (ITFL) need to take certificate of registration from Reserve Bank of India, therefore ITFL has proceed the application for the same to RBI on 6th June, 2013 which is under process.

Your company had repaid the whole amount of loan borrowed from MPFC Capital Market (a division of Madhya Pradesh Financial Corporation) and by this your company becomes an un-levered company, it means presently no debt in your company.

The Inspection of Ministry of Corporate Affairs for books of accounts and other records of your Company is under process and company has submitted documents and other informations which were demanded by the MCA from time to time.

Your Company has taken steps to build its brand by advertisement through television channel of CNBC.

The pre issue paid-up capital of your Company was locked in for term of one year and three years as per ICDR guidelines. The shares which were locked for period of one year got free on 02.11.2012 and now holder of such shares may deal or transfer freely.

The new corporate office of your company is under process at Scheme No. 54, PU-4, and expected to complete shortly.

Over the medium to long term, the above steps taken by your company will definitely improve the profitability.



For maintaining the planet Earth evergreen and in accordance with the MCA circular "Green Initiative in the Corporate Governance", your company wishes to send various notices and documents, including Annual Report, to its shareholders through electronic mode to the registered e-mail addresses of shareholders. I hope that you will co-operate with the Company and consider the importance of such circular. I hereby humbly request you to register your e-mail ID with your depositories to get annual reports and other communications through email instead of paper mode.

During the year your company got two Certificates of Appreciation from National Stock Exchange of India Limited for outstanding efforts in promoting GOLD EXCHANGE TRADED FUNDS (Gold ETF) during AKSHAY TRITIYA and excellent support during the special trading session on the auspicious event of DHANTERAS. Your company also participated in INVESTOTHON 2012 organized by NSE and got honored as Most Shareholders Award.

Date : July 22, 2013

Place : Indore

Your company has also organized a discussion meet "Budget Paricharcha" on Union Budget 2013 and for the development of company's human resources your company organized a Personality Grooming Session for the same.

We always believe that our biggest assets are our clients, I would like to thank each and every client of our company and also thanks to our employees whose commitment and effort made financial year 2012-13 yet another successful year for the company.

The current economic environment is extremely challenging competitive intensity remain high and is likely to increase. However we remain committed to drive the business towards delivering consistent, competitive, profitable and responsible growth.

I would like to thank you all our shareholders for their continued support and trust in us and our journey.

With Warm Regards

Sd/-

**Parasmal Doshi**

Chairman

NOTICE is hereby given that the 19th Annual General Meeting of the Members of **Indo Thai Securities Limited** will be held on Friday, September 27, 2013 at 11.00 a.m. at Hotel Sarovar Portico, Treasure Island, 11, South Tukoganj, M.G. Road, Indore (M.P.) – 452001 to transact the following businesses :

## ORDINARY BUSINESS :

1. To consider and adopt the audited Balance Sheet as at March 31, 2013, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Om Prakash Gauba who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Sunil Kumar Soni who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :  
**“RESOLVED THAT** M/s S. Ramanand Aiyar & Company, Chartered Accountants, the retiring auditors, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by Board of Directors / Audit Committee of the Board.”

## SPECIAL BUSINESS :

### 5. To appoint Mr. Sukrati Ranjan Solanki as Director liable to retire by rotation

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

**“RESOLVED THAT** pursuant to the provisions of Section 257 and other applicable provisions

(including any modification or re-enactment thereof), if any, of the Companies Act, 1956, Mr. Sukrati Ranjan Solanki who was appointed as an Additional Director (Non Executive Independent) in the meeting of the Board of Directors held on 06.05.2013 whose term expires at the ensuing Annual General Meeting of the company and for the appointment of whom the Company has received a notice in writing proposing his candidature for the office of the Director be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement of directors by rotation.

**RESOLVED FURTHER THAT** Board of Directors be and are hereby authorized to do all the acts, deeds and things which are necessary to give effect to the above said resolution.”

### 6. Surrender of membership of United Stock Exchange of India Limited

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

**“RESOLVED THAT** the Company do surrender the Trading Membership of the United Stock Exchange of India Ltd. (USE) and make necessary application and give undertakings and such other documents as may be necessary for effecting the surrender of Trading membership of USE.

**RESOLVED FURTHER THAT** Mr. Dhanpal Doshi (Managing Director) and Mr. Parasmal Doshi (Whole Time Director) and Mr. Rajendra Bandi (Whole Time Director) of the company be and are hereby authorized to sign jointly or severally all the necessary applications, undertakings and such other documents as may be necessary for surrendering the Trading Membership of USE.”

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

**Anurag Kumar Saxena**  
(Company Secretary)

Date : July 22, 2013  
Place : Indore



**NOTES :**

1. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself/herself. A proxy need not be a member of the company.
2. The Proxy, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Businesses vide Item Nos. 5 & 6 of the notice is annexed hereto and forms part of this notice.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the 21st September 2013 to the Friday, 27th September 2013 (both days inclusive).
5. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on its behalf at the Meeting.
6. Members are requested to bring the admission slips.
7. Members who hold shares in dematerialized form are requested to bring their depository account Number (Client ID and DP ID) for easier identification and recording of the attendance at the Meeting.
8. Members/Proxies are requested to bring their copies of Annual Report to the Meeting. As an austerity measure, copies of Annual Report will not be distributed at the Meeting.
9. In case of Joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
10. Members are requested to intimate to the Company queries, if any, regarding these accounts / notice at least ten days before the Annual General Meeting to enable the Company to keep the information ready at the meeting.
11. Members holding shares under multiple folios are requested to consolidate their holdings, if the shares are held in the same name or in the same order of names.
12. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. and 3.00 p.m., up to the date of the Annual General Meeting.
13. Members holding shares in physical form can avail of the nomination facility by filing the Form 2B (in duplicate) as prescribed under the Companies Act, 1956 with the Registrar & Share Transfer Agent Sharepro Services (India) Private Limited 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Andheri-Kurla Road, Sakinaka, Andheri (E), Mumbai-400072 Maharashtra and in case of shares held in demat form, the nomination has to be lodged with their respective Depository Participants (DPs).
14. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar & Share Transfer Agent, M/s. Sharepro Services (India) Private Limited. Members holding shares in electronic form must intimate about the change of address to their respective Depository Participants (DPs).
15. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management.
16. The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by allowing paperless compliances by companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by email to its members. To support this green initiative of the Government in full measure, Members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses in respect of the dematerialized holdings with their respective Depository Participants.

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

### ITEM NO. 5 :

Mr. Sukrati Ranjan Solanki was appointed as an Additional Director (Non-Executive Independent) of the Company with effect from 6th May, 2013. In terms of Section 260 of the Companies Act, 1956, Mr. Sukrati Ranjan Solanki holds office only upto the date of this annual general meeting.

A notice has been received from a member of the Company under Section 257 of the Companies Act, 1956, along with a deposit of Rs. 500/- signifying the intention to propose the candidature of Mr. Sukrati Ranjan Solanki and to move the resolution set out in Item No. 5 of this notice.

Information regarding Mr. Sukrati Ranjan Solanki Pursuant to Clause 49 of the Listing Agreement are as follows :

Name of Director	Mr. Sukrati Ranjan Solanki
Date of Birth	14/ 06/ 1975
Address	1399, Anand Nagar, Gawli Palasiya, Mhow, District-Indore (M.P.)
Nationality	Indian
Date of Appointment	06/ 05/ 2013
Education Qualification	LLB
Job Description & Present Status	Advocate
Experience & Knowledge	13 Yrs Experience as Legal Expert in Distress Property & Litigation
Directorship Held In Other Company	Nil
Membership / Chairmanship of other Public Companies	Nil
Equity Share held in the Company	Nil
Relationship between Directors	Nil

The board recommends his appointment as Non- Executive Independent Director liable to retire by rotation as an ordinary resolution set out in item no. 5 of the notice for your approval.

Except Mr. Sukrati Ranjan Solanki, none of the other directors is deemed to be concerned or interested in the resolution.

### ITEM NO. 6 :

Your Company has obtained membership of United Stock Exchange of India Limited and registered with SEBI as Trading Member on 22.09.2010 in Currency Derivative Segment (CDS), but from the date of taking Membership, Company did not make any trade in CDS with said exchange.

The Board of Directors of your Company has in opinion that surrender of membership would be in the interest of the Company because by owing membership of such exchange Company bear unnecessary compliances and fee and any other charges.

The Board commends the above and accordingly recommends the Ordinary Resolution as set out in Item No. 6 of the Notice for your approval.

None of the Director of the Company is, in any way, concerned or interested in the resolution.

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

**Anurag Kumar Saxena**  
(Company Secretary)

Date : July 22, 2013  
Place : Indore



To,  
Dear Stakeholders,

We take pleasure in presenting the 19th Annual Report and the Audited Financial Statement of the Company for the Financial Year ended March 31, 2013.

## 1. FINANCIAL PERFORMANCE (Standalone)

The standalone financial results for fiscal 2013 are summarized as under.

(Rs. in Lacs)

Particulars	F.Y. : 2012-2013	F.Y. : 2011-2012
Income from Operation	638.45	413.79
Other Operating Income	58.99	27.51
Other Income	304.18	158.25
Total Income	1001.62	599.55
Total Expenditure (Including Exceptional Items)	997.77	566.94
Profit Before Tax (PBT)	3.85	32.61
Provision for Income Tax	0.59	12.43
Profit After Income Tax	3.26	20.18
Surplus brought forward from previous year	209.71	189.53
Amount available for appropriations	212.97	209.71
Earnings Per Share	0.03	0.26

## 2. REVIEW OF OPERATIONS

Financial Performance shows that the total Revenue of the company rose to Rs. 1001.62 Lacs for the year ended March 31, 2013 in comparison of Rs. 599.55 Lacs in preceding Financial Year. Total expenses of the company increased by Rs. 430.83 Lacs in financial year ended 31st March 2013 as compared to last financial year.

This year the scenario of Capital Market is assorted but owing to lack of participation of retail investors, earnings of your company was under pressure, consequently profit of the company for financial year ended on March 2013 has been declined as compared to past year profit and earns Net Profit of Rs. 3.26 Lacs in comparison to Last Financial years' Net Profit of Rs. 20.18 Lacs.

The Earning Per Share (EPS) is also affected and EPS work out Rs. 0.03 for the year 2012-13 on the face value of Rs.10/- compared to Rs. 0.26 for the previous year.

With the transfer of Retained Earnings in the Reserve and Surplus account, the net worth of your Company as on 31st March 2013 was Rs 3599.51 Lacs as compared to Rs 3596.23 Lacs in previous year.

During the year your company has paid-off all its Long Term Borrowings, consequently your company becomes debt free company.

## 3. DIVIDEND

With Objective of long term value creation for the shareholders, your Directors have recommended conservation of internal resources in place of divided distribution.

## 4. FUTURE OUTLOOK

Your Company wants to start new facility for their client that is margin funding facility. For margin funding facility your company has incorporated a new company M/s Indo Thai Fincap Limited as Non Banking Financial Company (NBFC) and to initiate its operation such company is approached to the Reserve Bank of India (RBI) and submitted an application to RBI for their approval.

In accordance with Global Market Scenario and the turnover of Currency Derivative Market Segment (CDS), your company wishes to give more focus in Currency Derivative Market Segment for the reason that in preceding financial year CDS has earn 10 times more turnover/profit in comparison to capital market. The turnover of CDS witnessed a multifaceted growth, so the company is looking for better business opportunity.

## 5. DIRECTORS

Mr. Sukrati Ranjan Solanki, was appointed as an Additional Director (Non-executive Independent Director) with effect from 06th May, 2013, whose office as such expires at the conclusion of forth coming Annual General Meeting. Your Directors recommend his appointment as Non-executive Independent Director of the Company at the ensuing Annual General Meeting by the members.

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

The Board expresses its sincere appreciation and gratitude to the out going Director for his valuable assistance and advice rendered by him during the tenure of his association with the Board.

Mr. Om Prakash Gauba and Mr. Sunil Kumar Soni, Directors of the company retire by rotation at ensuing Annual General Meeting (AGM). The retiring Directors being eligible have offered themselves for reappointment by the members at the said Annual General Meeting. A brief resume of Mr. Om Prakash Gauba and Mr. Sunil Kumar Soni is attached with this Report.

The Board recommends the appointments/re-appointment of all the aforesaid Directors.

Except above no other change in the Directorship of the Company during the year under review.

## 6. 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

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed and there was no material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate

accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d) The directors had prepared the annual accounts on a going concern basis.

## 7. 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 re-appointment. 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 224(1B) of the companies Act 1956.

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

## 8. PUBLIC DEPOSIT

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

## 9. CORPORATE GOVERNANCE

A detailed report on Corporate Governance forms part of this Annual Report. Your Company is in full compliance with the requirements and disclosures that have to be made in this regard. The Certificate issued by Practicing Company Secretary on compliance with Corporate Governance requirements by the Company is attached to the report on Corporate Governance.

## 10. 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 the annual report.

## 11. CODE OF CONDUCT

As per the Listing Agreement with the Stock Exchanges, the declaration signed by the Managing Director and CEO affirming compliance with code of conduct by Directors, Senior Management and Employees, for the Financial Year 2013 is annexed and form part of the Corporate Governance Report.



## 12. RECONCILIATION OF SHARE CAPITAL AUDIT

As per Securities and Exchange Board of India (SEBI) norms, Reconciliation of Share Capital Audit has been carried out at the specified period, by a Practicing Company Secretary.

## 13. POSTAL BALLOT

Company has modified the terms of utilization of IPO proceeds as mentioned in the 'Object of the Issue' in the Prospectus, so as to achieve sustainable growth of the Company. Therefore company has obtained the approval of shareholders by special majority through Postal Ballot Procedure. The revised and modified schedule of utilization of IPO proceeds are as follows:

(Rs. In Lacs)

Sr. No.	Purpose	Amount Stated In The Prospectus	Revised Amount
1	Expansion And Upgradation of Our Existing Branches And Set Up Network of Branches	200.00	2.13
2	Purchase And Set Up of Office Space For Mumbai Regional Office	400.00	0.00
3	Purchase & Set Up of Office Space For Corporate Office	400.00	200.00
4	Brand Building And Advertisement	300.00	25.00
5	Augmenting Working Capital Requirement	1000.00	1100.00
6	General Corporate Purpose	494.08	667.97
7	Public Issue Expenses	165.92	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
<b>Total</b>		<b>2960.00</b>	<b>2960.00</b>

The object for 'Augmenting Long Term Working Capital Requirement' has also been revised as 'Augmenting Working Capital Requirements'; and revised object is as follows:

- Augmenting Working Capital Requirements by using 'Working Capital' term as Assets excluding Fixed Assets minus Liabilities;
- Including maintaining adequate level of margin with stock exchanges to undertake business in equities & derivatives, fund will be utilized for funding activities which includes "Margin Funding" as per exchange norms through NBFC;
- Capital Infusion in group Company(ies) by way of acquisition of shares. Giving ICD & Loans to companies including group companies. And investment in any listed and unlisted companies;
- Funds may be used in pro-trading and results thereof.

## 14. SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

The Company has acquired and subscribed to equity shares representing 100% of the paid-up equity share

capital of Indo Thai Realities Limited (ITRL) and Indo Thai Fincap Limited (ITFL). As a result of this, ITRL and ITFL have become subsidiaries of the Company pursuant to Section 4 of the Companies Act, 1956, with effect from 27th February, 2013 & 1st March 2013 respectively.

The Ministry of Corporate Affairs, Government of India, has granted a general exemption to companies, by General Circular No.2/2011 dated 8th February, 2011, under Section 212 (8) of the Companies Act, 1956, from attaching individual accounts of subsidiaries with their annual reports, subject to fulfilment of certain conditions. Accordingly, the Board of Directors of the Company has, by resolution, given consent for not attaching the Balance Sheet, Statement of Profit and Loss and other documents of its subsidiaries in the Annual Report of the Company for the financial year ended 31st March, 2013.

However, the Consolidated 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. 39** 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.

### 15. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company maintains appropriate systems of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. The Company management reaffirms that internal control systems and procedures in the Company are commensurate with nature and size of its business and are regularly reviewed and updated by incorporating changes in regulatory provisions to ensure that not only the assets of the Company are safeguarded and protected against any loss, but all the transactions are properly accounted and that they meet the test of legal compliance.

Apart from regular review and monitoring the internal control systems and procedures by the Company's Internal Control Department, a Chartered Accountants firm M/s Abhijeet Jain & Associates is conducting Concurrent Audit of all operational activities of your Company to ensure complete checks and balance at regular intervals. This provides reasonable assurance to the effectiveness of the internal control systems and procedures and reliability of financial reporting.

### 16. HUMAN RESOURCE MANAGEMENT

Indo Thai Securities Limited believes in sound employee policies and practices. Individual performance assessment systems were implemented to encourage merit and innovation. Roles and responsibilities were defined across levels. A well-drawn recruitment policy and performance based compensation policy enabled the employees to enhance a sense of ownership.

### 17. INSURANCE

Your company has taken Brokers Indemnity Insurance Policy for exchange(s) and insurance policy for securities in DP to cover the risk arising from operations, and different kinds of policies i.e. Standard Fire and Special Perils Policy, Burglary B.P., Electronic Equipment Insurance, Vehicle Insurance Policy are also taken for covering the Company's properties.

### 18. SATISFACTION OF CHARGE

The Company was enjoying Bank Guarantee (BG) facility of Rs. 4,90,00,000/- from Bank of India, R.N.T Marg Branch Indore, but Board of Directors felt that there is no need to retain such facility because of Company is already enjoying BG & other facilities from Indusind Bank, Indore. Due to that reason no need to carry such bank guarantee facility which was under registration of charge. In this view company had discontinued such facility from the Bank of India and got satisfied the charge created or modified time to time with Registrar of Companies.

### 19. OPENING AND MERGER OF BRANCHES

Company targeted the Gujarat State to spread the business operations of the company because Gujarat is a business hub of India and retail participation is much higher than other states, in this connection a new branch was opened in the Ahmedabad which is located at 307, Samedh Building, Near Associated petrol Pump, C.G. Road, Ahmedabad.

During the last financial year Company has merged its one branch situated at 138, 1st Floor M.T. Cloth Market, Govardhan Chowk, Indore (M.P.) with another existing branch located at Shop No. 5, Ground Floor, Plot No. 4, Ratan Ganga Complex, Scheme No. 47 Sapna Sangeeta Road, Indore (M.P.). Company has also change the status of its another branch located at E-20, Raj Talkies Complex, Chhawani, Indore (M.P.) into Authorised Person.

### 20. 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.



## **21. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

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

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

## **22. GREEN INITIATIVES**

For maintaining the planet Earth evergreen and in accordance with the MCA circular "Green Initiative in the Corporate Governance", your company wants to send various notices and documents, including Annual Report, to its shareholders through electronic mode to the registered e-mail addresses of shareholders. We are thinking that you will co-operate with the Company and consider the importance of such circular. We request you to register your e-mail ID with your depositories to get annual reports and other communications through email instead of paper mode. Members are requested to appreciate by participating into the 'Green Initiative' taken by MCA and register/update their e-mail address with your Depository Participant. Moreover any Member of the company will be entitled to receive all such communication in physical form, upon request. Please note that these documents will also be available on the Company's website [www.indothai.co.in](http://www.indothai.co.in) for downloading by the shareholders.

Date : July 22, 2013

Place : Indore

## **23. AWARDS AND ACCOLADES**

During the year your company got two Certificates of Appreciation from National Stock Exchange of India Limited for outstanding efforts in promoting Gold Exchange of India Traded Funds (Gold ETF) during Akshay Tritiya and excellent support during the special trading session on the auspicious event of Dhanteras. Your company also participated in Investothon 2012 organized by NSE and got honored as Most Shareholders Award.

## **24. ACKNOWLEDGEMENT AND APPRECIATION**

Your Directors wish to place on record their sincere thanks to the valued clients, investors, business associates and Bankers for their support, cooperation and guidance. We also thank various Stock Exchanges and governing agencies for support extended by them. We also wish to place on record appreciation of the committed service rendered by all the employees of the company at all levels.

For & on behalf of the Board

**Indo Thai Securities Limited**

Sd/-

**Parasmal Doshi**

(Chairman)



## DETAILS OF DIRECTORS SEEKING REAPPOINTMENT AT THE ENSUING AGM

(Pursuant to Clause 49 of the Listing Agreement)

Name of Director	Mr. Om Prakash Gauba	Mr. Sunil Kumar Soni
Date of Birth	26/04/1949	05/03/1958
Nationality	Indian	Indian
Date of Appointment	29/01/2005	28/03/2002
Education Qualification	Master of Commerce. He has also passed the NCFM Modules of Capital Market (Dealers) Module, Derivatives Market (Dealers) Module and Currency Derivatives Module of NISM.	Master of Commerce.
Job Description & Present Status	Mr. Om Prakash Gauba is Non Executive Independent Director of your company.	Mr. Sunil Kumar Soni is Non Executive Independent Director of your company.
Experience & Knowledge	40 years experience in Finance & Banking sector and has worked in Canara Bank for more than 30 years before retiring as the Branch Manager of the Bank. He has knowledge of General Administration and Personnel Matter. He is specialist in handling the HR issues. He possesses ability to implement the innovative ideas for better operational activities of the Company.	Total 36 years experience including Mining & Minerals business
Directorship Held In Other Company	1. Indo Thai Realities Limited 2. Indo Thai Fincap Limited	NIL
Chairmanship of other Public Companies	NIL	NIL
Equity Shares held in the Company	NIL	NIL
Relationship between Directors	NIL	NIL



The following Management's Discussion and Analysis ("MD&A") is intended to help the reader understand the results of operations and financial condition of INDO THAI SECURITIES LIMITED (ITSL). MD&A is provided as a supplement to, and should be read in conjunction with, our financial statements and the accompanying Notes to Financial Statements.

## 1. Global Economic Scenario

Four years after the epidemic of the global financial crisis, the world economy is still struggling to recover. During 2012-13, global economic growth has weakened further. A growing number of developed economies have fallen into a double-dip recession. Those in severe sovereign debt distress moved even deeper into recession, caught in the downward spiraling dynamics from high unemployment, weak aggregate demand compounded by fiscal austerity, high public debt burdens, and financial sector fragility. Most low-income countries have held up relatively well so far, but now face intensified adverse spillover effects from the slowdown in both developed and major middle-income countries.

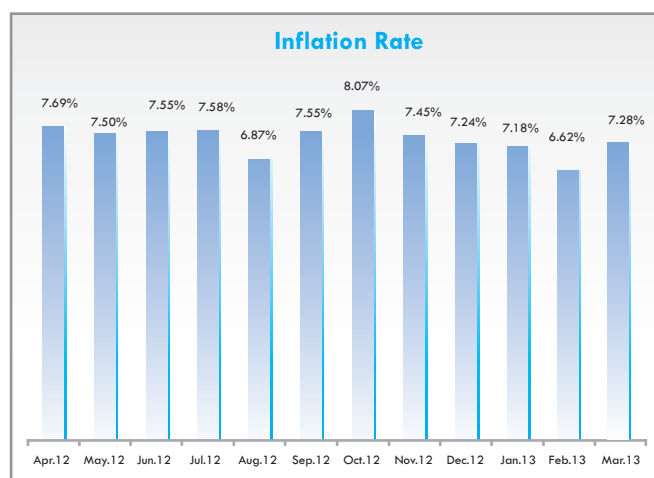
The sovereign debt crisis and economic recession in the euro area and continued financial deleveraging in most developed economies affected capital flows to emerging markets and other developing countries, adding to uncertain about economic prospects and enhancing market volatility. These factors, combined with spillover effects of expansionary monetary policies in developed economies, have also fueled volatility in primary commodity prices and exchange rates. However, the rebalancing has hardly been a gentle process, having resulted mainly from demand deflation and weaker trade flows.

The euro area economy slipped back into recession in Q3 of 2012 as the GDP shrank by 0.1 per cent following a contraction of 0.2 per cent in the previous quarter. Spillovers from advanced economies and domestic constraints have affected economic activity in emerging and developing economies as well. The World Bank in its publication 'Global Economic Prospects January 2013' highlights that the uncertainty over future policy and necessary fiscal and financial restructuring would continue to be a drag on growth in many countries.

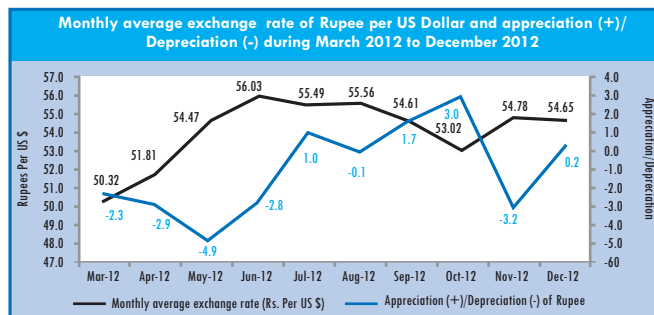
## 2. Indian Economic Scenario

### Inflation Rate

India's inflation rate has grown more than expectations in 2012-13 with increase in fuel and food prices. It is being assumed that this trend will not be enough to stop the interest rate deduction, which is due to be effected in order to address the present situation of slow growth. The benchmark wholesale price index has increased by 7.55% compared to the 2011-12 fiscal. In April 2012 it had increased by 7.23%.



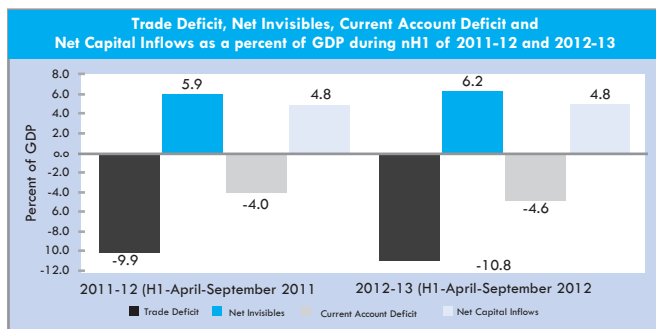
The balance of payments, however, is under strain with current account deficit widening to 4.6% of GDP in the first half of 2012-13, after touching 4.2% in 2011-12. The current account deficit is being financed by capital flows and not by running down reserves. However, a sizeable share of capital is in the nature of Foreign Institutional Investors (FIIs) investment that could moderate or even reverse if investors switch to risk-off mode. The balance of payments position therefore is more vulnerable, which has been reflected in high rupee volatility.



Source : Economic Survey 2012-13

### India Balance of Trade

India reported a trade deficit equivalent to 1108.11 Billion INR in May of 2013.



Source : Economic Survey 2012-13

In the previous quarter India's economic growth rate decreased to its lowest in the last ten years. A major reason for this was the lack of success of the initiatives for economic liberalization. The international sales prospects of India also took a beating thanks to the situation involving the debt crisis of Europe. The RBI is expected, as a result of the slowdown, to decrease borrowing expenses - the Indian economy, which is one of the largest emerging markets globally, is struggling with one of its quickest inflations.

### 3. Industry Structure & Developments

With a view to enhancing a country's long-term growth prospects securities markets plays a critical role in mobilizing savings for investment in productive assets and also play extremely important role in promoting and sustaining the growth of an economy. Department of Economic Affairs (DEA) of the Ministry of Finance, Ministry of Company Affairs, Securities and Exchange Board of India (SEBI) and the Reserve Bank of India (RBI) regulate the securities market in India in a harmonized manner. It acts as a major channel in transforming the economy into a more efficient, innovative and competitive market place.

It was a tricky year and the performance of the market was modest. Market direction depends vital on inflation and interest rate, which can allow rate reversal and in turn bring the economy back on the growth trajectory. India has failed in showing prudence on this front and cut even rate. The scenario is expected to improve during the coming years.

The business environment was very challenging. The India's growth story faced tough times which put corporate earnings under pressure and impacted

investor's sentiments towards equities. Factors on which index movements generally depends can be predictable and some can be unpredictable. Among the predictable bugbears include European sovereign debt crisis and slowdown in the US economy , which are expected to spill over into the coming year as there is no light seen at the end of the tunnel on these issues yet.

Rupee has weakened during the period 2012-13 against the dollar and the Indian securities market also witnessed a decelerate, in current global scenario. India turned out to be the worst performing market in dollar terms. The resources raised by India through euro issues also saw a sharp fall due to slack in liquidity conditions. Even redemptions by mutual funds increased on a large scale and Foreign Institutional Investors pulled out money from the Indian markets. In this year due to rupee depreciation, high inflation and high interest rates Indian Stock Markets remain muted this year.

### 4. Opportunities and Threats

#### ◆ Opportunity

##### ◆◆ Expand Our Trading Portal

Your company is planning to establish new trading portal by using Omnisys Software. At present we are trading of only currency trading segment and it is same as ODIN software. In Omnisys Software Internet Based Trading and STWT Trading is not started.

##### ◆◆ Clientele Oriented

We believe that increased clientele will add firmness to our business as they are the assets of the company. Speedy growth in the middle market company sector offers us a significant opportunity to provide an ample variety of financial products and services to this segment. With a view to increase number of clients we plan to grow our business by increasing franchisees / trading working stations / authorized-persons in untapped states of India and providing them additional facilities like internet based trading, funding, research reports. Diversified products and services have



been offered by us to increase our revenues per client by selling different products to the same client.

#### ▶ **To Enlarge Our Products And Services Portfolio With Expansion In Existing Product Lines**

Activities like IPO's, Mutual funds, Margin Funding, Internet Trading help to expand our operations beyond broking. Company incorporated a NBFC, as its subsidiary for funding in addition to broking. With the view to develop currency derivatives and Internet Based Trading through Mobile & Tablet PC etc we are also raising our traditional equity share broking business.

#### ▶ **Boost In Geographical Existence**

Global presence in all our current and potential markets is an essential element of our business strategy. We are present in all regions where our customers are active, so that we can respond as effectively as possible to their needs. Our wide geographical coverage enables us to identify and respond swiftly to new trends and opportunities. With the examination to grow our client base and revenues we emphasis on expanding the scale of our operations as well as rising our network in the smaller Indian cities. Our client relationships increasing through our network of offices across India.

#### ▶ **Threats**

Macroeconomic environment including inflation above the threshold of RBI, limited scope to further reduce interest rates, liquidity issues, high fiscal and Current Account Deficit, political uncertainty that refuses to go away and Euro zone developments can derail the return of growth. While monsoon is predicted to be normal this year, it remains an indeterminate factor.

With the Indian growth declining in the past few years, corporate are not feeling confident of their expansion plans with the result that investment activity is at one of its lowest. Lack of determined

action from Government to jump-start investment cycle and carry on the reforms may continue to affect the financial services sector.

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

Beside of various safeguard there is no assurance that the security systems and security measures employed by us are adequate. A failure in security measures could have a material adverse effect on our business and our future financial performance. Because of increased internet connectivity various problems like physical break-ins as well as security breaches can attainable.

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

In addition, we face pressure from our larger competitors and we are unable to ascertain the likely impact of such competitive pressures on our results and operations. In particular, the ability to execute trades electronically and through other alternative trading systems has increased the pressure on trading commissions, volume and spreads. We expect this trend toward alternative trading systems to continue.



## 5. Segmentwise Performance

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 2012-13 has to be viewed in the context of the economic and market environment.

### ◆ Equity Segment

During the year, turnover in our equities broking segment was Rs. 1877.42 Crores. The turnover and brokerage received from equity trading/ broking and other related activities are covered under Equity Segment.

### ◆ F&O Segment

F&O is Futures and Options where a select set of stocks are traded. 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. 3680.12 Crores from this segment.

### ◆ Currency Segment

Currency Segment had recorded energetic volumes during this year. The total turnover in this segment was Rs 35961.26 Crores which includes proprietary turnover. Your Company is Self Clearing Member of Currency Derivative Segment in NSE; and Trading Member in MCX-SX & USE.

## 6. Outlook

Given this none-too-rosy scenario for FY14, the mantra for this year will be improving operating efficiency. While we were diversifying our businesses by newly incorporated subsidiaries Company, it had its effect of impacting our profitability. We opted to suffer short term pain to emphasis on long-term growth of the company. We are focusing to enhance our operating and working capital efficiency to invest in new

businesses. Due to many factors and uncertainties management expectations may differ from company's expectations.

Equities markets have tendency to be unpredictable and can swing in either direction very quickly. In spite of short term headwinds, long term potential for these businesses are good because of low level of retail participation and overall growth in Indian economy.

## 7. Risk and Concerns:

The global financial crisis has highlighted the need to manage risks regarding new financial instruments such as derivatives, currency futures etc. Our Company is dealing in financial services and hence risk management is of utmost importance. Company operates in highly dynamic business environment, many of those risks are driven by factors that the company cannot control or predict. Capital Markets worldwide, including the Indian Capital market, are exposed to significant fluctuations and hence, the company is exposed to several risks apart from the fundamental risk of business operations. Hence adequate risk management system has become helpless to minimize business risk. The objective of our risk management is to ensure adequate return at specified level of risk. We monitor and control our risk exposure through financial, credit, operational, compliance and legal reporting systems based on mandatory regulatory requirements and as per our business needs. The management believes that Capital Market Risk, Technology Risk, Credit and Finance Risk and Human Resources Risks are the most significant, although there may be other risks that could arise or may affect company's financial operations or financial results.

## 8. Internal Control System and Their Adequacy

The Company's internal audit systems are geared towards ensuring adequate internal controls to meet the size and needs of business, for safeguarding the assets of the Company, evaluating reliability of financial and operational information, identifying weaknesses and areas of improvement and to meet with all compliances. The Company has placed



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

The risk based annual internal audit programme focuses primarily on such system and process checks and controls, monitoring compliances and continuous upgrade of controls. The Audit Reports submitted by the Internal Auditors which are reviewed by Board and make suggestions for improvement and issued direction to implement corrective actions.

#### **9. Discussion on Financial performance with respect to operational performance :**

The Management Information System Report is required for covering development position in each department considering all aspects of the company and is being prepared by HOD of the respective department. Financial Performance Report & IPO proceeds utilisation Report are reviewed by the Board in every meeting and discussions are being held regarding the better performance of the Company in between two meetings. Company Secretary is required to prepare Action Taken Report and put before Board in every meeting for their perusal.

#### **10. Material development in Human Resources & Technology**

We firmly believe that people are at the heart of our business. The results we achieve are due to the collective efforts and commitment of our valuable human resources. During the year the employees worked hard towards achievement and also contributed to expansion.

We strive to be a model employer to gain help and support of all our employees. Consequently we are interested in long term employment relationships that offer opportunities for personal development and growth.

The Company has given priority to hire new talents and retain highly qualified professionals. Training programmes are also conducted for improvement of employees.

Technology is milestone for business and helps in customizing financial solutions and it has provided sets of core services to help and execute the business strategy, providing information relating to business process automation, helped in connecting with customers and productivity tools.

Company had made continuous focus on introducing new ideas and innovative services for client convenience and cost reduction and also focused on improvement of governance process in IT. Company is smoothly working with ODIN Software of Financial Technologies (India) Ltd.

## Introduction

Listed Companies are required to adopt and follow Clause 49 of the Listing Agreement lays out several corporate governance related practices and requirements, and the Company submits the following report in compliance with Clause 49 of the listing Agreement with Stock Exchanges.

Corporate Governance refers to a set of laws, regulations, good practices, commitment to value and ethical business conduct. Corporate Governance covers Company's commitment towards discipline, accountability, transparency and fairness. Timely and accurate disclosures of information regarding financial situation & performance, fairness, accountability, ownership, Internal Control, Integrity, Transparency and commitment to value are the Key elements of Corporate Governance.

### 1. Company's Philosophy on Corporate Governance

Your Company believes that sound corporate governance practice helps to boost the trust of Investors, Stakeholders, Customers, Employees, Bankers And Society, it also enhance performance and valuation of the Company. Governance processes and systems have been strengthened at Company over the years and Board exercise its fiduciary responsibility in the widest sense of the term.

Company believes that stakeholders are the partners in our growth and success and company is committed to its values and ethics towards shareholders, employees, suppliers, customers, investors, communities or policy makers.

We are glad to inform you that the Company is committed to good corporate practices and policies, and has complied in all material respect with the requirements specified in the Listing Agreement with the Stock exchanges.

### 2. Board of Directors

#### 1) Brief Description of Terms of Reference

For reviewing strategic, operational and financial matters the Board of Directors meets regularly. Board has a formal schedule of matters reserved for its decision and approves the interim and

preliminary financial statements, significant contracts and capital investment along with strategic decisions. The Board reviews compliance reports of applicable laws in the Board Meetings. Board delegates its authority to Committees like Shareholders' & Investors' Grievance Committee, Remuneration Committee and Audit Committee wherever appropriate.

Information of every meeting is provided to the Board in advance and the Chairman ensures that all Directors are properly briefed on the matters being discussed.

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

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

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

During the Financial Year 2012-13 all the Board/Board Committee Meetings of Directors were held at the Registered Office of the Company, i.e. 16, 4th Floor Dawa Bazar, R.N.T. Marg, Indore and required quorum was present there.

The Previous Annual General Meeting of the Company was held on September 28th, 2012 and was attended by Mr. Sanjay Parmar, Chairman of Audit Committee.

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



The important decisions taken at the Board/Board Committee Meetings are communicated to the departments / divisions concerned promptly. Action Taken Report on the decisions/minutes of the previous meeting(s) is placed at the immediately succeeding meeting of the Board to come into notice of the Board.

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

## II) Board Composition, Number of Board Meetings held, Attendance of each Director at the Board Meetings and the Last AGM:

Composition of Board of your Company and Attendance Particulars

Name of the Directors	Category of Directors	Designation	Board Meetings Attended	Attendance at last AGM
Mr. Parasmal Doshi	Executive Director / Promoter Director	Chairman cum Whole-time Director	4	Present
Mr. Dhanpal Doshi	Executive Director / Promoter Director	Managing Director	4	Present
Mr. Rajendra Bandi	Executive Director	Whole-time Director	4	Present
Mr. Om Prakash Gauba	Non-executive	Independent Director	4	Present
Mr. Sunil Kumar Soni	Non-executive	Independent Director	4	Present
Mr. Sanjay Parmar *	Non-executive	Independent Director	4	Present
Mr. Sukrati Ranjan Solanki*	Additional Director (Non-executive)	Independent Director	-	-

\*Mr. Sanjay Parmar has resigned from the post of directorship of the Company w.e.f. 20.04.2013 and in whose place Mr. Sukrati Ranjan Solanki was appointed as Additional Director (Non-Executive Independent) of the Company w.e.f 06.05.2013.

## III) Number of other Boards/Board Committees in which the Directors are either Member or Chairman as at March 31, 2013

The details of the Board of Directors and their Directorships/Memberships held in Committees of other companies (excluding the Company) as on March 31, 2013 was as under:

Name of the Directors	Board		Committee	
	Chairman	Member	Chairman	Member
Mr. Parasmal Doshi	2	NIL	NIL	NIL
Mr. Dhanpal Doshi	NIL	3	NIL	NIL
Mr. Rajendra Bandi	NIL	NIL	NIL	NIL
Mr. Sanjay Parmar	NIL	NIL	NIL	NIL
Mr. Om Prakash Gauba	NIL	2	NIL	NIL
Mr. Sunil Kumar Soni	NIL	NIL	NIL	NIL

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

### 3. Audit Committee

#### I) Brief description of terms of reference:

- a) Overseeing the Company's financial reporting process and disclosure of its financial information;
- b) Recommending to the Board the appointment, re-appointment, and replacement of the statutory auditor and the fixation of audit fee;
- c) Approval of payments to the statutory auditors for any other services rendered by them;
- d) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions; and 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; and
- n) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- o) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

#### II) Composition of Audit Committee, Meetings held and Attended by Directors during the Year:

The Audit Committee was constituted in terms of Section 292A of Companies Act, 1956 and as per the provisions of Clause 49 of the Listing Agreement. Due to Resignation of Mr. Sanjay Parmar and appointment of Mr. Sukrati Ranjan Solanki, there was a need to reconstitute the Audit Committee. The re-constitution of the Audit Committee was approved at a meeting of the Board of Directors held on 06.05.2013. The Committee consists of 3 Non-Executive Independent Directors and assists the Board in fulfilling its overall responsibilities. The Company Secretary, Mr. Anurag Kumar Saxena acts as the Secretary of the Committee.

4 (Four) Audit Committee meetings were held during the year. These were held on 15th May 2012, 11th August 2012, 9th November 2012 & 12th January 2013

Name of Director	Status Before Reconstitution	Status After Reconstitution	Meetings Held	Meetings Attended
Mr. Sanjay Parmar*	Chairman	-	4	4
Mr. Om Prakash Gauba	Member	Chairman	4	4
Mr. Sunil Kumar Soni	Member	Member	4	4
Mr. Sukrati Ranjan Solanki*	-	Member	-	-

\*Mr. Sanjay Parmar has resigned from the Directorship w.e.f. 20.04.2013 and Mr. Sukrati Ranjan Solanki was appointed as Additional Director (Non-Executive Independent) w.e.f. 06.05.2013



#### 4. Remuneration Committee

##### I) Brief description of terms of reference

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

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

##### II) Composition

The remuneration Committee was constituted as per the provisions of Clause 49 of the Listing

Agreement. Due to Resignation of Mr. Sanjay Parmar and appointment of Mr. Sukrati Ranjan Solanki, there was a need to reconstitute the Remuneration Committee. The re-constitution of the Remuneration Committee was approved at a meeting of the Board of Directors held on 06.05.2013. The Company Secretary, Mr. Anurag Kumar Saxena acts as the Secretary of the Committee.

Name of Director	Status Before Reconstitution	Status After Reconstitution
Mr. OmPrakash Gauba	Chairman	Member
Mr. Sunil Kumar Soni	Member	Chairman
Mr. Sanjay Parmar*	Member	-
Mr. Sukrati Ranjan Solanki*	-	Member

\*Mr. Sanjay Parmar has resigned from the Directorship w.e.f. 20.04.2013 and Mr. Sukrati Ranjan Solanki was appointed as Additional Director (Non-Executive) w.e.f. 06.05.2013

##### III) Meetings

No meetings of remuneration /compensation committee were held during the year.

##### IV) Remuneration Policy

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

##### V) Particulars of remuneration paid to Directors

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

(Amount in Rs.)

Particulars	Mr. Dhanpal Doshi (Managing Director)	Mr. Parasmal Doshi (Whole-time Director)	Mr. Rajendra Bandi (Whole-time Director)
Remuneration	4,92,000.00	11,40,000.00	2,28,000.00
HRA	1,20,000.00	-	-
Conveyance	9,600.00	60,000.00	9,600.00
Child Allowance	2,400.00	-	2,400.00
<b>Total</b>	<b>6,24,000.00</b>	<b>12,00,000.00</b>	<b>2,40,000.00</b>
Provident Fund	66,960.00	58,800.00	-

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

Particulars	Mr. Sanjay Parmar (Independent Director)	Mr. Om Prakash Gauba (Independent Director)	Mr. Sunil Kumar Soni (Independent Director)
Sitting Fee	18,000.00	18,000.00	18,000.00
<b>Total</b>	<b>18,000.00</b>	<b>18,000.00</b>	<b>18,000.00</b>

#### 5. Shareholders' /Investor's Grievance Committee

##### I) Composition, Meetings held and attended during the year

The Shareholders' / Investors' Grievance Committee has been constituted by the Board of Directors in compliance with Clause 49 of the Listing Agreement. Due to Resignation of Mr. Sanjay Parmar and appointment of Mr. Sukrati Ranjan Solanki, there was a need to reconstitute the Shareholders' / Investors' Grievance Committee. The Shareholders' / Investors' Grievance Committee has been re-constituted by the Board of Directors at the meeting held on 06.05.2013 in compliance with Clause 49 of the Listing Agreement. The Shareholders' / Investors' Grievance Committee was re-constituted with 3 Non-executive Directors.

Name of Director	Status Before Reconstitution	Status After Reconstitution	Meetings Held	Meetings Attended
Mr. Sunil Kumar Soni	Chairman	Member	1	1
Mr. Om Prakash Gauba	Member	Member	1	1
Mr. Sanjay Parmar*	Member	-	1	1
Mr. Sukrati Ranjan Solanki*	-	Chairman	-	-

\*Mr. Sanjay Parmar has resigned from the Directorship w.e.f. 20.04.2013 and Mr. Sukrati Ranjan Solanki was appointed as Additional Director (Non-Executive Independent) w.e.f. 06.05.2013

## II. Meetings

One meeting of investor grievance committee was held during the year. It was held on 15th May 2012.

## III. Powers of the Committee:

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

- The Board has designated Mr. Anurag Kumar Saxena, Company Secretary, as the Compliance Officer.
- No complaints were received during the Financial Year 2012-13. Hence there was no outstanding grievance complaint as on March 31, 2013.
- There are no share transfers pending at the end of the financial year.

## IV. Functions of the Committee:

- To take action for efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
- Redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, duplicate share certificates etc.;
- Issuance of duplicate / split / consolidated share certificates;
- To take effective action for allotment and listing of shares;
- 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/ Debentures/ Security holders of the Company etc., and the action taken for redressal of the same.

- To monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and securities of the Company.
- To suggest statutory and regulatory authorities regarding investor grievances; and make sure proper and timely attendance and redressal of investor queries and grievances.

## V. Name of Non-executive Director heading the Committee:

Mr. Sukrati Ranjan Solanki was appointed as Chairman of the Shareholders' / Investors' Grievance 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.

## VI. Name and designation of Compliance Officer:

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

## VII. Number of Shareholders complaints received so far:

No complaint was received during the Financial Year 2012-13. Further in the running financial year there was no complaint registered till date.

## 6. General body Meetings

### I. The details of last three Annual General Meetings

AGM	Date and Time	Venue	Special Resolution Passed
2012	28th September 2012, at 11.00 A.M.	Hotel Sarovar Portico, Treasure Island, 11, South Tukoganj, Indore (M.P.) - 1	<ul style="list-style-type: none"> <li>Re-appointment of Mr. Dhanpal Doshi as Managing Director for further term of 3 years</li> <li>Re-appointment of Mr. Parasram Doshi as Whole-time Director for further term of 3 years</li> <li>Re-appointment of Mr. Rajendra Bandi as Whole-time Director for further term of 3 years</li> </ul>
2011	30th September 2011, at 2 PM	16, 4th Floor, Dawa Bazar, R.N.T Marg, Indore	-
2010	20th August 2010, at 2 PM	33 Shiv Vilas Palace, Rajwada, Indore	Further Issue of Shares U/s 81(1A)

### II. Postal Ballot

Pursuant to Section 192(A) of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules 2011, the approval of Shareholders was sought by means of Postal Ballot vide Notice dated 9th November 2012, on following resolution :

S. No.	Description	Type of Resolution
1	To review and modify the terms of utilization of the Initial Public Offering proceeds mentioned in Prospectus under "Objects of the Issue"	Special Resolution

Mr. Ashish Garg, Practicing Company Secretary was appointed as Scrutinizer by the Board on 9th November 2012, and he has submitted the Report after completion of scrutiny of the Postal Ballot Forms received from shareholders upto the working hours (1700 Hours) on 27th December 2012. Summary of the Scrutinizer's Report is as below:

Particulars	No. of Ballot Forms	No. of Shares Held	No. of Vote Casts	Percentage on Total Vote Casts	Percentage on Total Paid-up Capital
No. of Postal Ballot Forms Received	88	5601104	-	-	-
Less:- No. of Invalid Postal Ballot Forms*	10	1957	-	-	-
Total No. of Postal Valid Ballot Forms	78	5599147	5599102	-	-
Total Postal Ballot-In Favour of Resolution	75	5598977	5598932	99.9969	55.9893
Total Postal Ballot - Against the Resolution	3	170	170	0.0030	0.0017

\*Due to reason of Unsigned Postal Ballot, Votes not cast, Discrepancies in signature treated as Invalid Postal Ballot, and these were not taken into account for the voting.

On basis of above results, it was announced on December 29, 2012 at 11.00 A.M. at Registered Office of the Company at 16, 4th Floor, Dawa Bazar, R.N.T. Marg, Indore (M.P.) that the votes cast "FOR" the Special Resolution out of the total votes casts is 99.99%. Hence, the 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 with the requisite majority.

The shareholders given their consent with overwhelming majority and the results of the Postal Ballot were published in the newspapers, namely Free Press and Choutha Sansar on 30th December 2012 and the same were submitted to BSE/NSE and also hosted in the Company's official web-site.

## 7. Subsidiary Companies

M/s Indo Thai Fincap Limited And M/s Indo Thai Realities Limited were incorporated as wholly owned subsidiary companies of Indo Thai Securities Ltd. during the financial year 2012-13. Mr. Om Prakash Gauba one of the Independent Director on the Board of Holding Company (i.e. Indo Thai Securities Limited) is also appointed as Director on the Board of both Subsidiary Companies. The both subsidiary companies do not fall under the definition of "material non listed Indian subsidiary". The financial statements of the subsidiary companies are review by audit committee of directors. The minutes of the board meetings of subsidiary companies are periodically placed before the board.



## 8. Disclosures

- I. There are no significant related party transactions with the Company's promoters, Directors, the management or relatives that may have potential conflict with the interest of the Company at large. Related party transactions have been disclosed in the Note No. 40 to the consolidate financial statement of this report.
- II. The Accounting Treatment prescribed under the Accounting Standards has been followed by the Company and there is no deviation.
- III. 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.
- IV. 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.
- V. No fine/penalties have been imposed on the Company by the Stock Exchanges SEBI or any other statutory authority, on any matter relating to the capital markets except Rs. 1,00,000/- have been levied by NSE during 2012-13 for synchronized/ matched transactions in Currency Derivatives Segment.
- VI. The Company has not established any formal whistle Blower Policy.
- VII. The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. The Company has not adopted any of the non-mandatory requirements except the Remuneration Committee as mentioned in Annexure ID of Clause 49 of the Listing Agreement.
- VIII. A qualified Practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The Audit Report confirms that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized form held with NSDL and CDSL.
- IX. Code of Conduct for its Board Member and Senior Management has been posted on the Company's website [www.indothai.co.in](http://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, 2013. A declaration of Managing Director and CEO to this effect is also appended to this report.
- X. Listing fee for the Financial Year 2013-14 have been paid to the Stock Exchanges on which the shares of the Company are listed.
- XI. The Company does not have any Employee Option Scheme.
- XII. Company has a Code of Conduct in compliance with the SEBI (Prevention of Insider Trading) Regulations 1992 for prevention of insider trading and the same is being strictly adhered by the Directors, Senior Management Employees and other persons covered by this Code.
- XIII. During the Period of Financial Year 2012-13, total 499700 Equity Shares of Company amounting to 4.997% have been acquired by Promoters and Promoter Group. 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, during the Financial Year 2012-13.

Category	No. of Share held on 31.03.2012	Share Held in % on 31.03.2012	No. of Share held on 31.03.2013	Share Held in % on 31.03.2013
Promoters & Promoter Group	5094300	50.94%	5594000	55.94%
Public	4905700	49.06%	4406000	44.06%
<b>Total</b>	<b>10000000</b>	<b>100%</b>	<b>10000000</b>	<b>100%</b>

## 9. Means of Communication

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

The results are generally published in daily newspapers such as Chautha Sansar (Hindi News Paper), Free Press & Financial Express (English News Papers).

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

## 10. General Shareholder Information

<b>I. Annual General Meeting Day, Date, Time Venue</b>	<b>19th Annual General Meeting</b> <b>Friday 27th September 2013, 11.00 A.M</b> <b>Hotel Sarovar Portico, Treasure Island,</b> 11, South Tukoganj, M.G. Road, Indore-452001 (M.P.)
<b>II. Financial Year</b>	1st April 2013 - 31st March 2014 Financial Calendar (Tentatively) for Quarterly Results ♦ Q1 (30.06.2013) - 3rd Week of July 2013 ♦ Q2 (30.09.2013) - 4th Week of October 2013 ♦ Q3 (31.12.2013) - 3rd Week of January 2014 ♦ Q4 (31.03.2014) - 2nd Week of May 2014 ♦ Annual General Meeting - September 2014
<b>III. Record Date / Book Closure</b>	21st September 2013 to 27th September 2013 (Both days inclusive)
<b>IV. Dividend Payment Date</b>	Not Applicable
<b>V. Listed on Stock Exchanges</b>	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
<b>VI. Stock Code / Symbol</b>	BSE : 533676 NSE : INDOTHAI
<b>ISIN</b>	INE337M01013
<b>VII. Registrar &amp; Share Transfer Agent:</b>	<b>Sharepro Services (India) Private Limited</b> 13 AB, Samhita Warehousing Complex, Sakinaka Telephone Exchange Lane, Andheri Kurla Road, Sakinaka, Mumbai - 400 072 Maharashtra - India Tel: +91-22- 67720300 / 400, Fax:+91-22- 28591568/28508927 Email Id: <a href="mailto:sharepro@shareproservices.com">sharepro@shareproservices.com</a> Website: <a href="http://www.shareproservices.com">www.shareproservices.com</a>

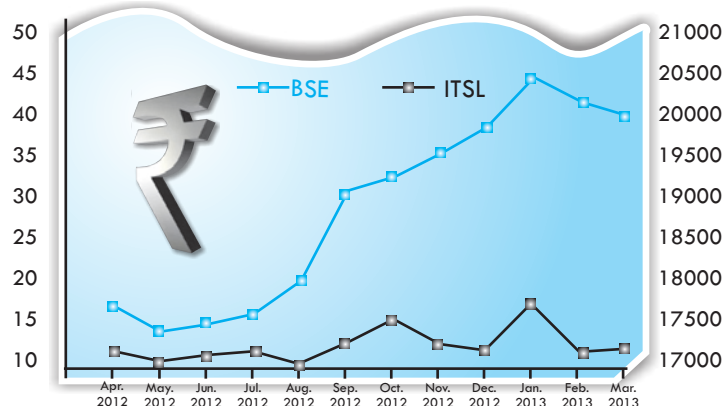
## VIII. Market Price Data during the financial year 2012-13 :

Month	BSE		NSE	
	High	Low	High	Low
Apr-12	11.75	10.10	11.45	10.10
May-12	10.90	9.80	11.00	9.90
Jun-12	10.95	9.55	10.60	10.00
Jul-12	11.50	9.35	11.75	9.80
Aug-12	10.50	9.11	10.45	9.55
Sep-12	13.26	9.50	13.30	9.60
Oct-12	15.15	10.20	14.95	10.55
Nov-12	12.30	12.20	12.00	10.15
Dec-12	12.15	10.34	12.30	10.65
Jan-13	17.32	10.50	17.40	10.60
Feb-13	12.07	10.51	12.20	10.40
Mar-13	12.18	10.00	12.90	10.00

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

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

Share Price Performance in comparison to broad based indices – BSE Sensex and NSE Nifty as on March 31, 2013



## X. Share Transfer System:

The shares of the Company are traded compulsorily in electronic form. Hence, almost all transfer of shares are executed electronically. During the Financial Year 2012-13 Company not received any Share transfers application in physical form. Although as per company's policy, Share Transfer Applications are

processed, registered and returned within 15 days from the date of lodgement.

The Shares in demat form are transferred through respective depository participants. 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 shares were lodged for dematerialization and no discrepancy in updation/maintenance of the Register of Members or processing of the demat requests was found and the capital held in physical mode and electronic mode tallied with the issued capital.

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

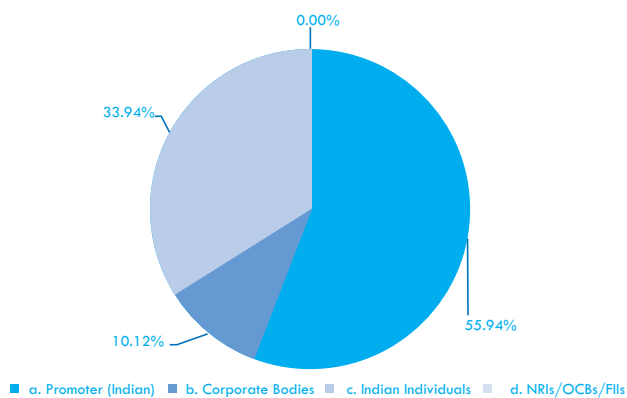
## XI. Shareholding Details

## A. Shareholding of the Company as on March 31, 2013:

Category	No. of Share held	% of Holding
<b>Promoters</b>		
Indian	5594000	55.94
Foreign	Nil	Nil
<b>Sub-Total (A)</b>	<b>5594000</b>	<b>55.94</b>
<b>Public</b>		
a. Banks & financial institutions	Nil	Nil
b. Corporate bodies	1011559	10.12
c. Indian Individuals	3394056	33.94
d. NRIs/ OCBs/ FIs	385	0.00
<b>Sub-Total (B)</b>	<b>4406000</b>	<b>44.06</b>
<b>Grand Total (A+B)</b>	<b>10000000</b>	<b>100</b>



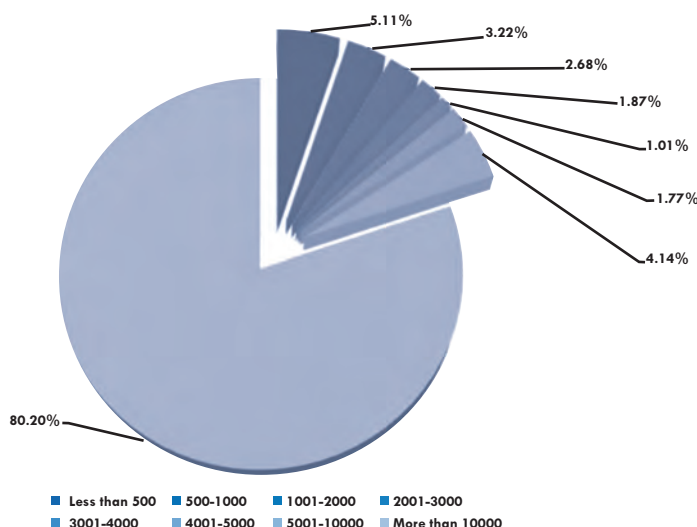
Shareholding Pattern



## B. Distribution of shareholding as on March 31 , 2013 :

Description	No. of Holders	Holding %	Shares	%
Less than 500	3474	80.809	510767	5.108
500 - 1000	380	8.839	322285	3.223
1001 - 2000	174	4.047	267826	2.678
2001 - 3000	72	1.675	187334	1.873
3001 - 4000	28	0.651	101435	1.014
4001 - 5000	37	0.861	177059	1.771
5001 - 10000	57	1.326	413483	4.135
More than 10000	77	1.791	8019811	80.198
<b>TOTAL</b>	<b>4299</b>	<b>100</b>	<b>10000000</b>	<b>100</b>

Distribution of Shareholding



## XII. Dematerialization and Liquidity:

Sr. Particulars	No. of Shares	Holding %
1 Held in Dematerialized with CDSL	8201466	82.01
2 Held in Dematerialized with NSDL	1788019	17.88
3 Physical	10515	0.11
<b>TOTAL</b>	<b>1,00,00,000</b>	<b>100.00</b>

As on 31st March, 2013, 99.89% of the total equity share capital was held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited. The market lot is one share 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, 2013 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: Investors correspondence may be addressed to:

### a. Sharepro Services (India) Pvt. Ltd.

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

### b. Registered Office :

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

## DECLARATION

### REGARDING ADHERENCE TO THE COMPANY'S CODE OF CONDUCT

(PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)



**Indo Thai**

Trade with Confidence

To,

**The Shareholders**

**Indo Thai Securities Limited**

This is to confirm that the Company has adopted Code Of Conduct for its Board Member and Senior Management Personnel of the Company, as stipulated under Clause 49(1D)(ii) of the Listing Agreement, and the Board Member and Senior Management Personnel of the Company have affirmed compliance with this Code of Conduct for the Financial Year ended on 31st March, 2013.

Sd/-

Dated: July 22, 2013

Place : Indore

**Dhanpal Doshi**

(Managing Director)

Sd/-

**Parasmal Doshi**

(Chief Executive Officer)

To,

**The Board of Directors**

**Indo Thai Securities Limited**

Indore

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

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

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

Sd/-

Dated: July 22, 2013

Place : Indore

**Parasmal Doshi**

(Chief Executive Officer)

Sd/-

**Dhanpal Doshi**

(Managing 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, 2013, 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.

**Kaushal Ameta & Co.**

Sd/-

**Kaushal Ameta**

Practicing Company Secretary

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

Dated: July 22, 2013

Place : Indore

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 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year ended 31st March, 2013, 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, 2013;
- 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, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, 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 06, 2013

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, 2013, which are outstanding for a period exceeding six months from the date they became payable.
- b. According to the information and explanations given to us and records of the Company examined by us, there are no disputed statutory dues as on March 31, 2013.
- x. The Company has neither accumulated losses as at 31st March 2013 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 &amp; Co.

Chartered Accountants  
Firm's Reg. No. 000990 N  
Sd/-

CA Amit Singhvi

Partner

Membership Number: 129331

Date : May 06, 2013  
Place : Indore



(Amount in Rs.)

PARTICULARS	Note No.	As at 31st Mar 2013	As at 31st Mar 2012
<b>I EQUITY &amp; LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	10,00,00,000	10,00,00,000
(b) Reserves & Surplus	3	25,99,51,351	25,96,22,802
(c) Money Received against share warrants		-	-
<b>(2) Share Application Money Pending Allotment</b>		-	-
<b>(3) Non - Current Liabilities</b>			
(a) Long Term Borrowings	4	-	7,69,467
(b) Deferred Tax Liabilities(Net)		-	-
(c) Other Long Term Liabilities	5	10,36,243	9,58,243
(d) Long Term Provision	6	14,19,730	21,47,678
<b>(4) Current Liabilities</b>			
(a) Short Term Borrowings	7	3,21,82,964	-
(b) Trade Payables	8	2,72,64,481	2,01,58,384
(c) Other Current Liabilities	9	24,86,556	50,16,388
(d) Short Term Provisions	10	12,16,604	1,78,438
<b>Total</b>		<b>42,55,57,929</b>	<b>38,88,51,400</b>
<b>II ASSETS</b>			
<b>(1) Non- Current Assets</b>			
(a) Fixed Assets	11		
(i) Tangible Assets		2,90,05,376	2,28,08,353
(ii) Intangible Assets		1,19,160	1,83,749
(iii) Capital Work in Progress		-	-
(iv) Intangible assets under development		-	-
(b) Non Current Investments	12	2,60,86,780	42,52,000
(c) Deferred Tax Asset	13	6,38,610	6,88,962
(d) Long Term Loans and Advances	14	3,07,74,849	2,15,73,350
(e) Other non current assets		-	-
<b>(2) Current Assets</b>			
(a) Current Investments	15	6,38,50,356	12,80,33,947
(b) Inventories		4,22,480	19,62,067
(c) Trade Receivables	16	5,91,16,485	1,99,74,315
(d) Cash & Cash Equivalents	17	20,99,20,080	17,98,24,654
(e) Short Term Loans and Advances	18	49,26,505	89,54,891
(f) Other Current Assets	19	6,97,248	5,95,112
<b>Total</b>		<b>42,55,57,929</b>	<b>38,88,51,400</b>

SIGNIFICANT ACCOUNTING POLICIES  
AND NOTES TO THE ACCOUNTS

1-40

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 06, 2013  
Place : Indore

For and on behalf of board of directors

Sd/ -  
**Dhanpal Doshi**  
Managing Director

Sd/ -  
**Parasmal Doshi**  
Whole Time Director

Sd/ -  
**Anurag Kumar Saxena**  
Company Secretary

# STANDALONE STATEMENT OF PROFIT & LOSS

for the period ended 31st March 2013

(Amount in Rs.)

PARTICULARS	Note No.	2012-13	2011-12
<b>I Revenue from Operations</b>	20	6,97,44,330	4,41,30,228
<b>II Other Income</b>	21	3,04,17,492	1,58,24,729
<b>III Total Revenue</b>	<b>(I+II)</b>	<b>10,01,61,822</b>	<b>5,99,54,957</b>
<b>IV. Expenses</b>			
Purchases and Operating Expenses	22	7,22,51,492	3,32,68,162
Changes in Inventories	23	15,39,586	(11,28,507)
Employee Benefit Expenses	24	1,14,79,281	1,03,18,628
Financial Cost	25	29,90,092	22,22,411
Depreciation and amortization expenses	11	13,31,326	11,02,195
Other Expenses	26	1,01,84,837	91,52,099
<b>Total Expenses</b>		<b>9,97,76,614</b>	<b>5,49,34,988</b>
<b>V. PROFIT before exceptional and extraordinary items and tax</b>	<b>(III-IV)</b>	<b>3,85,208</b>	<b>50,19,969</b>
<b>VI. Exceptional Items</b>	-	-	17,58,989
<b>VII. Profit before extraordinary items and tax</b>	<b>(V-VI)</b>	<b>3,85,208</b>	<b>32,60,980</b>
<b>VIII. Extraordinary Items</b>		-	-
<b>IX. Profit Before Tax</b>	<b>(VII-VIII)</b>	<b>3,85,208</b>	<b>32,60,980</b>
<b>X. Tax Expenses</b>			
(1) Current Tax	8,201	-	20,41,566
(2) Deferred Tax	50,352	58,553	(7,98,873)
<b>XI. Profit(Loss) from the continuing operations</b>	<b>(IX-X)</b>	<b>3,26,655</b>	<b>20,18,287</b>
<b>XII. Profit/(Loss) for the period</b>		<b>3,26,655</b>	<b>20,18,287</b>
<b>XIII. Earning per Equity Share:</b>	<b>27</b>		
(1) Basic		0.03	0.26
(2) Diluted		0.03	0.26

SIGNIFICANT ACCOUNTING POLICIES  
AND NOTES TO THE ACCOUNTS

1-40

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 06, 2013  
Place : Indore

For and on behalf of board of directors

Sd/ -  
**Dhanpal Doshi**  
Managing Director

Sd/ -  
**Parasmal Doshi**  
Whole Time Director

Sd/ -  
**Anurag Kumar Saxena**  
Company Secretary

(Amount in Rs.)

Particulars	2012-13	2011-12
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	3,85,209	32,60,980
Adjustment for:		
Depreciation / Amortization	13,31,326	11,02,195
(Profit) / Loss on sale of Investments (net)	96,732	19,63,184
Interest income	(1,85,73,481)	(72,50,615)
Interest expenses	29,60,652	21,80,839
Unrealised exchange difference (net)	-	-
Dividend income	(7,54,722)	(7,55,729)
(Profit)/ Loss on sale of fixed assets	3,537	-
Adjustment made for MAT Credit Related to F.Y. 2008-09	-	35,557
Miscellaneous expenditure written back		
Income from Mutual Fund	(1,07,40,278)	(75,03,930)
<b>Cash generated from operations before working capital changes</b>	<b>(2,52,91,025)</b>	<b>(69,67,519)</b>
Adjustment for:		
(Increase)/ Decrease in inventories	15,39,586	(11,28,507)
(Increase)/ Decrease in trade and other receivables	(4,43,67,066)	(90,83,775)
Increase/ (Decrease) in trade and other payables	49,64,483	(1,84,23,151)
Cash generated from/ (used in) operations	(6,31,54,022)	(3,56,02,952)
Direct tax paid (Net)	(56,659)	(12,42,693)
<b>Net cash from/ (used in) Operating Activities (A)</b>	<b>(6,32,10,681)</b>	<b>(3,68,45,645)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments made for purchase of fixed assets/ capital expenditure	(74,71,297)	(21,75,732)
Proceeds from sale of fixed assets	4,000	-
Interest received	1,85,73,481	72,50,615
(Purchase) / Sale of Investments	4,23,48,811	(12,44,62,613)
Profit / (Loss) on sale of Investments (net)	(96,732)	(19,63,184)
Income from Mutual Fund	1,07,40,278	75,03,930
Dividend income	7,54,722	7,55,729
<b>Net cash from/ (used in) Investing Activities (B)</b>	<b>6,48,53,263</b>	<b>(11,30,91,255)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares (Refer note 1 below)	-	4,00,00,000
Proceeds from shares Premium	-	23,86,15,136
Proceeds from borrowings (net of repayment)	3,14,13,497	(1,43,62,307)
(Increase)/ Decrease in Miscellaneous Assets	-	-
Interest paid	(29,60,652)	(21,80,839)
<b>Net cash from/ (used in) Financing Activities (C)</b>	<b>2,84,52,845</b>	<b>26,20,71,990</b>
<b>Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>3,00,95,427</b>	<b>11,21,35,090</b>
<b>Cash and Cash Equivalents at the beginning of the year/period</b>	<b>17,98,24,653</b>	<b>6,76,89,563</b>
<b>Cash and Cash Equivalents at the end of the year/period</b>	<b>20,99,20,080</b>	<b>17,98,24,653</b>
<b>Components of Cash and Cash Equivalents at the end of the year/period</b>		



**Standalone Cash Flow Statement** Cont.....

for the year ended 31st March 2013

**Indo Thai**

Trade with Confidence

(Amount in Rs.)

Particulars	2012-13	2011-12
Cash in hand	3,46,951	2,11,774
Balance with scheduled banks		
Current account	87,79,486	42,65,454
Fixed deposit/ margin money	20,07,93,643	17,53,47,426
<b>Total</b>	<b>20,99,20,080</b>	<b>17,98,24,654</b>

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 06, 2013

Place : Indore

For and on behalf of board of directors

Sd/ -

**Dhanpal Doshi**

Managing Director

Sd/ -

**Parasmal Doshi**

Whole Time Director

Sd/ -

**Anurag Kumar Saxena**

Company Secretary

### SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 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 Depredation
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.

for the year ended 31st March, 2013

#### ◆ 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 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.



(Amount in Rs.)

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
<b>2. SHARE CAPITAL</b>		
Authorised Equity Share Capital		
1,20,00,000 Equity Shares of Rs. 10 each (120,00,000)	12,00,00,000	12,00,00,000
Issued, Subscribed & Paid Up Capital		
1,00,00,000 Equity Shares of Rs. 10 each (100,00,000)	10,00,00,000	10,00,00,000
<b>Total Rs.</b>	<b>10,00,00,000</b>	<b>10,00,00,000</b>

2.1 During previous year the Company has made an Initial Public Offer (IPO) of 40 Lacs Equity Shares of Rs. 10/- each at premium of Rs. 64/- per share for cash aggregating to Rs. 2960 Lacs and shares of the Company has been listed on BSE Ltd. and National Stock Exchange of India Ltd. (NSE) on 2nd November, 2011.

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

Particulars	As at 31st Mar 2013		As at 31st Mar 2012	
	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	60,00,000	6,00,00,000
Add : Shares issued through IPO	-	-	40,00,000	4,00,00,000
Add : Shares issued through allotment Bonus	-	-	-	-
Less : Shares buy back of during the year	-	-	-	-
<b>Equity Shares at the end of the year</b>	<b>1,00,00,000</b>	<b>10,00,00,000</b>	<b>1,00,00,000</b>	<b>10,00,00,000</b>

**2.3 Details of Shareholders holding more than 5% shares:**

Name of Shareholder	As at 31st Mar 2013		As at 31st Mar 2012	
	No. of Shares	% held	No. of Shares	% held
Parasmal Doshi	11,65,900	11.66%	11,40,900	11.41%
Dhanpal Doshi	12,65,000	12.65%	11,77,500	11.78%
Varsha Doshi	14,04,850	14.05%	13,79,850	13.80%
Sadhana Doshi	8,73,450	8.73%	7,98,750	7.99%

**2.4 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.

for the year ended 31st March, 2013

(Amount in Rs.)

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
<b>3 RESERVES AND SURPLUS</b>		
<b>Security Premium Reserve</b>		
As per previous year balance sheet	23,86,15,136	-
Add: Share Premium	-	25,60,00,000
Less: Expenses adjusted against Share Premium *	-	-1,73,84,864
<b>Total Rs.</b>	<b>23,86,15,136</b>	<b>23,86,15,136</b>
* Expenses adjusted against Share Premium account includes ROC expenses amounting to Rs. 6,81,446/- )		
<b>Profit &amp; Loss Account</b>		
As per previous year balance sheet	2,10,07,666	1,89,53,822
Add: Profit As Per P&L Statement	3,26,655	20,18,287
Add : Excess Provision reverse (FY 2011-2012)	1,894	-
Add : MAT Credit Related to FY. 2008-09	-	35,557
<b>Total Rs.</b>	<b>2,13,36,215</b>	<b>2,10,07,666</b>
<b>Grand Total Rs.</b>	<b>25,99,51,351</b>	<b>25,96,22,802</b>
<b>4 LONG TERM BORROWINGS</b>		
Loan From Financial Institutions #	-	7,69,467
<b>Total Rs.</b>	<b>-</b>	<b>7,69,467</b>
# Loan from Financial Institution secured against hypothecation of Furniture & Fixtures and Office Equipment		
<b>5 OTHER LONG TERM LIABILITIES</b>		
Security Deposits From Branches & Franchisee's	10,36,243	9,58,243
<b>Total Rs.</b>	<b>10,36,243</b>	<b>9,58,243</b>
<b>6 LONG TERM PROVISIONS</b>		
Provision for Gratuity	14,19,730	21,47,678
<b>Total Rs.</b>	<b>14,19,730</b>	<b>21,47,678</b>
<b>7 SHORT TERM BORROWINGS</b>		
Secured Loan :		
From Banks *	3,21,82,964	-
<b>Total Rs.</b>	<b>3,21,82,964</b>	<b>-</b>
* Loan from bank secured against FDRs		
<b>8 TRADE PAYABLE</b>		
Micro, Small and Medium Enterprises	-	-
Others	2,72,64,481	2,01,58,384
<b>Total Rs.</b>	<b>2,72,64,481</b>	<b>2,01,58,384</b>

8.1 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.

for the year ended 31st March, 2013  
(Amount in Rs.)

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
<b>9 OTHER CURRENT LIABILITIES</b>		
Creditors For Expenses	15,26,461	9,85,492
Salary Payable	4,18,561	34,226
Other Payables	5,41,534	39,96,670
<b>Total Rs.</b>	<b>24,86,556</b>	<b>50,16,388</b>
<b>10 SHORT TERM PROVISIONS</b>		
Provision for Wealth Tax	3,36,128	-
Provision for Gratuity	5,38,299	-
Other Provisions	3,42,177	1,78,438
<b>Total Rs.</b>	<b>12,16,604</b>	<b>1,78,438</b>

**11 FIXED ASSETS**

DESCRIPTION	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	AS AT 01/04/2012	ADDITIONS (DELETION)	AS AT 31/03/2013	AS AT 01/04/2012	WRITTEN BACK	For The Period	Total 31/03/2013	AS AT 31/03/2013	AS AT 31/03/2012
<b>TANGIBLE ASSETS :</b>									
LAND & BUILDING	1,80,14,000	62,30,000	2,42,44,000	-	-	-	-	2,42,44,000	1,80,14,000
PLANT & MACHINERY	1,25,26,922	3,03,612	1,28,30,534	96,34,002	-	8,42,225	1,04,76,227	23,54,307	28,92,920
FURNITURE & FIXTURE	31,63,450	32,550	31,96,000	25,20,496	-	1,21,234	26,41,730	5,54,270	6,42,954
OFFICE EQUIPMENTS	18,79,169	1,71,450	20,50,619	10,99,012	38,963	1,24,342	11,84,391	8,66,228	7,80,157
VEHICLES	12,72,127	6,74,060	19,46,187	7,93,804	-	1,65,811	9,59,615	9,86,572	4,78,323
<b>Total</b>	<b>3,68,55,668</b>	<b>74,11,672</b>	<b>4,42,67,340</b>	<b>1,40,47,314</b>	<b>38,963</b>	<b>12,53,612</b>	<b>1,52,61,963</b>	<b>2,90,05,377</b>	<b>2,28,08,354</b>
<b>INTANGIBLE ASSETS :</b>									
COMPUTER SOFTWARE	18,11,578	13,125	18,24,703	16,27,829	-	77,714	17,05,543	1,19,160	1,83,749
<b>Total</b>	<b>18,11,578</b>	<b>13,125</b>	<b>18,24,703</b>	<b>16,27,829</b>	<b>-</b>	<b>77,714</b>	<b>17,05,543</b>	<b>1,19,160</b>	<b>1,83,749</b>
<b>GRAND TOTAL</b>	<b>3,86,67,246</b>	<b>74,24,797</b>	<b>4,60,92,043</b>	<b>1,56,75,143</b>	<b>38,963</b>	<b>13,31,326</b>	<b>1,69,67,506</b>	<b>2,91,24,537</b>	<b>2,29,92,103</b>
Previous year figures	3,64,91,514	21,75,732	3,86,67,246	1,45,72,948	-	11,02,195	1,56,75,143	2,29,92,102	2,19,18,565

	As at 31st Mar 2013	As at 31st Mar 2012
<b>12 NON CURRENT INVESTMENT</b>		
Investment In Equity Shares Unquoted : 4,25,200 Indo Thai Commodities Pvt. Ltd. (4,25,200)	42,52,000	42,52,000
21,10,000 Indo Thai Fincap Ltd. (-)	2,11,00,000	-
7,34,78 Indo Thai Realities Ltd. (-)	7,34,780	-
<b>Total Rs.</b>	<b>2,60,86,780</b>	<b>42,52,000</b>
<b>13 DEFERRED TAX ASSET (NET)</b>		
Deferred Tax Asset related to timing difference of depreciation on Fixed Assets	33,579	25,329
Deferred Tax Asset related to disallowances under the Income Tax Act, 1961	6,05,031	6,63,633
<b>Total Rs.</b>	<b>6,38,610</b>	<b>6,88,962</b>
<b>14 LONG TERM LOAN &amp; ADVANCES</b>		
Deposits With Exchange	2,40,00,000	1,82,00,000
Other Deposits	11,14,128	11,26,300
Other Advances	56,60,721	22,47,050
<b>Total Rs.</b>	<b>3,07,74,849</b>	<b>2,15,73,350</b>



for the year ended 31st March, 2013

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
<b>15 CURRENT INVESTMENT</b>		
Investment In Equity Instrument (Quoted) :		
Investment In Shares *	81,09,473	2,58,582
Investment In Mutual Fund# (Quoted) :		
Units		
- DSPBR Money Manager Fund	-	40,00,000
(2,735.522)		
- ICICI PRU Flexible Income Plan	-	40,00,000
(33,136.338)		
- IDBI Ultra Short Term Fund	-	80,02,208
(6,992.047)		
- IDFC Ultra Short Term Fund	-	1,00,16,688
(675,620.896)		
- Indiabulls Liquid Fund	-	6,00,86,874
(57,665.865)		
- L&T Ultra Short Term Fund	-	90,00,000
(519,402.572)		
- Reliance Monthly Interval Fund	-	2,00,91,666
(1,380,147.952)		
- Religare Credit Opportunities Funds	-	75,77,929
(635,050.359)		
- SBI Magnum Insta Cash LFP	-	50,00,000
(3,626.782)		
976615.302 Reliance Gilt Securities Fund	1,43,28,704	-
(-)		
3086.513 Religare Ultra St Fund Rg	50,06,761	-
(-)		
6960.027 Religare Mf Collection A/ C - 1	1,12,94,797	-
(-)		
3979.913 Idbi Mf Collection A/ C	50,09,933	-
(-)		
7040.295 Reliance Lf Fund Treasury Plan	2,01,00,688	-
(-)		
<b>Total Rs.</b>	<b>6,38,50,356</b>	<b>12,80,33,947</b>
* Market Value of quoted Equity Investment as on 31-MAR-2013 is Rs. 86,75,832/- (Previous Year Rs. 1,74,093/- )		
# Investment in Mutual Fund Shown on NAV		
Note : Figures in brackets shows previous year units		
<b>16 TRADE RECEIVABLES</b>		
More than 6 months		
Secured	1,96,37,486	6,90,269
Unsecured considered good	21,20,120	13,90,512
<b>Others</b>		
Secured	-	76,68,562
Unsecured considered good	3,73,58,879	1,02,24,972
<b>Total Rs.</b>	<b>5,91,16,485</b>	<b>1,99,74,315</b>



for the year ended 31st March, 2013  
(Amount in Rs.)

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
<b>17 CASH &amp; CASH EQUIVALENTS</b>		
Cash In Hand	3,40,351	1,92,274
Stamp In Hand	6,600	19,500
Bank Balances:		
With Scheduled Banks		
Current Accounts	87,79,486	42,65,454
Deposit Accounts with maturity		
- Less than 1 year	18,74,85,705	12,65,92,226
- More than 1 year	1,33,07,938	4,87,55,200
<b>Total Rs.</b>	<b>20,99,20,080</b>	<b>17,98,24,654</b>
<b>18 SHORT TERM LOANS &amp; ADVANCES</b>		
<b>(Unsecured And Considered Good)</b>		
Misc. Receivables	11,41,751	10,72,983
Prepaid Expenses	16,55,606	21,20,426
Other Advances	21,29,148	57,61,482
<b>Total Rs.</b>	<b>49,26,505</b>	<b>89,54,891</b>
<b>19 OTHER CURRENT ASSETS</b>		
Accrued Interest	6,97,248	5,95,112
<b>Total Rs.</b>	<b>6,97,248</b>	<b>5,95,112</b>
<b>20 REVENUE FROM OPERATIONS</b>		
Income from Operation		
Brokerage	1,92,35,303	2,11,34,275
Income From Depository Operations	10,28,860	10,45,289
Sales of Shares	6,70,82,751	2,77,21,157
Other Operating Income	48,70,243	17,05,631
Loss in F&O Segment (Proprietary A/c)	- 2,24,72,827	- 74,76,125
<b>Total Rs.</b>	<b>6,97,44,330</b>	<b>4,41,30,227</b>
<b>21 OTHER INCOME</b>		
Dividend:		
Dividend Received	7,54,722	7,55,729
Interest :		
Interest on FDRs	1,85,73,481	72,50,615
Other Income:		
Miscellaneous Income	1,45,511	2,55,806
Recovery of Bad Debts	2,03,500	58,649
Income From Mutual Fund Investment	1,07,40,278	75,03,930
<b>Total Rs.</b>	<b>3,04,17,492</b>	<b>1,58,24,729</b>
<b>22 PURCHASE &amp; OPERATING EXPENSES</b>		
Purchase of Shares	6,70,51,915	2,97,73,987
Operating Expenses		
Membership & Subscription fee	1,75,500	4,32,000
Commission to Branches	26,57,740	10,40,900
Depository Expenses	5,22,662	4,18,444
Annual Maintenance Expenses	11,20,083	6,51,041
VSAT & Internet Charges	6,86,123	9,25,928
Other Operating Expenses	37,469	25,862
<b>Total Rs.</b>	<b>7,22,51,492</b>	<b>3,32,68,162</b>

for the year ended 31st March, 2013

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
<b>23 CHANGE IN INVENTORIES</b>		
Opening Inventory	19,62,066	8,33,560
Closing Inventory	4,22,480	19,62,067
<b>Total Rs.</b>	<b>15,39,586</b>	<b>(11,28,507)</b>
Note : Inventory valued at cost or market price whichever is less		
<b>24 EMPLOYEE BENEFIT EXPENSES</b>		
Salary and Wages	1,03,16,194	91,55,462
Contribution to Provident & Other Funds	6,52,041	7,67,801
Staff Welfare	5,11,046	3,95,365
<b>Total Rs.</b>	<b>1,14,79,281</b>	<b>1,03,18,628</b>
<b>24.1 Details of Director's Remuneration:</b>		
Managing Director		
- Salary	4,92,000	4,92,000
- Perquisites	1,32,000	1,32,000
<b>Whole Time Directors</b>		
- Salary	14,40,000	13,32,000
<b>Total Rs.</b>	<b>20,64,000</b>	<b>19,56,000</b>

**24.2 Defined Contribution Plans :**

The Company has made provision for Gratuity amounting to Rs. 21.48 Lacs payable to employees, in compliance of recommendation of Accounting Standard 15 "Employees Benefit".

**Actuarial Assumptions :**

Withdrawal Rate	1% to 8% depending on age
Discount rate	8.25 % p. a.
Salary Escalation	5 %

**Amount Recognized In the Balance Sheet :**

Present Value of past services benefit	17,07,842
Present Value of current year services cost	2,50,187
<b>Total Provision made in the year 2012-13</b>	<b>19,58,029</b>

<b>25 FINANCIAL COST</b>		
Bank Charges	29,440	41,572
Bank Guarantee Commission	2,55,744	9,65,306
Bank Interest	26,52,399	6,88,242
Other Interest	52,509	5,27,291
<b>Total Rs.</b>	<b>29,90,092</b>	<b>22,22,411</b>
<b>26 OTHER EXPENSES</b>		
Administrative Expenses		
Electricity Expenses	9,61,112	7,98,555
Insurance Charges	2,10,423	2,51,694
Rent	21,27,517	22,40,239
Telephone & Postage Expenses	7,70,488	8,32,446
Repairs & Maintenance Expenses	2,84,111	3,69,018
Printing & Stationery	2,94,827	3,29,095
Legal & Professional Expenses	13,00,103	7,20,408
Advertisement & Business Promotion Expenses	13,99,529	2,40,298
Traveling Expenses	3,51,466	3,10,513
Wealth Tax	13,14,035	-
General Expenses	10,70,957	10,96,650
Loss on Sale of Fixed Asset	3,537	-
Loss on Sale of Investment	96,732	19,63,184
<b>Total Rs.</b>	<b>1,01,84,837</b>	<b>91,52,099</b>

for the year ended 31st March, 2013  
(Amount in Rs.)

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
<b>26.1 Details of Auditor's Remuneration (excluding service tax)</b>		
Statutory Audit Fee	40,000	40,000
Tax Audit Fee	10,000	10,000
Certification fee	10,000	10,000
<b>Total Rs.</b>	<b>60,000</b>	<b>60,000</b>
<b>27 EARNINGS PER SHARE (EPS)</b>		
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.)	3,26,655	20,18,287
ii) Weighted Average number of equity shares used as denominator for calculating EPS	1,00,00,000	77,04,918
iii) Basic and Diluted Earnings per share (Face value Rs. 10/- per equity share )	.03	.26

**28 CONTINGENT LIABILITIES:**

Contingent Liabilities not provided for :

(Amount in Rs.)

Particulars	2012-13	2011-12
Counter guarantees in respect of guarantees given by banks to the Stock Exchanges towards base capital, margin deposits etc.	1,36,80,000	5,86,80,000
Pledged of fixed deposits with the bank against the above bank guarantees	68,40,000	2,95,14,843

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 The company's operations predominantly consist of "Broking of shares/securities & other related activities ". As per the definition of Business Segment and Geographical Segment contained in Accounting Standard 17 "Segment Reporting", the management is of the opinion that the Company's operation comprise of operating in Primary and Secondary market and incidental activities thereto, there is neither more than one reportable business segment nor more than one reportable geographical segment, and, therefore, segment information as per Accounting Standard 17 is not required to be disclosed.

33 During the previous year the Company has made an Initial Public Offer (IPO) of 40 Lacs Equity Shares of Rs. 10/- each at premium of Rs. 64/- per share against which total expenses of Rs. 167.03 Lacs were incurred which were adjusted against Share Premium. Further Company has paid interest of Rs. 12.81 lacs to the Investors due to delay in allotment procedures, has been considered as share issue expenses and treated accordingly.

(Amount in Lacs)

S.No.	Particulars of Funds Utilisation	Revised Objects of IPO*	Utilisation upto 31.03.2013
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	100.49
4	Brand building & advertising	25.00	13.77
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	7.35
	<b>Total</b>	<b>2960.00</b>	<b>2058.74</b>

The unutilized proceeds of IPO is invested in Mutual Fund and Fixed Deposits of Rs. 901.26 Lacs.

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

for the year ended 31st March, 2013

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, 2013, are as under:

Minimum Lease Rentals		(Amount in Rs.)	
		2012-13	2011-12
<b>Due for:</b>			
- Up to one year		9,45,495	18,23,384
- One to five years		34,500	4,14,000
- Over five years		Nil	Nil
<b>Total</b>		<b>9,79,995</b>	<b>22,37,384</b>

35 During the current year company has formed two 100% wholly owned subsidiaries.

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

36 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	2012-13	2011-12
1	Indo Thai Fincap Ltd.	Outstanding at year end	2,11,00,000	-
		Maximum Amount Outstanding	2,11,00,000	-
2	Indo Thai Realities Ltd.	Outstanding at year end	7,34,780	-
		Maximum Amount Outstanding	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 Company has following open position in derivatives as on March 31, 2013

(Amount in Rs.)				
Instrument Name	Expiry Date	Strike Price	Qty	Exposure (In Rs.)
NIFTY (CE)	25-04-2013	5,800	1,000	-
NIFTY (CE)	25-04-2013	5,700	(2,000)	-
NIFTY (PE)	25-04-2013	5,700	(1,500)	-
BSX (CE)	25-04-2013	19,200	(90)	-
BSX (CE)	25-04-2013	19,400	(90)	-

38 Fixed deposits with Scheduled Banks under the lien of (as on 31st March 2013) :

Bank Name	FD Amount (In Lacs)	Lien
Canara Bank	1005.00	Against Overdraft
Canara Bank	244.44	With Exchange
Indusind Bank	235.00	With Exchange
Indusind Bank	70.00	Against Overdraft
Bank of India	25.00	With Exchange
Indusind Bank	250.00	With Exchange
Indusind Bank	76.96	Bank guarantee to Exchange

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



**40 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:**

<b>Nature of relationship</b>	<b>Name of the related party</b>
Key Management Personnel (KMP)	Dhanpal Doshi
	Parasmal Doshi
	Rajendra Bandi
Relatives of Key Management Personnel	Awantabai Doshi
	Sadhana Doshi
	Varsha Doshi
	Chandra Shekhar Doshi
	Rajmati Hingad
	Vijaya Jain
	Kumkum Jain
	Nishit Doshi
	Sarthak Doshi
	Nivya Doshi
	Ritu Doshi
	Praveen Bandi
	Sunita Bandi
	Jaya Bandi
	Anita Khasgiwala
Enterprises where key management personnel exercise significant influence	Paras Doshi (HUF)
	Dhanpal Doshi (HUF)
	Rajendra Bandi (HUF)
	M/ sDinesh Enterprises
	M/ sSun Décor World
	M/ sBalmukund Ramkishan Bang
	M/ sJaya Securities
Companies where key management personnel exercise significant influence	Indo Thai Commodities Pvt. Ltd.
	Surana Estate & Commodity Trading Pvt. Ltd.
	Vistar Villas Private Limited
	Sand & Stone Residency Private Limited
	Citadel Real Estates Private Limited
	Future Infraestates Private Limited
	Rising Infra real Private Limited
	Geetanjali Buildoon Private Limited
	3M Consultants Limited
	Indo Thai Real Estate Private Limited
	Provident Real Estates Pvt. Ltd.
	Oscar Buildoon Pvt. Ltd.
	Prosperity Residency Pvt. Ltd.
	Red Carpet Residency Pvt. Ltd.
Wholly owned subsidiaries	Indo Thai Fincap Ltd.
	Indo Thai Realities Ltd.

for the year ended 31st March, 2013

## (ii) Transactions during the year with related parties :

(Amount in Rs.)

Nature of Transaction	KMP & their Relatives	Associates	Subsidiaries	Total
Brokerage Received	15,26,190	-	-	15,26,190
	(4,50,049)	-	-	(4,50,049)
Remuneration Paid	23,85,866	-	-	23,85,866
	(24,42,800)	-	-	(24,42,800)
Rent Paid	4,14,000	-	-	4,14,000
	(6,43,750)	-	-	(6,43,750)
Receivables	12,97,538	-	-	12,97,538
	-	-	-	-
Payables	5,14,607	-	-	5,14,607
	-	-	-	-
Investments	-	42,52,000	2,18,34,780	2,60,86,780
	-	(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 06, 2013  
 Place : Indore

For and on behalf of board of directors

Sd/-  
**Dhanpal Doshi**  
 Managing Director

Sd/-  
**Parasmal Doshi**  
 Whole Time Director

Sd/-  
**Anurag Kumar Saxena**  
 Company Secretary

To

The Members of Indo Thai Securities Limited

**Report on the Financial Statements**

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, 2013**, 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

considers 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 not 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. 2,08,11,709/- as at March 31, 2013; as well as the total revenue of Rs. 5062/- for the year ended on that date. These financial statements and other financial information have been audited by other auditor whose reports have been furnished to us and our opinion on the quarterly and year ended financial results, to the extent they have been derived from such interim financial statements is based solely on the report of such other auditors.

**Opinion**

Based on our audit and on consideration of reports of other auditor on separate financial statements 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, 2013;
- 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.

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

**CA Amit Singhvi**  
Partner

Membership Number: 129331

Date : May 06, 2013  
Place : Indore

# CONSOLIDATED BALANCE SHEET

as at 31st March, 2013



**Indo Thai**

Trade with Confidence

(Amount in Rs.)

PARTICULARS	Note No.	As at 31st Mar 2013	As at 31st Mar 2012
<b>I EQUITY &amp; LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	10,00,00,000	10,00,00,000
(b) Reserves & Surplus	3	25,89,25,472	25,96,22,802
(c) Money Received against share warrants		-	-
<b>(2) Share Application Money Pending Allotment</b>		-	-
<b>(3) Non - Current Liabilities</b>			
(a) Long Term Borrowings	4	-	7,69,467
(b) Deferred Tax Liabilities(Net)		-	-
(c) Other Long Term Liabilities	5	10,36,243	9,58,243
(d) Long Term Provisions	6	14,19,730	21,47,678
<b>(4) Current Liabilities</b>			
(a) Short Term Borrowings	7	3,21,82,964	-
(b) Trade Payables	8	2,72,64,481	2,01,58,384
(c) Other Current Liabilities	9	24,86,556	50,16,388
(d) Short Term Provisions	10	12,19,413	1,78,438
<b>Total</b>		<b>42,45,34,858</b>	<b>38,88,51,400</b>
<b>II ASSETS</b>			
<b>(1) Non- Current Assets</b>			
(a) Fixed Assets	11		
(i) Tangible Assets		2,90,05,376	2,28,08,353
(ii) Intangible Assets		1,19,160	1,83,749
(iii) Capital Work in Progress		-	-
(iv) Intangible assets under development		-	-
(b) Non Current Investments	12	42,52,000	42,52,000
(c) Deferred Tax Asset	13	6,38,610	6,88,962
(d) Long Term Loans and Advances	14	3,07,74,849	2,15,73,350
(e) Other non current assets		-	-
<b>(2) Current Assets</b>			
(a) Current Investments	15	6,38,50,356	12,80,33,947
(b) Inventories		4,22,480	19,62,067
(c) Trade Receivables	16	5,91,16,485	1,99,74,315
(d) Cash & Cash Equivalents	17	23,07,31,789	17,98,24,654
(e) Short Term Loans and Advances	18	49,26,505	89,54,891
(f) Other Current Assets	19	6,97,248	5,95,112
<b>Total</b>		<b>42,45,34,858</b>	<b>38,88,51,400</b>

SIGNIFICANT ACCOUNTING POLICIES  
AND NOTES TO THE ACCOUNTS

1-40

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 06, 2013  
Place : Indore

For and on behalf of board of directors

Sd/-  
**Dhanpal Doshi**  
Managing Director

Sd/-  
**Parasmal Doshi**  
Whole Time Director

Sd/-  
**Anurag Kumar Saxena**  
Company Secretary



(Amount in Rs.)

PARTICULARS	Note No.	2012-13	2011-12
<b>I Revenue from Operations</b>	20	6,97,44,330	4,41,30,228
<b>II Other Income</b>	21	3,04,22,554	1,58,24,729
<b>III Total Revenue</b>	<b>(I+II)</b>	<b>10,01,66,884</b>	<b>5,99,54,957</b>
<b>IV. Expenses</b>			
Purchases and Operating Expenses	22	7,22,51,492	3,32,68,162
Changes in Inventories	23	15,39,586	(11,28,507)
Employee Benefit Expenses	24	1,14,79,281	1,03,18,628
Financial Cost	25	29,90,092	22,22,411
Depreciation and amortization expenses	11	13,31,326	11,02,195
Other Expenses	26	1,12,15,778	91,52,099
<b>Total Expenses</b>		<b>10,08,07,556</b>	<b>5,49,34,987</b>
V. PROFIT before exceptional and extraordinary items and tax	(III-IV)	(6,40,671)	50,19,969
VI. Exceptional Items	-	-	17,58,989
VII. Profit before extraordinary items and tax	(V-VI)	(6,40,671)	32,60,980
VIII. Extraordinary Items		-	-
<b>IX. Profit Before Tax</b>	<b>(VII-VIII)</b>	<b>(6,40,671)</b>	<b>32,60,980</b>
X. Tax Expenses			
(1) Current Tax	8,201	-	20,41,566
(2) Deferred Tax	50,352	58,553	(7,98,873)
XI. Profit(Loss) from the continuing operations	(IX-X)	(6,99,224)	20,18,287
<b>XII. Profit/(Loss) for the period</b>		<b>(6,99,224)</b>	<b>20,18,287</b>
XIII. Earning per Equity Share:	27		
(1) Basic		(0.07)	0.26
(2) Diluted		(0.07)	0.26

SIGNIFICANT ACCOUNTING POLICIES

1-40

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 06, 2013  
Place : Indore

For and on behalf of board of directors

Sd/-  
**Dhanpal Doshi**  
Managing Director

Sd/-  
**Parasmal Doshi**  
Whole Time Director

Sd/-  
**Anurag Kumar Saxena**  
Company Secretary

# CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March, 2013



**Indo Thai**

Trade with Confidence

19th ANNUAL REPORT

(Amount in Rs.)		
PARTICULARS	2012-13	2011-12
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	(6,40,671)	32,60,980
Adjustment for:		
Depreciation / Amortization	13,31,326	11,02,195
(Profit) / Loss on sale of Investments (net)	96,732	19,63,184
Interest income	(1,85,78,543)	(72,50,615)
Interest expenses	29,60,652	21,80,839
Unrealised exchange difference (net)	-	-
Dividend income	(7,54,722)	(7,55,729)
(Profit) / Loss on sale of fixed assets	3,537	-
Adjustment made for MAT Credit Related to FY. 2008-09	-	35,557
Miscellaneous expenditure written back		
Income from Mutual Fund	(1,07,40,278)	(75,03,930)
<b>Cash generated from operations before working capital changes</b>	<b>(2,63,21,967)</b>	<b>(69,67,519)</b>
Adjustment for:		
(Increase) / Decrease in inventories	15,39,586	(11,28,507)
(Increase) / Decrease in trade and other receivables	(4,43,67,066)	(90,83,775)
Increase / (Decrease) in trade and other payables	49,67,292	(1,84,23,151)
Cash generated from/ (used in) operations	(6,41,82,155)	(3,56,02,952)
Direct tax paid (Net)	(56,659)	(12,42,693)
<b>Net cash from/ (used in) Operating Activities (A)</b>	<b>(6,42,38,814)</b>	<b>(3,68,45,645)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments made for purchase of fixed assets/ capital expenditure	(74,71,297)	(21,75,732)
Proceeds from sale of fixed assets	4,000	-
Interest received	1,85,78,543	72,50,615
(Purchase) / Sale of Investments	6,41,83,591	(12,44,62,613)
Profit / (Loss) on sale of Investments (net)	(96,732)	(19,63,184)
Income from Mutual Fund	1,07,40,278	75,03,930
Dividend income	7,54,722	7,55,729
<b>Net cash from/ (used in) Investing Activities (B)</b>	<b>8,66,93,105</b>	<b>(11,30,91,255)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares (Refer note 1 below)	-	4,00,00,000
Proceeds from shares Premium	-	23,86,15,136
Proceeds from borrowings (net of repayment)	3,14,13,497	(1,43,62,307)
(Increase) / Decrease in Miscellaneous Assets	-	-
Interest paid	(29,60,652)	(21,80,839)
<b>Net cash from/ (used in) Financing Activities (C)</b>	<b>2,84,52,845</b>	<b>26,20,71,990</b>
<b>Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>5,09,07,136</b>	<b>11,21,35,090</b>
<b>Cash and Cash Equivalents at the beginning of the year/period</b>	<b>17,98,24,653</b>	<b>6,76,89,563</b>
<b>Cash and Cash Equivalents at the end of the year/period</b>	<b>23,07,31,789</b>	<b>17,98,24,653</b>
<b>Components of Cash and Cash Equivalents at the end of the year/period</b>		

Particulars	2012-13	2011-12
Cash in hand	3,46,951	2,11,774
Balance with scheduled banks		
Current account	95,86,133	42,65,454
Fixed deposit/ margin money	22,07,98,705	17,53,47,426
<b>Total</b>	<b>23,07,31,789</b>	<b>17,98,24,654</b>

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 06, 2013

Place : Indore

For and on behalf of board of directors

Sd/ -

**Dhanpal Doshi**  
Managing Director

Sd/ -

**Parasmal Doshi**  
Whole Time Director

Sd/ -

**Anurag Kumar Saxena**  
Company Secretary

for the year ended 31st March, 2013

## 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.

### ▶ **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:

- 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.
- 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

for the year ended 31st March, 2013

(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 31st March, 2013

(Amount in Rs.)

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
<b>2. SHARE CAPITAL</b>		
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
<b>Total Rs.</b>	<b>10,00,00,000</b>	<b>10,00,00,000</b>

2.1 During previous year the Company has made an Initial Public Offer (IPO) of 40 Lacs Equity Shares of Rs. 10/- each at premium of Rs. 64/- per share for cash aggregating to Rs. 2960 Lacs and shares of the Company has been listed on BSE Ltd. and National Stock Exchange of India Ltd. (NSE) on 2nd November, 2011.

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

Particulars	As at 31st Mar 2013		As at 31st Mar 2012	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares at the beginning of the year	1,00,00,000	10,00,00,000	60,00,000	6,00,00,000
Add : Shares issued through IPO	-	-	40,00,000	4,00,00,000
Add : Shares issued through allotment Bonus	-	-	-	-
Less : Shares buy back of during the year	-	-	-	-
<b>Equity Shares at the end of the year</b>	<b>1,00,00,000</b>	<b>10,00,00,000</b>	<b>1,00,00,000</b>	<b>10,00,00,000</b>

## 2.3 Details of Shareholders holding more than 5% shares:

Name of Shareholder	As at 31st Mar 2013		As at 31st Mar 2012	
	No. of Shares	% held	No. of Shares	% held
Parasmal Doshi	11,65,900	11.66%	11,40,900	11.41%
Dhanpal Doshi	12,65,000	12.65%	11,77,500	11.78%
Varsha Doshi	14,04,850	14.05%	13,79,850	13.80%
Sadhana Doshi	8,73,450	8.73%	7,98,750	7.99%

## 2.4 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.

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
<b>3 RESERVES AND SURPLUS</b>		
<b>Security Premium Reserve</b>		
As per previous year balance sheet	23,86,15,136	-
Add: Share Premium	-	25,60,00,000
Less: Expenses adjusted against Share Premium *	-	-1,73,84,864
<b>Total Rs.</b>	<b>23,86,15,136</b>	<b>23,86,15,136</b>

\* Expenses adjusted against Share Premium account includes ROC expenses amounting to Rs. 6,81,446/- )

(Amount in Rs.)

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
<b>Profit &amp; Loss Account</b>		
As per previous year balance sheet	2,10,07,666	1,89,53,822
Less: Loss As Per P&L Statement	(6,99,224)	20,18,287
Add : Excess Provision reverse (FY 2011-2012)	1,894	-
Add : MAT Credit Related to FY. 2008-09	-	35,557
<b>Total Rs.</b>	<b>2,03,10,336</b>	<b>2,10,07,666</b>
<b>Grand Total Rs.</b>	<b>25,89,25,472</b>	<b>25,96,22,802</b>
<b>4 LONG TERM BORROWINGS</b>		
Loan From Financial Institutions #	-	7,69,467
<b>Total Rs.</b>	<b>-</b>	<b>7,69,467</b>
# Loan from Financial Institution secured against hypothecation of Furniture & Fixtures and Office Equipment		
<b>5 OTHER LONG TERM LIABILITIES</b>		
Security Deposits From Branches & Franchisee's	10,36,243	9,58,243
<b>Total Rs.</b>	<b>10,36,243</b>	<b>9,58,243</b>
<b>6 LONG TERM PROVISIONS</b>		
Provision for Gratuity	14,19,730	21,47,678
<b>Total Rs.</b>	<b>14,19,730</b>	<b>21,47,678</b>
<b>7 SHORT TERM BORROWINGS</b>		
<b>Secured Loan :</b>		
From Banks *	3,21,82,964	-
<b>Total Rs.</b>	<b>3,21,82,964</b>	<b>-</b>
* Loan from bank secured against FDRs		
<b>8 TRADE PAYABLE</b>		
Micro, Small and Medium Enterprises	-	-
Others	2,72,64,481	2,01,58,384
<b>Total Rs.</b>	<b>2,72,64,481</b>	<b>2,01,58,384</b>

8.1 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.

for the year ended 31st March, 2013

(Amount in Rs.)

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
<b>9 OTHER CURRENT LIABILITIES</b>		
Creditors For Expenses	15,26,461	9,85,492
Salary Payable	4,18,561	34,226
Other Payables	5,41,534	39,96,670
	<b>24,86,556</b>	<b>50,16,388</b>
<b>10 SHORT TERM PROVISIONS</b>		
Provision for Wealth Tax	3,36,128	-
Provision for Gratuity	5,38,299	-
Other Provisions	3,44,986	1,78,438
	<b>12,19,413</b>	<b>1,78,438</b>

**11 FIXED ASSETS**

DESCRIPTION	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	AS AT 01/04/2012	ADDITIONS (DELETION)	AS AT 31/03/2013	AS AT 01/04/2012	WRITTEN BACK	For The Period	Total 31/03/2013	AS AT 31/03/2013	AS AT 31/03/2012
<b>TANGIBLE ASSETS :</b>									
LAND & BUILDING	1,80,14,000	62,30,000	2,42,44,000	-	-	-	-	2,42,44,000	1,80,14,000
PLANT & MACHINERY	1,25,26,922	3,03,612	1,28,30,534	96,34,002	-	8,42,225	1,04,76,227	23,54,307	28,92,920
FURNITURE & FIXTURE	31,63,450	32,550	31,96,000	25,20,496	-	1,21,234	26,41,730	5,54,270	6,42,954
OFFICE EQUIPMENTS	18,79,169	1,71,450	20,50,619	10,99,012	38,963	1,24,342	11,84,391	8,66,228	7,80,157
VEHICLES	12,72,127	6,74,060	19,46,187	7,93,804	-	1,65,811	9,59,615	9,86,572	4,78,323
<b>Total</b>	<b>3,68,55,668</b>	<b>74,11,672</b>	<b>4,42,67,340</b>	<b>1,40,47,314</b>	<b>38,963</b>	<b>12,53,612</b>	<b>1,52,61,963</b>	<b>2,90,05,377</b>	<b>2,28,08,354</b>
<b>INTANGIBLE ASSETS :</b>									
COMPUTER SOFTWARE	18,11,578	13,125	18,24,703	16,27,829	-	77,714	17,05,543	1,19,160	1,83,749
<b>Total</b>	<b>18,11,578</b>	<b>13,125</b>	<b>18,24,703</b>	<b>16,27,829</b>	<b>-</b>	<b>77,714</b>	<b>17,05,543</b>	<b>1,19,160</b>	<b>1,83,749</b>
<b>GRAND TOTAL</b>	<b>3,86,67,246</b>	<b>74,24,797</b>	<b>4,60,92,043</b>	<b>1,56,75,143</b>	<b>38,963</b>	<b>13,31,326</b>	<b>1,69,67,506</b>	<b>2,91,24,537</b>	<b>2,29,92,103</b>
Previous year figures	3,64,91,514	21,75,732	3,86,67,246	1,45,72,948	-	11,02,195	1,56,75,143	2,29,92,102	2,19,18,565

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
<b>12 NON CURRENT INVESTMENT</b>		
Investment In Equity Shares Unquoted : 4,25,200 Indo Thai Commodities Pvt. Ltd. (4,25,200)	42,52,000	42,52,000
<b>Total Rs.</b>	<b>42,52,000</b>	<b>42,52,000</b>
<b>13 DEFERRED TAX ASSET (NET)</b>		
Deferred Tax Asset related to timing difference of depreciation on Fixed Assets	33,579	25,329
Deferred Tax Asset related to disallowances under the Income Tax Act, 1961	6,05,031	6,63,633
<b>Total Rs.</b>	<b>6,38,610</b>	<b>6,88,962</b>
<b>14 LONG TERM LOAN &amp; ADVANCES</b>		
Deposits With Exchange	2,40,00,000	1,82,00,000
Other Deposits	11,14,128	11,26,300
Other Advances	56,60,721	22,47,050
	<b>3,07,74,849</b>	<b>2,15,73,350</b>



for the year ended 31st March, 2013  
(Amount in Rs.)

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
<b>15 CURRENT INVESTMENT</b>		
<b>Investment In Equity Instrument (Quoted) :</b>		
Investment In Shares *	81,09,473	2,58,582
<b>Investment In Mutual Fund# (Quoted) :</b>		
<b>Units</b>		
- DSPBR Money Manager Fund (2,735.522)	-	40,00,000
- ICICI PRU Flexible Income Plan (33,136.338)	-	40,00,000
- IDBI Ultra Short Term Fund (6,992.047)	-	80,02,208
- IDFC Ultra Short Term Fund (675,620.896)	-	1,00,16,688
- Indiabulls Liquid Fund (57,665.865)	-	6,00,86,874
- L&T Ultra Short Term Fund (519,402.572)	-	90,00,000
- Reliance Monthly Interval Fund (1,380,147.952)	-	2,00,91,666
- Religare Credit Opportunities Funds (635,050.359)	-	75,77,929
- SBI Magnum Insta Cash LFP (3,626.782)	-	50,00,000
976615.302 Reliance Gilt Securities Fund (-)	1,43,28,704	-
3086.513 Religare Ultra St Fund Rg (-)	50,06,761	-
6960.027 Religare Mf Collection A/ C - 1 (-)	1,12,94,797	-
3979.913 Idbi Mf Collection A/ C (-)	50,09,933	-
7040.295 Reliance Lf Fund Treasury Plan (-)	2,01,00,688	-
<b>Total Rs.</b>	<b>6,38,50,356</b>	<b>12,80,33,947</b>

\*Market Value of quoted Equity Investment as on 31-MAR-2013 is Rs. 86,75,832/- (Previous Year Rs. 1,74,093/-)

# Investment in Mutual Fund Shown on NAV

Note : Figures in brackets shows previous year units

**16 TRADE RECEIVABLES**

**More than 6 months**

Secured

1,96,37,486

6,90,269

Unsecured considered good

21,20,120

13,90,512

**Others**

Secured

-

76,68,562

Unsecured considered good

3,73,58,879

1,02,24,972

**Total Rs.**

**5,91,16,485**

**1,99,74,315**



for the year ended 31st March, 2013

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
<b>17 CASH &amp; CASH EQUIVALENTS</b>		
Cash In Hand	3,40,351	1,92,274
Stamp In Hand	6,600	19,500
<b>Bank Balances :</b>		
With Scheduled Banks		
Current Accounts	95,86,133	42,65,454
Deposit Accounts with maturity		
- Less than 1 year	19,74,88,233	12,65,92,226
- More than 1 year	2,33,10,472	4,87,55,200
<b>Total Rs.</b>	<b>23,07,31,789</b>	<b>17,98,24,654</b>
<b>18 SHORT TERM LOANS &amp; ADVANCES</b>		
<b>(Unsecured And Considered Good)</b>		
Misc. Receivables	11,41,751	10,72,983
Prepaid Expenses	16,55,606	21,20,426
Other Advances	21,29,148	57,61,482
<b>Total Rs.</b>	<b>49,26,505</b>	<b>89,54,891</b>
<b>19 OTHER CURRENT ASSETS</b>		
Accrued Interest	6,97,248	5,95,112
<b>Total Rs.</b>	<b>6,97,248</b>	<b>5,95,112</b>
<b>20 REVENUE FROM OPERATIONS</b>		
<b>Income from Operation</b>		
Brokerage	1,92,35,303	2,11,34,275
Income From Depository Operations	10,28,860	10,45,289
<b>Sales of Shares</b>	6,70,82,751	2,77,21,157
<b>Other Operating Income</b>	4,870,243	17,05,631
<b>Loss in F&amp;O Segment (Proprietary A/c)</b>	<b>(2,24,72,827)</b>	<b>(74,76,125)</b>
<b>Total Rs.</b>	<b>6,97,44,330</b>	<b>4,41,30,227</b>
<b>21 OTHER INCOME</b>		
<b>Dividend:</b>		
Dividend Received	7,54,722	7,55,729
<b>Interest :</b>		
Interest on FDRs	1,85,78,543	72,50,615
<b>Other Income:</b>		
Miscellaneous Income	1,45,511	2,55,806
Recovery of Bad Debts	2,03,500	58,649
Income From Mutual Fund Investment	1,07,40,278	75,03,930
<b>Total Rs.</b>	<b>3,04,22,554</b>	<b>1,58,24,729</b>
<b>22 PURCHASE &amp; OPERATING EXPENSES</b>		
Purchase of Shares	6,70,51,915	2,97,73,987
Operating Expenses		
Membership & Subscription fee	1,75,500	4,32,000
Commission to Branches	26,57,740	10,40,900
Depository Expenses	5,22,662	4,18,444
Annual Maintenance Expenses	11,20,083	6,51,041
VSAT & Internet Charges	6,86,123	9,25,928
Other Operating Expenses	37,469	25,862
<b>Total Rs.</b>	<b>7,22,51,492</b>	<b>3,32,68,161</b>

for the year ended 31st March, 2013  
(Amount in Rs.)

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
<b>23 CHANGE IN INVENTORIES</b>		
Opening Inventory	19,62,066	8,33,560
Closing Inventory	4,22,480	19,62,067
<b>Total Rs.</b>	<b>15,39,586</b>	<b>(11,28,507)</b>
Note : Inventory valued at cost or market price whichever is less		
<b>24 EMPLOYEE BENEFIT EXPENSES</b>		
Salary and Wages	1,03,16,194	91,55,462
Contribution to Provident & Other Funds	6,52,041	7,67,801
Staff Welfare	5,11,046	3,95,365
<b>Total Rs.</b>	<b>1,14,79,281</b>	<b>1,03,18,628</b>
<b>24.1 Details of Director's Remuneration:</b>		
<b>Managing Director</b>		
- Salary	4,92,000	4,92,000
- Perquisites	1,32,000	1,32,000
<b>Whole Time Directors</b>		
- Salary	14,40,000	13,32,000
<b>Total Rs.</b>	<b>20,64,000</b>	<b>19,56,000</b>

**24.2 Defined Contribution Plans :**

The Company has made provision for Gratuity amounting to Rs. 21.48 Lacs payable to employees, in compliance of recommendation of Accounting Standard 15 "Employees Benefit".

**Actuarial Assumptions :**

Withdrawal Rate	1% to 8% depending on age
Discount rate	8.25 % p. a.
Salary Escalation	5 %

**Amount Recognized In the Balance Sheet :**

Present Value of past services benefit	17,07,842
Present Value of current year services cost	2,50,187
<b>Total Provision made in the year 2012-13</b>	<b>19,58,029</b>

<b>25 FINANCIAL COST</b>		
Bank Charges	29,440	41,572
Bank Guarantee Commission	2,55,744	9,65,306
Bank Interest	26,52,399	6,88,242
Other Interest	52,509	5,27,291
<b>Total Rs.</b>	<b>29,90,092</b>	<b>22,22,411</b>
<b>26 OTHER EXPENSES</b>		
<b>Administrative Expenses</b>		
Electricity Expenses	9,61,111	7,98,555
Insurance Charges	2,10,423	2,51,694
Rent	21,27,517	22,40,239
Telephone & Postage Expenses	7,70,488	8,32,446
Repairs & Maintenance Expenses	2,84,111	3,69,018
Printing & Stationery	2,94,827	3,29,095
Legal & Professional Expenses	13,05,721	7,20,408
Advertisement & Business Promotion Expenses	13,99,529	2,40,298
Traveling Expenses	3,51,466	3,10,513
Wealth Tax	13,14,035	-
General Expenses	10,70,957	10,96,649
Preliminary Expenses	10,25,324	-
Loss on Sale of Fixed Asset	3,537	-
Loss on Sale of Investment	96,732	19,63,184
<b>Total Rs.</b>	<b>1,12,15,778</b>	<b>91,52,099</b>



for the year ended 31st March, 2013

(Amount in Rs.)

Particulars	As at 31st Mar 2013	As at 31st Mar 2012
<b>26.1 Details of Auditor's Remuneration (Excluding Service Tax)</b>		
Statutory Audit Fee	45,000	40,000
Tax Audit Fee	10,000	10,000
Certification fee	10,000	10,000
<b>Total Rs.</b>	<b>65,000</b>	<b>60,000</b>
<b>27 EARNINGS PER SHARE (EPS)</b>		
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.)	6,99,224	20,18,287
ii) Weighted Average number of equity shares used as denominator for calculating EPS	1,00,00,000	77,04,918
iii) Basic and Diluted Earnings per share (Face value Rs. 10/- per equity share )	.07	.26

**28 CONTINGENT LIABILITIES:**

A. Contingent Liabilities not provided for :

(Amount in Rs.)

Particulars	2012-13	2011-12
Counter guarantees in respect of guarantees given by banks to the Stock Exchanges towards base capital, margin deposits etc.	1,36,80,000	5,86,80,000
Pledged of fixed deposits with the bank against the above bank guarantees	68,40,000	2,95,14,843

- 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. SEGMENT REPORTING:**

Segment information for the year ended March 31 2013. Primary segment information (by Business segment)  
(Amount in Rs.)

S.No.	Particulars	Equities, Brokerage & related	Financing and Investment	Realities	Total
<b>1</b>	<b>Segment Revenue</b>				
	External	10,01,61,822	5,062	-	10,01,66,884
		<i>5,99,54,957</i>	-	-	<i>5,99,54,957</i>
	Inter-Segment	-	-	-	-
		-	-	-	-
	Total Revenue	10,01,61,822	5,062	-	10,01,66,884
		<i>5,99,54,957</i>	-	-	<i>5,99,54,957</i>
<b>2</b>	<b>Segment Result</b>	3,85,209	-2,99,179	-7,26,701	-6,40,671
		<i>32,60,980</i>	-	-	<i>32,60,980</i>
	Less Unallocated Expenses	-	-	-	-
		-	-	-	-
	Operating Profit	3,85,209	-2,99,179	-7,26,701	-6,40,671
		<i>32,60,980</i>	-	-	<i>32,60,980</i>
	Interest Expenses				-
	Profit before Tax				-6,40,671
					<i>32,60,980</i>
	Net Profit after Tax				-6,99,224
					<i>20,18,287</i>
<b>3</b>	<b>Segment Assets</b>	40,37,23,149	2,08,00,821	10,888	42,45,34,858
		<i>38,88,51,400</i>	-	-	<i>38,88,51,400</i>
	Unallocated Corporate Asset	-	-	-	-
	Total Assets	40,37,23,149	2,08,00,821	10,888	42,45,34,858
		<i>38,88,51,400</i>	-	-	<i>38,88,51,400</i>
<b>4</b>	<b>Segment Liabilities</b>	6,56,06,578	-	2,809	6,56,09,387
		<i>2,92,28,598</i>	-	-	<i>2,92,28,598</i>
	Unallocated Corporate Liabilities	-	-	-	-
	Total Liabilities	6,56,06,578	-	2,809	6,56,09,387
		<i>2,92,28,598</i>	-	-	<i>2,92,28,598</i>
<b>5</b>	<b>Capital Expenditure</b>	74,24,797	-	-	74,24,797
		<i>21,75,732</i>	-	-	<i>21,75,732</i>
	Unallocated Capital Expenditure	-	-	-	-
	Total Expenditure	74,24,797	-	-	74,24,797
		<i>21,75,732</i>	-	-	<i>21,75,732</i>
<b>6</b>	<b>Depreciation</b>	13,31,326	-	-	13,31,326
		<i>11,02,195</i>	-	-	<i>11,02,195</i>
	Unallocated Depreciation	-	-		
	Total Depreciation	13,31,326	-	-	13,31,326
		<i>11,02,195</i>	-	-	<i>11,02,195</i>
<b>7</b>	<b>Non-cash Expenditure Other than Depreciation</b>	-	-	-	-

Note : Figures in italic shows previous year figures.

for the year ended 31st March, 2013

33 During the previous year the Company has made an Initial Public Offer (IPO) of 40 Lacs Equity Shares of Rs. 10/- each at premium of Rs. 64/- per share against which total expenses of Rs. 167.03 Lacs were incurred which were adjusted against Share Premium. Further Company has paid interest of Rs. 12.81 lacs to the Investors due to delay in allotment procedures, has been considered as share issue expenses and treated accordingly.

(Rs in Lacs)

S.No.	Particulars of Funds Utilisation	Revised Object of IPO*	Utilisation upto 31.03.2013
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	100.49
4	Brand building & advertising	25.00	13.77
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	7.35
<b>Total</b>		<b>2960.00</b>	<b>2058.74</b>

The unutilized proceeds of IPO is invested in Mutual Fund and Fixed Deposits of Rs. 901.26 Lacs.

\* During the year the Company has revised its objectives given in Prospectus through postal ballot process.

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, 2013, are as under:

(Amount in Rs.)

Minimum Lease Rentals	2012-13	2011-12
<b>Due for:</b>		
- Up to one year	9,45,495	18,23,384
- One to five years	34,500	4,14,000
- Over five years	Nil	Nil
<b>Total</b>	<b>9,79,995</b>	<b>22,37,384</b>

35 Company has following open position in derivatives as on March 31, 2013

Instrument Name	Expiry Date	Strike Price	Qty	Exposure (In Rs.)
NIFTY (CE)	25-04-2013	5,800	1,000	-
NIFTY (CE)	25-04-2013	5,700	(2,000)	-
NIFTY (PE)	25-04-2013	5,700	(1,500)	-
BSX (CE)	25-04-2013	19,200	(90)	-
BSX (CE)	25-04-2013	19,400	(90)	-

**36 Fixed deposits with Scheduled Banks under the lien of (as on 31st March 2013) :**

Bank Name	FD Amount (In Lacs)	Lien
Canara Bank	1005.00	Against Overdraft
Canara Bank	244.44	With Exchange
Indusind Bank	235.00	With Exchange
Indusind Bank	70.00	Against Overdraft
Bank of India	25.00	With Exchange
Indusind Bank	250.00	With Exchange
Indusind Bank	76.96	Bank guarantee to Exchange

37 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 2013	As at 31st March 2012
Indo Thai Fincap Ltd	100 %	-
Indo Thai Realities Ltd	100 %	-

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

**39. 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 Affair, Government of India date 8th February, 2011**

(Amount in Rs.)

Particulars	For the year ended 31 March, 2013	
	Indo Thai Fincap Ltd.	Indo Thai Realities Ltd.
Capital	2,11,00,000	7,34,780
Reserve & Surplus	(2,99,179)	(7,26,701)
Total Assets (Fixed Assets+ Investment+ Other Asset)	2,08,00,821	10,888
Total Liabilities (Borrowing+ Other Liabilities+ Provisions)	-	2,809
Turnover/ Total Income	5,062	0
Profit/ (loss) before Taxation	(2,99,179)	(7,26,701)
Provision for Taxation	-	-
Profit/ (loss) after Taxation	(2,99,179)	(7,26,701)
Proposed Dividend and Tax	-	-

Note: Both subsidiaries formed in current year hence previous year figure are not applicable.

for the year ended 31st March, 2013

**40 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
	Chandra Shekhar Doshi
	Rajmati Hingad
	Vijaya Jain
	Kumkum Jain
	Nishit Doshi
	Sarthak Doshi
	Nivya Doshi
	Ritu Doshi
	Praveen Bandi
	Sunita Bandi
	Jaya Bandi
	Anita Khasgiwala
Enterprises where key management personnel exercise significant influence	Paras Doshi (HUF)
	Dhanpal Doshi (HUF)
	Rajendra Bandi (HUF)
	M/ sDinesh Enterprises
	M/ sSun Décor World
	M/ sBalmukund Ramkishan Bang
	M/ sJaya Securities
Companies where key management personnel exercise significant influence	Indo Thai Commodities Pvt. Ltd.
	Surana Estate & Commodity Trading Pvt. Ltd.
	Vistar Villas Private Limited
	Sand & Stone Residency Private Limited
	Citadel Real Estates Private Limited
	Future Infra estates Private Limited
	Rising Infra real Private Limited
	Geetanjali Buildoon Private Limited
	3M Consultants Limited
	Indo Thai Real Estate Private Limited
	Provident Real Estates Pvt Ltd.
	Oscar Buildoon Pvt Ltd.
	Prosperity Residency Pvt Ltd.
	Red Carpet Residency Pvt Ltd.



**(ii) Transactions during the year with related parties :**

(Amount in Rs.)

Nature of Transaction	KMP & their Relatives	Associates	Total
Brokerage Received	15,26,190	-	15,26,190
	(4,50,049)	-	(4,50,049)
Remuneration Paid	23,85,866	-	23,85,866
	(24,42,800)	-	(24,42,800)
Rent Paid	4,14,000	-	4,14,000
	(6,43,750)	-	(6,43,750)
Receivables	12,97,538	-	12,97,538
	-	-	-
Payables	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 06, 2013  
Place : Indore

For and on behalf of board of directors

Sd/-  
**Dhanpal Doshi**  
Managing Director

Sd/-  
**Parasmal Doshi**  
Whole Time Director

Sd/-  
**Anurag Kumar Saxena**  
Company Secretary

## This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



[illegible]





**ATTENDANCE SLIP**

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

Name of Share Holders	
Address	

I/We hereby record my/our presence at the **19th Annual General Meeting** of the Company held on Friday, September 27, 2013 at 11.00 a.m. at **Hotel Sarovar Portico**, Treasure Island, 11, South Tukoganj, M.G. Road, Indore (M.P.) - 01.

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.



**PROXY FORM**

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

I/We ..... of ..... in the district of ..... being a member(s) of **Indo Thai Securities Limited** hereby appoint Shri/Smt. .... of ..... in the district of ..... or failing him / her Shri/Smt. .... of ..... in the district of ..... as my/our proxy to vote for me/us and on my/our behalf at the **19th Annual General Meeting** of the Company to be held on Friday, September 27, 2013 at 11.00 a.m. at **Hotel Sarovar Portico**, Treasure Island, 11, South Tukoganj, M.G. Road, Indore (M.P.) - 452001 and at any adjournment thereof.

Signed this ..... day of ..... 2013

Signature \_\_\_\_\_

Affix  
Revenue  
Stamp of  
Re.1/-

Note :

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



Indo Thai

Trade with Confidence

INDO THAI SECURITIES LIMITED



NSE Investor Protection Fund Trust  
Investor Protection through education



# INVESTOTHON 2012







**Indo Thai**

Trade with Confidence

## **INDO THAI SECURITIES LIMITED**



**There is no elevator to success.  
You have to take the stairs.**

If undelivered please return to :

**INDO THAI SECURITIES LIMITED**

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

Ph.: (0731) 2705420/22

Fax : (0731) 2705423

Email : [indothaigroup@indothai.co.in](mailto:indothaigroup@indothai.co.in)

Website : [www.indothai.co.in](http://www.indothai.co.in)