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CORPORATE INFORMATION

BOARD OF DIRECTORS:

1. Shri Nagji K. Rita	Chairman & Managing Director
2. Shri Virendra D. Singh	Director
3. Shri Harilal B. Rita	Director
4. Shri Vinod K. Shah	Director
5. Shri Pravin N. Gala	Director
6. Shri Srinivasaiyer Jambunathan	Independent Director
7. Shri Harshawardhan M. Gajbhiye	Independent Director
8. Shri Deepak M. Vaishnav	Independent Director
9. Shri Ajay Khera	Independent Director
10. Shri Dilip C. Shah	Independent Director

AUDIT COMMITTEE

Shri Harshwardhan Gajbhiye
Shri Srinivasaiyer Jambunathan
Shri Nagji K. Rita

REMUNERATION / COMPENSATION COMMITTEE

Shri Srinivasaiyer Jambunathan
Shri Harshwardhan Gajbhiye
Shri Vinod K. Shah

INVESTORS GRIEVANCES COMMITTEE

Shri Ajay Khera
Shri Arun Joshi
Shri Nagji K. Rita

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Bhavi R Gandhi

STATUTORY AUDITORS

M/s. PHD & Associates
Chartered Accountants

INTERNAL AUDITORS

M/s. SMARK & Co, Chartered Accountants

BANKERS

Bank of India
HDFC Bank Ltd.
Kotak Mahindra Bank Ltd.
Axis Bank Ltd.
Punjab National Bank
Syndicate Bank
State Bank of India
ICICI Bank Ltd.
Canara Bank

REGISTERED OFFICE

201, 2nd floor, Viraj Towers,
Western Express Highway,
Andheri – East, Mumbai - 400069

REGISTRAR AND SHARE TRANSFER AGENT

C -13, Pannalal Silk Mills Compound
L.B.S Marg, Bhandup (West), Mumbai – 400 078
Tel. No.: +91 22 2596 0320

CHAIRMAN'S SPEECH

Dear Shareholders,

It is with great joy that I welcome you to the Company's 18th Annual General Meeting & I am happy to report that your company has been turn in a good performance with sustained Gross Income & Profit After Tax.

Overview of Financial Year 2013

Over the past year, we have been put to the test through a very challenging business environment. The India's growth story faced tough macro & global headwinds which put corporate earnings under pressure & impacted investor sentiments towards equities.



The economic outlook for the country continues to be promising despite concern around rising inflation. Despite this difficult operational environment in FY2013, we worked actively to make strong our position in the market by focusing on the following key areas, so that we can help tap the opportunities once the market tide turn favorable:-(1) Giving more emphasis on technology to provide the enhanced service experience to our clients across the entire customer engagement process. (2) Effectively managing those costs that can be controlled & deliver to consistent profit margins despite these challenging times, using capital in amicable manner to ensure healthy & risk free balance sheet, which gives us the ability tap any viable opportunities that arise etc.

We have adopted a strategic approach towards sustainability by including wider economic, social & environmental objectives in our core business strategy. Our Responsible Broking philosophy is critical to our sustainability strategy. Our intervention helps create new growth opportunities for people at the lower middle & bottom of the social pyramid. Going forward, we will continue to emphasis on a measure of our performance.

To sustain our business in such challenging situation, by being more responsible & responsive to our entire stakeholder community including customer, employee, investors & the community. We are constantly working towards this objective & have been recognized for our initiatives. At Inventure Growth & Securities Ltd., we are committed to vision & strategy of balanced growth in these demanding times. As we go forward, the Inventure Growth & Securities Ltd. will be defined by four dimensions – Diversification, Efficiency, Growth & Quality.

Our consolidation Revenue for the financial year 2013 were 27.84 Crores (278.43 Million), however the profit after tax for such financial year was 7.11 Crores (71.10 Million). Inventure Growth & Securities Ltd. today touched in a wide range of client nearby 32,799 in rural & urban economically weaker section of the society to mass Retail, mass affluent & HNIs, Corporate & Domestic Institutional Investors.

For Inventure Growth & Securities Ltd. FY2013 was the year in which we were launching very soon the new phase of our growing story i.e. Dematerialization of Insurance Policy through Central Insurance Repository Limited. This new phase will see consolidation leading to non-linear growth. An Insurance Repository is a company recognized by the Insurance regulator for maintaining a data of Insurance Policies (Life, Health, Motor & Group covers) in electronic form on behalf of the insurers, including the history of transaction during the term of policy. They are similar to depositories that hold equity shares in demat form, IRDA has approved five repositories promoted by NSDL, CDSL, SHCIL, Cams and Karvy for setting up insurance repository. This is being done by focusing increasing efficiencies, continuing investment technologies, robust risk management system, stabilizing newer business & supporting high quality leadership pool.

I am confident that the hard work of our team & support of the entire stakeholder community will take Inventure Growth & Securities Ltd. to greater heights of Securities market excellence in India. I would like to express my sincere efforts of our Members of Board of Director & also great thanks to our Employee & concern authorities for their valuable support & guidance. We also great fully acknowledged our stakeholders sincere relationship with us.

Let me end by saying we at Inventure Growth & Securities Ltd. are driven to constantly improve services, remain committed to creating value for all our stakeholder & continue our journey onward, upward & homeward bound.

Warm regards,

Mr. Nagji K. Rita
Chairman & Managing Director

NOTICE

NOTICE is hereby given that the Eighteenth Annual General Meeting of the members of Inventure Growth & Securities Limited will be held on 26th September, 2013 at **10:30 A.M** at Koshish Hall, Behind Dena Bank, Off Daftary Road, Malad East, Mumbai, - 400097 to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013, the Profit & Loss Account for the Financial Year ended as on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Shri Pravin N. Gala who retires by rotation and, eligible, for re-appointment.
3. To appoint a director in place of Shri Harshwardhan M. Gajbhiye, who retires by rotation and, eligible for re-appointment.
4. To re-appoint Auditors M/s. PHD & Associates, Chartered Accountants, the retiring auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

5. Amendment to the Object Clause of the Memorandum of Association of the Company.

To consider and if thought fit, to pass with or without Modification this following resolution as a Special Resolution.

“RESOLVED THAT pursuant to provisions of Section 17 and other applicable provisions, if any of the Companies Act 1956, read with the Memorandum of Association of the Company, Clause III A of the Memorandum Association of the Company relating to Main Object Clause be and is hereby altered and amended by inserting following object Clause 1B after Clause IA of the Memorandum of Association.

“To carry on the Business as Depository Participants in India by acquiring membership of Depositories like Central Depository Services (India) Limited (CDSL), National Securities Depository Limited (NSDL) or any other organization providing the Depository Services, Depository clearing Services, custodian clearing services and professional clearing services and to operate, run, manage and deal in all the permitted activities for providing Depository Services with a high standard of integrity, honour and to ensure business activities in a transparent, fair and open manner”

“RESOLVED FURTHER THAT Mr. Nagji K. Rita, Chairman & managing Director of the Company, be and is hereby authorised on behalf of the Company to do all acts, deeds, matter and things as may be necessary, proper or expedient to give effect to the aforesaid resolution and to file all such forms, documents and papers with the Registrar of Companies and other concerned authorities as may be required for alteration of Main Object Clause”.

By order of the Board of Directors
For **Inventure Growth & Securities Limited**

Bhavi Gandhi
Company Secretary

Place: Mumbai
Date: 12/08/2013

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must be received by the company not less than 48 hours before the meeting.
2. Members/Proxies should bring the enclosed attendance Slip duly filled in, for attending the Meeting, along with the Annual Report.
3. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting in terms of Section 187 of the Companies Act, 1956.
4. An Explanatory Statement as required under Section 173 (2) of the Companies Act, 1956 pertaining to the business contained in item no. 5 is annexed hereto.
5. The Register of Members and Share Transfer Books will remain closed from 20.09.2013 to 26.09.2013 (both days inclusive) for the purpose of Annual General Meeting
6. Members are requested to notify changes, if any, in their addresses to their depository participants in respect of their holding in electronic form and to Registrar and Share Transfer Agents (RTA's) of the Company, LINKINTIME INDIA PRIVATE LIMITED in respect of their holding in physical form.
7. Members Holding Shares in Physical form may obtain the Nomination form from the Company's Registrar & Share Transfer Agent.
Members holding Shares in electronic form may obtain the Nomination forms from their respective Depository Participants.
8. Members desiring any information/clarification on the accounts are requested to write to the Company at least 10 days in advance, so as to enable the management to keep the information ready at the Annual General Meeting.
9. Should any assistance be desired/clarification be sought, you may write to the Company Secretary and Compliance Officer at "Inventure Growth & Securities Limited", 2nd Floor, Viraj Towers, W. E. Highway, Near Landmark Building, Andheri- East, Mumbai 400 069.
10. The Company has designated an exclusive e-mail id viz. investorgrievances@inventuregrowth.com to enable investors to register their complaints/queries, if any.
11. To support the green initiative of the Ministry of Corporate Affairs in full measure, members are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants Members who hold shares in physical form are requested to register their e-mail addresses with the Company's Registrars, M/s. Link Intime India Pvt. Ltd. at the address mentioned in point No.6 of this section.

By the order of the Board of Directors,

Mrs. Bhavi R. Gandhi
Company Secretary

EXPLANATORY STATEMENT IN RESPECT OF ITEM NO.5 OF THE NOTICE PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No 5.

Your Company has already acquired membership of CDSL, for depository services for the benefit of trading members. However the renewal of same is now due and SEBI has now insisted for an Object relating to such activity in the Object Clause of the Memorandum of Association of the Company.

In order to insert such new object relating to depository services of the Company, it is proposed to add a new clause 1B immediately after sub clause IA under Main Object clause of the Memorandum of Association to carry out the depository activities of the Company to facilitate renewal of depository membership with CDSL.

As such, approval of the shareholders is being sought by way of Special Resolution for alteration of "Main Object Clause" of "Object Clause" of Memorandum of Association of the Company.

None of the Directors of the Company is, in any way concerned or interested in the aforesaid Resolution.

By the order of the Board of Directors,

Mrs. Bhavi R. Gandhi
(Company Secretary)

**INFORMATION OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT
PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT**

Name	Shri Pravin N. Gala	Shri Harshwardhan M. Gajbhiye
Date of Birth	2/11/1964	23/04/1945
Date of Appointment	27/06/1995	29/07/2008
Qualifications	CA	MA, IAS
Directorship held in other Companies	<p>1) Anupam Stock Broking Private Limited</p> <p>2) Nipra Financial Services Private Limited</p> <p>3) Vantage Corporate Services Limited</p>	<p>1) TRIF Real Estate and Development Private Limited</p> <p>2) Pune Solapur Expressways Private Limited</p> <p>3) Trif Kochi Projects Private Limited</p> <p>4) Gurgaon Infratech Private Limited</p>
Brief Profile covering experience achievements etc.	<p>Mr. Pravin N. Gala, 49 years, is the Non Executive Director of our Company, since June 27, 1995. He is a fellow member of the Institute of Chartered Accountants of India. For the last Sixteen years he has been engaged in the stock markets and has previously worked with a category II Merchant Banker, Gaurav Capital and Financial Services Limited. Capitalizing on his experience, he started a stock broking company named Nipra Financial Services Private Limited. Currently he is engaged in various financial activities including equity broking, portfolio management service, loan syndication and risk management.</p>	<p>Mr. Harshawardhan M. Gajbhiye, 68 years, is a Non Executive and Independent Director of our Company. He retired in April 2005 from the Indian Administrative Service (1985 Batch) in Suppertime Scale. He started his career in the year 1969 with the Department of Co-operation, Government of Maharashtra wherein he held various senior positions. During his tenure with the Indian Administrative Service he has worked on various posts such as the C.E.O. of Zilla Parishad, Deputy Secretary of the Revenue Department, Director of Small Savings and State Lotteries, Controller of Rationing-Mumbai, Additional Commissioner of Sales Tax, Municipal Commissioner-Aurangabad</p>

		and Managing Director- Maharashtra Agro Industries Development Corporation Limited.
Shares held in the Company	3360000	Nil

By the order of the Board of Directors,

Mrs. Bhavi R. Gandhi
(Company Secretary)

BOARD OF DIRECTORS

Shri. Nagji K. Rita, Chairman and Managing Director

Mr. Nagji K. Rita, 61 years, is the Chairman and Managing Director of our Company. He is one of our founder members and has been with our Company, in the capacity of a Director since incorporation. He is a Bachelor of Commerce from the University of Mumbai. He started his career by managing a grocery store. His experience includes running and managing a departmental store of custom notified consumer durable goods by the name Oswal Consumer Co-operative Society from the year 1982 to 1990.

In the year 1991 he joined Mr. Arvind M. Shah, a member of BSE, as a sub-broker and trader. Capitalising on his experience and knowledge gained as a sub-broker he incorporated our Company in the year 1995. He has been involved in the capital markets for approximately twenty years and has also held the post of director of the Governing Board of the Bombay Stock Exchange Limited from 2004 to 2006.

He has been:

- Awarded the 'Stock Market Award' on behalf of the Company by Bruhad Mumbai Gujarati Samaj for his exceptional achievement in the field of Stock Market in the year 2009;
- Felicitated by Commissioner of Police for supporting the Mumbai Police in maintaining peace, order, communal harmony and unity in the year 2008;
- Awarded 'Sanman Patra' by Sanskar Sarjan Education Trust in the year 2004;
- Awarded 'Best Corporate Services Award' by Kutch Shakti in the year 2004 for his exceptional achievements in the field of Corporate Services;
- Awarded Gujarat's Gaurav Award by Divya Bhaskar in the year 2010; and
- Awarded 'Swarnim Maharashtra Award – 2011' by Bruhad Mumbai Gujarat Samaj in the year 2011.
- Awarded 'Vyapar Ratna Puraskar-2012' in the year 2012 by Rashtravadi Congress Party Vyapar Udhog Vibhag

Further he is involved with several non-governmental organizations for the promotion of social and humanitarian activities

Shri. Harilal B. Rita

Mr. Harilal . Rita 42 years, is the Non Executive Director of our Company, Since February 2012. He started his career in the year 1990. He has around 8 years of Experience in Fiance & Brokerage and overall he has 21 years of experience. At present he is a Director in Keshvi Developers Pvt Ltd, Pioneer Securities Pvt Ltd and Kothari Builders Pvt Ltd. He is also a Partner in Kenorita Realty, LLP

Shri. Virendra Singh, Whole-time Director

Mr. Virendra Singh, 57 years, is the Whole-Time Director of our Company. He is one of the founder members of our Company and has been with our Company, in the capacity of a Director since the time of incorporation. He is a Bachelor of Science from the University of Bombay. His experience includes fifteen years in the field of Capital Markets and seven years in marketing pharmaceuticals. He has been instrumental in the expansion of our Company's various financial services. He is actively associated with the functionality of these companies and is involved in the overall planning and strategizing of our Company. Mr. Singh is also a director of:

- Central Warehouse Corporation, a Government of India undertaking;

- Central Railside Warehouse Company, a Government of India undertaking;
- Inventure Commodities Limited;
- Inventure Wealth Management Limited; and
- Inventure Insurance Broking Private Limited.

He is also the Chairman of

- National Co-operative Consumers' Federation of India

Shri. Vinod K. Shah, Non Executive Director

Mr. Vinod K. Shah, 55 years, is the Non Executive Director of our Company. He is one of the founder members of our Company and has been with us as a Director since the time of incorporation. He started his career as a director with Nirmal Poly Plast Private Limited which is engaged in the business of manufacture and export of plastic house-ware. He has diversified business interests in the areas of polymers, textiles, plastic multi-products and realty. He looks after overall management of Nirmal Poly Plast Private Limited which involves accounting, finances, marketing and exports.

Shri. Pravin N. Gala, Non Executive Director

Mr. Pravin N. Gala, 49 years, is the Non Executive Director of our Company, since June 27, 1995. He is a fellow member of the Institute of Chartered Accountants of India. For the last fifteen years he has been engaged in the stock markets and has previously worked with a category II Merchant Banker, Gaurav Capital and Financial Services Limited. Capitalizing on his experience he started a stock broking company named Nipra Financial Services Private Limited. Currently he is engaged in various financial activities including equity broking, portfolio management service, loan syndication and risk management.

Shri. Srinivasaiyer Jambunathan, Independent Director

Mr. Srinivasaiyer Jambunathan, 75 years, is a Non Executive and Independent Director of our Company. He is a gold medallist in Mathematics from Madras University. He is an officer of Indian Administrative Service, 1960 Batch. He has been a member of the Board of Directors of the Bombay Stock Exchange Limited for a period of six years and has further served as a Non-Executive Chairman for three years. He has also served as: -

- Chairman and Managing Director of Export Credit Guarantee Corporation, Government of India;
- Addational Chief Secretary (Home) Maharashtra;
- Managing Director of Maharashtra State Finance Corporation;
- Vice Chairman cum General Manager of Maharashtra State Road Transport Corporation;
- Joint Secretary Defence Production;
- Chairman of the State Bank of Mauritius, Local Advisory Board;
- Secretary General of Council for Fair Business Practices; and
- Hon. Director, Bhartiya Vidya Bhavan, Gandhi Institute of Computer Education.

Shri. Harshawardhan M. Gajbhiye, Independent Director

Mr. Harshawardhan M. Gajbhiye, 68 years, is a Non Executive and Independent Director of our Company. He retired in April 2005 from the Indian Administrative Service (1985 Batch) in Supertime Scale. He started his career in the year 1969 with the Department of Co-operation, Government of Maharashtra wherein he held various senior positions. During his tenure with the Indian Administrative Service he has worked on various posts such as the C.E.O. of Zilla Parishad, Deputy Secretary of the Revenue Department, Director of Small

Savings and State Lotteries, Controller of Rationing-Mumbai, Additional Commissioner of Sales Tax, Municipal Commissioner-Aurangabad and Managing Director-Maharashtra Agro Industries Development Corporation Limited.

Shri. Deepak M. Vaishnav, Independent Director

Mr. Deepak M. Vaishnav, 49 years, is the Non Executive and Independent Director of our Company. He is a Chartered Accountant by profession. He has a vast experience of 19 years in the fields of business process re-engineering, computerisation of processes, ERP evaluation, implementation and post production support, ERP due diligence, providing functional, technical and strategic support to various teams working on various projects in diverse industries like stock exchange, finance, real estate, telecommunication, banking, government financials, IT consulting, insurance and investments, process manufacturing, retail etc. at different locations in India and abroad.

He represents Tata Consultancy Services at various academic premium institutions like S.P. Jain Management & Research Institute, D. J. Sanghavi College of Engineering, Swami Vivekanand College etc. for faculty trainings, addressing students to prepare under testing times etc. He has conducted various trainings programmes on project management, Oracle applications and finance for variety of audiences across Tata Consultancy Services' offices.

Shri. Ajay Khera, Independent Director

Mr. Ajay Khera, 58 years, is the Non executive and Independent Director of our Company. His qualifications include:-

- M.sc (Hons.) in Bio Chemistry;
- Diploma in International Marketing;
- Diploma in Industrial Purchasing and Materials Management;
- Advance diploma in German language;
- Fellow of Chartered Institute of Logistics and Transport;
- Member of Institute of Materials Management, United Kingdom.
-

He has around twenty-nine years of experience in warehousing and logistics. He stands credited with outstanding services and contributions towards the growth of hi-tech Jawaharlal Nehru Port, by the Jawaharlal Nehru Port Trust and stands conferred with JPI's Rajiv Gandhi Memorial Shipping Performance Award – 1996 for special services for outstanding contribution for promoting of shipping trade at JNPT, Navi Mumbai.

Shri. Dilip C. Shah , Independent Director

Mr. Dilip C. Shah, 39 Years, is the Non Executive and Independent Director of our Company, since February 2012. He is a Graduate and started his career in Real Estate Sector in 1998. He has over 12 years of experience in real estate sector, including 9 years of experience in the stock markets. At present he is a partner in Oswal Enterprises, a Partnership Firm.

DIRECTOR'S REPORT

To,
The Members,

Your Directors have pleasure in presenting the Seventeenth annual report together with the audited accounts of your Company for the year ended March 31, 2013.

FINANCIAL RESULTS

(₹ In Lacs)

Particulars	For the year ended	
	March 31, 2013	March 31, 2012
Gross Income	2137.45	2958.83
Profit Before Depreciation, Interest & Tax	683.75	1323.02
Less: Depreciation	97.91	106.09
Interest	310.06	388.71
Profit Before Tax	275.77	828.22
Provision for Tax	74.60	255
Deferred Tax	1.99	6.18
Net Profit	199.17	567.04
Add: Profit brought forward from earlier years	285.40	262.43
Profit available for appropriation	484.57	829.47
Appropriations		
Proposed Dividend	-	-
Interim Dividend	-	210.00
Dividend Tax	-	34.07
General Reserve	-	300.00
Balance carried to Balance sheet	484.57	285.40
Basic and Diluted Earning Per Share	0.24	0.76

Review of Operations

During the year, the Company has achieved a Turnover of 35139.529 Crores in terms of volume in the Capital Market, Future & Option and Currency Derivatives Segments of Bombay Stock Exchanges Ltd., National Stock Exchange of India Ltd. and MCX Stock Exchange Ltd .

Gross Brokerage and Commission Income decreased by 24.57% to Rs.1089.23 lacs (Previous Year Rs. 1444.03 lacs)

Total Income from Operations decreased by 32.14 % to Rs. 1583.29 Lacs.

Profit after Tax (PAT) for the year was Rs. 199.17 Lacs as against Rs. 567.04 Lacs in previous year.

Detailed information on operational and financial performance is given in the Management Discussion and Analysis Report, which is annexed to the Directors Report.

CHANGE IN CAPITAL STRUCTURE AND LISTING OF EQUITY SHARES

During the year under review, The Company has issued 63,00,000 Equity Shares as Bonus to the Shareholders of the Company in the ratio of 3:1 i.e. 3 new Equity Shares for every 1 Equity Share held, at the rate of Rs. 10/- per share which amounts to Rs 63 Crores. Thus, the Paid-up Share Capital of the Company stands increased to Rs. 84.00 Crores as against Rs 21.00 Crores in the previous year.

Fixed Deposits

Your Company has not accepted any deposits from the public and as such, no amount of principal or interest was outstanding as on the date of the Balance Sheet for the year ended 31 March, 2013.

Subsidiary Companies

As at March 31, 2013, the Company has following Subsidiary Companies:

Inventure Finance Private Limited	Non- Banking Financial Company registered with Reserve Bank of India
Inventure Commodities Limited	Registered member of MCX, NCDEX, NSEL and NMCE, dealing in commodities.
Inventure Wealth Management Limited	The Company deals into providing investment advisory services, financial planning and distribution of structured products, debt products, fixed deposits and mutual funds to HNI and retail clients.
Inventure Insurance Broking Private Limited	The Company has a team of IRDA certified advisors who cater the varied needs of customers in both life and general insurance space offered by major insurance companies in India.
Inventure Merchant Banker Services Private Limited	Business of Investment Banking and Merchant Banking in all its aspects, to Act as Lead Managers, Syndicate Member, Sub-Syndicate Member, Investment Advisors and Counsellors, Financial Advisors, Underwriters, Managers to Issues and offers, whether by way of public offer or otherwise of Securities.

FINANCIAL STATEMENTS OF SUBSIDIARY COMPANIES

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

DIRECTORS

Shri Pravin Gala, Shri H.M. Gajbhiye directors of the Company retire by rotation at the ensuing Annual General Meeting and eligible for re-appointment.

A brief resume of the Directors seeking re-election provided in Annexure attached to the Report.

PARTICULARS OF EMPLOYEES

The Company doesn't have any employee drawing remuneration as per monetary ceiling prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGOINGS

The requirement of disclosure, in terms of Sub-section (1)(e) of Section 217 of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, relating to the steps taken for conservation of energy and technology absorption is not applicable to the Company as the Company does not own any manufacturing facility.

FOREIGN EXCHANGE EARNING AND OUTGOING

(₹ in Lacs)

		Current year	Previous year
1	Foreign Exchange earned	NIL	NIL
2	Foreign Exchange outgo	NIL	NIL

AUDITORS' REPORT

Observations made by the Auditor in their Report, have been appropriately dealt with in the notes forming part of the accounts for the year, which are self-explanatory and therefore do not call for any further comments under Section 217 (3) of the Companies Act, 1956.

AUDITORS

M/s. PHD & Associates, Chartered Accountants, who retires on the conclusion of this Annual General Meeting, has requested to consider their re-appointment at the ensuing AGM of the Company. A Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the prescribed limits under section 224 (1B) of the Companies Act, 1956 and they are not disqualified for such an appointment within the meaning of sub section (3) and (4) of Section 226 of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA), the Directors of the Company confirm the following: -

1. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
2. that Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year under review and of the profit of the Company for the year;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the Directors have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

The report on Corporate Governance together with the certificate from M/s. D.M. Zaveri & Co, Practicing Company Secretary [FCS No.4363], confirming the compliance of the Corporate Governance is attached to this report for information of the Members.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report of financial condition and results of operations of the Company is given as a separate statement forming part of this Annual Report.

CEO/CFO Statement

The CEO/CFO certification of the financial statements for the year ended 31st March, 2013 is attached to this report for information of the Members.

ACKNOWLEDGEMENT

It is often normal to see a Company's Board being credited for its stellar performance. However, Your Company's Directors feel that they are simply the representatives of the myriad forces that architected the success of your Company, and therefore richly extend their appreciation to each and every such individual and entity. Specifically, the Board places on record its appreciation to the shareowners who kept their belief up and high in the Company, and allowed it to work with independence for the overall good, while offering their advice, guidance and opinion at each critical juncture. Same for the Company's bankers who held consistent and strong belief in the Company's Board, management and business approach and funded its requirements appropriately to ensure smooth working. Special note goes out to all the team members of the Company, who believed in the values and vision of the Company and worked cohesively to realize its objectives, unmindful of the challenges in the way. The Board warmly thanks the regulatory bodies, government departments, auditors, shareholders, financial institutions, vendors and all business associates of the Company for helping it navigate successfully. Lastly, but not the least, a big vote of thanks goes out to the Company's customers who chose us repeatedly over others, appreciating our services while dismissing small lapses that may have occurred unintentionally.

For and on Behalf of the Board of Directors

Nagji K. Rita
Chairman & Managing Director

Date: 12/08/2013
Place: Mumbai

Registered Office:
201, 2nd Floor, Viraj Towers,
Near Landmark,
Western Express Highway,
Andheri – East,
Mumbai – 400 069.

MANAGEMENT DISCUSSION & ANALYSIS

The management of the Inventure Growth & Securities Ltd. is pleased to present the Analysis Report for the financial year 2013. The immediate year gone by saw India caught between conflicting changes of managing Economic Growth VS Inflation. The Analysis Report of the management is based on the current scenario of the market which results in enhancing inflation in the market. Despite the headwinds, certain observation shows the outlook to be positive. Inflation, though still elevated, showed some signs of slowing by FY 2013.

Overview of the Financial Year 2013

The global economy in FY 2013 improved steadily & did not recover to the extent anticipated in the beginning of the year. US economies continuously improved marginally, driven mainly by housing and the consumer sectors; however, capital investments remained sluggish. The weak macro environment and slower growth caused the margin environment to remain volatile with downward bias.

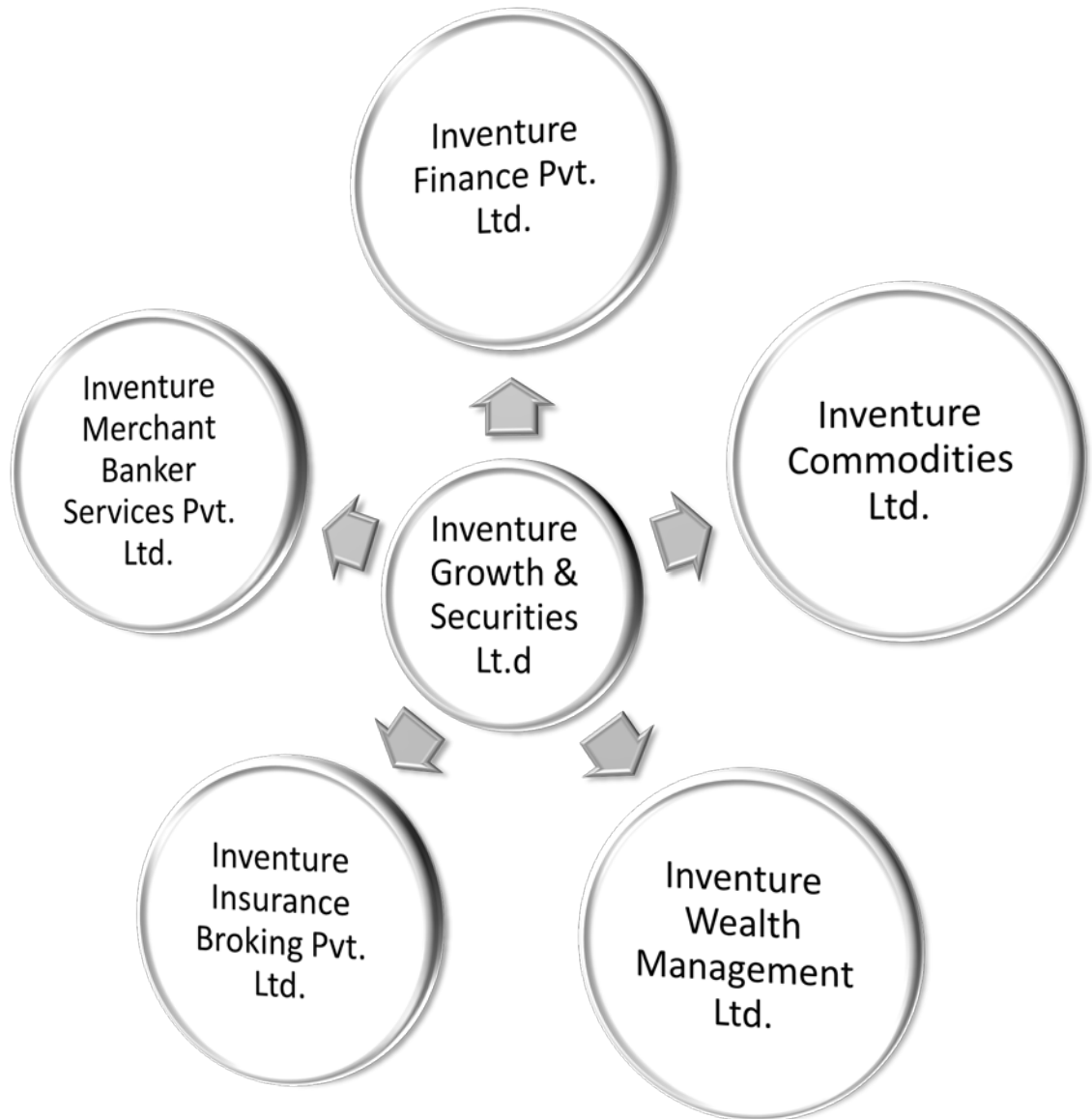
Consolidation Inventure Growth & Securities Ltd. performance can be attributed to its strong integrated business model. Inventure Growth & Securities Ltd. delivers the excellence operating system & human talent for enhancing or improving the quality of services.

Structure of Inventure Growth & Securities Ltd.

The strong structure of the Inventure Growth & Securities Ltd. in the securities market is based on the following element:

1. To be the most favored financial services provider for all categories of investors by offering them comprehensive services.
2. Enrichment & enhancing the quality of services to stakeholder community including customers, employee & other concerned authority.
3. Effectively manage those costs & deliver the consistent profit, by using the capital in amicable manner to ensure the healthy financial statement of the company.

Being the holding company the structure of the Inventure Growth & Securities Ltd. includes following subsidiary companies:



Inventure Growth & Securities Ltd.

Inventure Growth & Securities Ltd. is a public limited company incorporated under Companies Act, 1956. Inventure Growth & Securities Ltd. has membership in Cash & Derivatives segment of NSE, BSE & MCX-SX, currency futures market segment of NSE & MCX-SX, whole sale debt market of BSE & NSE, and member of OTCEI and also registered as DP with CDSL.

The following activity to be included in the operation:

Equity Broking Activity

Mainly the Inventure Growth & Securities Ltd. providing the service of equity broking to ultimate customer. Services offered by the Inventure Growth & Securities Ltd. in relation to broking include equities, derivatives, commodities, depository's services etc. Today Inventure Growth & Securities Ltd. touched a wide range of client in rural & urban economically weaker section of the society which *inter alia* includes retail client, High Networth Investor, Institutional Clients etc. Further the offering services to the ultimate client are also through Franchises, sub-broker etc. with its core strength of providing excellence research and advisory, the company continues to focus on the high-yielding cash segment. As the market performance and retail participation pick up, the company will be best poised to capture the resultant upside.

Research Activity

Inventure Growth & Securities Ltd. Provides research services on both fundamental & technical side. Research team comprising of highly qualified professional such as Chartered Accountants, Company Secretary etc. The research team covers companies in various sectors and analysis the Indian & Global economy in order to indentify potentially wealth-creating equity investment ideas.

Depository Services

We are the Depository Participant of CDSL, who is authorize to provide the depository services to the clients. The depository services includes opening of Demat Account, Dematerialization of securities, pledge of securities , pay-in & pay-out of securities, holding statement of client in relation to securities etc. Inventure Growth & Securities Ltd. offers depository facility to our equity trading clients as a part of integrated service offering as well as to third parties through CDSL, where it is depository participant.

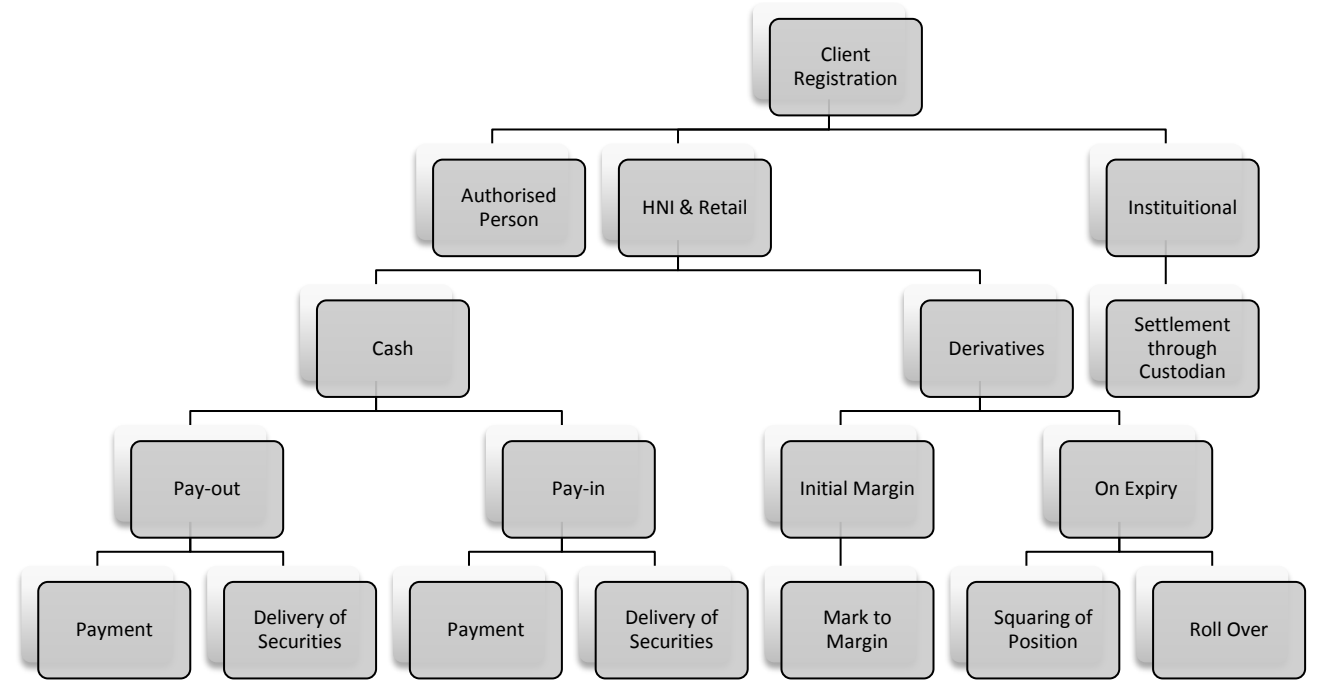
Market Maker

We are duly authorized to be a Market Maker by NSE & BSE. Being Market Maker, the Inventure Growth & Securities Ltd. provides such services to stabilize the price in the securities market. The Market Maker by offering a two way quote not only increases the supply of scrip but also triggers of a demand in the scrips.

Other services offered by Inventure Growth & Securities Ltd.

Apart from the above service the Inventure Growth & Securities Ltd. also offers investment opportunity in a diverse range of products like distribution IPO's. We update to our stakeholder community up to allotment of securities offered to general public.

Client Registration



Authorised Person

Brokerage services are based on an advisory model using research provided by a team of research analysts. Inventure Growth & Securities Ltd. also provides the facility to be appointed as Authorised Person to Individual, Partnership Firm and Corporate. For our equity trading services, our model combines a dedicated relationship and dealing team behind each client to ensure that our services continuously grow not only in terms of revenue but also in terms of number of clients. While the dealing team continuously keep equity trading client updated with market information and are responsible for execution of trades, the relationship team continues to acquire and enroll new clients for our services.

HNI & Retail

Services offered under the “Retail Broking and Distribution Business” includes Equity, Derivatives, Commodities, Depository Services, Mutual Fund, Primay Equity Offerings and Insurance Product.

As on day the Inventure Growth & Securities Ltd. had over 32,700 Clients which includes HNI, Retails, Institutional clients etc. the company serves its clients through a strong branch and franchisee network. The distribution of network of 233 business location covering 29 cities and town. Our HNI & Retails Clients brokerage covers equity brokerage services, personal finance services including the distribution of mutual fund & IPO through IGSL , Commodities brokerage through ICL & loan against shares provided by IFPL which are

targeted at HNI & other individual who actively invest and trade in equity market and seek research and advisory support. Historically, the services offered in this segment have been the most substantial part of our business.

Institutional

The company offers institutional broking services in cash and derivatives segment to a large institutional clientele in India and abroad. Inventure Growth & Securities Ltd. commenced our institutional brokerage business to increase our client's base. IGSL's strong global clientele base and its constant endeavour to provide best in-class research, advise, corporate access and execution support will help to tap the emerging opportunity and gain a higher market share across the institutional client segments.

Inventure Finance Private Limited

Margin Trading Funding (MTF):

- Financing facility where client pays only the margin amount and the rest is funded by IFPL.
- Enables client to take long positions in the market with limited funds.
- The shares bought are actually owned by the client itself thus clients are entitled for benefits of any corporate action. (Dividend, bonus, etc are passed on to the clients).
- IFPL decides the sanction limit for the client and Interest is charged only on actual utilization of funds and is calculated on monthly basis.
- Clients should have a Demat A/c with IGSL.
- List of approved scripts on which MTF facility is available.
- The agreement is made for 1 year after which client may renew if required.
- IFPL is given the POA to operate Demat and bank a/c of the client.

Equipment Finance:

- We have an arrangement with M/s. Monarch Innovative Technologies Private Limited, pioneer in providing video solutions, widely accepted and used by photographers and videographers in the Asia Pacific.
- We provide financial assistance to this professional group in form of Mortgage Loans repayable within 2 years, secured against Video Mixers.
- Average Ticket size of Loan per individual is Rs. 2,50,000/-
- Currently, the portfolio is as large as 125 customers.

Inter Corporate Deposits:

- We provide Deposits to corporate entities forming part of our Business group.
- Deposits are repayable within One year.
- Easy Documentation and Sanctioning.

Loan Against Gold:

- Easy Finance to Lower Income group against security of Gold ornaments and jewellery.

- Easy Documentation and faster sanctioning process.
- Disbursement in cash, no Bank Account required.
- Lenient repayment terms.
- Attractive rate of interest.

Inventure Commodities Limited

Inventure Commodity offers one of the best trading solutions to individual clients through its Individual Trading desk. The Individual Trading desk enables a client to trade in any commodity futures, listed on the national commodity exchanges, with a slew of value-added services attached to it at no extra cost. As an individual client of Inventure Commodity Services, you benefit from In-depth research on commodities of your interest, SMS services for intra-day technical calls, Daily, Weekly and Special Research Reports on commodity complex and efficient execution of your trades.

Inventure Commodity Corporate Desk offers trading and hedging solutions to corporate clients. It acts only on the clients' instructions / orders. And, based on their independent decision, INVENTURE helps them in their hedging process, including implementation and continuous monitoring of their positions. Our guidance helps clients withstand the vagaries of commodity price fluctuations in their businesses, which may generate higher risk-adjusted return on their capital.

Commodities are goods that are typically used as inputs in the production of other goods and services. Commodity prices are determined largely by supply and demand interactions in the global marketplace. Supply and demand conditions may be influenced by factors like the weather, geo-political events, and supply-side shocks (e.g., wars, hurricanes). Few examples of commonly traded commodities are energy products like oil and natural gas, metals like gold, copper and nickel, and agricultural products like sugar, coffee, and soybean.

Some of the major benefits of trading in commodities are portfolio diversification, inflation protection, hedge against event bases risk etc.

Inventure Commodities Limited undertakes commodities brokerage business and has membership of MCX, NCDEX NSEL and NMCE.

Inventure Wealth Management Ltd.

Inventure Wealth Management Ltd. is registered to provide services like Mutual Fund, Art Funds etc. we act as wealth manager, financial consultant, management consultant, facilities of every description and to manage and mobilize funds and assets of various companies, mutual fund, individual investor, firms, association and other body corporate, private and institutional investor. We have a dedicated team of employee including specialist advisor who understand each client's needs individually and customized services to them. We are marketing different types of schemes which help the investor to minimize the risk. The diversify investment strategy by combining assets classes, securities from different sectors to maximize performance, minimize losses and increase the likelihood of returns. There are different types of investment strategy are to be provided to the ultimate consumers. The advisor also accept clients existing securities, bonds and mutual fund holdings along with

cash which can be then be revamped according to their goal and preference. The aim of diversification is to reduce risk without sacrificing return.

Inventure Insurance Broking Private Limited.

Inventure Insurance Broking Private Limited is registered in November 24, 2009 to provide the plan to distribute major insurance company’s product in life as well as general insurance. Further, the service in such subsidiary which *inter allia* includes providing consultancy and guidance, loan against insurance policy, dematerialization of insurance policy (Application is in process), workshop of training program in relation to insurance policy and dematerialization of the same.

Being an insurance broker we provide the better prior investment opportunity to stakeholder community for the time being in force. In addition the Inventure Insurance Broking Private Limited provides the opportunity to its insured stakeholder:

- A. Provide security for his/her family.
- B. Protect his/her home mortgage.
- C. Take care of his/her estate planning needs.
- D. Look at other requirement saving/income vehicles.

Further, Inventure Insurance Broking Private Limited provides the different types of Insurance Policy which *inter allia* includes Term Life Insurance, Whole Life Insurance, Universal Life Insurance, Children’s Life Insurance, Senior Life Insurance, Mortgage Protect Life Insurance, Personal Insurance such as Accident & Health Insurance, Liability Insurance etc.

Inventure Merchant Banker Service Private Limited.

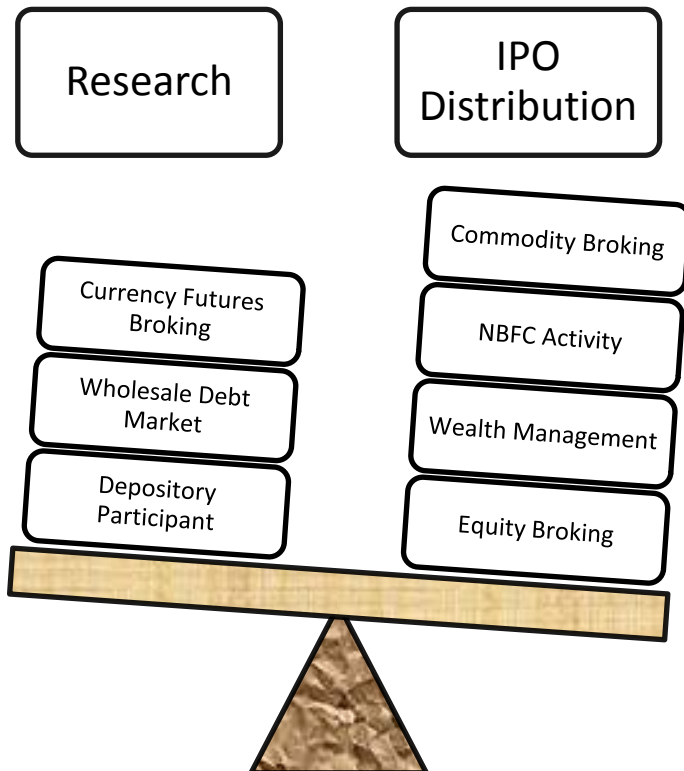
Inventure Merchant Banker Service Private Limited incorporates under Companies Act, 1956 on 29th August 2011. IMBSPL incorporate to engage in and carry on the business of Investment Banking and Merchant Banking in all its aspect, to act as Lead Managers, Syndicate Member, Sub-syndicate Member, Investment Advisors and counselors, Financial Advisors, Underwriters, Managers to issues and offers, whether by way of public offer or otherwise of Securities. We also carry other activity such as IPO, Buy-back, Delisting, Valuation of Merger etc. In financial year 2013 we engaged with some entity in regards to IPO they are Bronze Infra-Tech Limited, JBF Petro-Chemical Limited, JBF Industries Limited, Safforn Vinimay Private Limited, GCM Securities Limited, Ravindra Energy Limited, Tara Jewels Limited etc.

Business Streams

Company Name	Service Area	Membership / Product Offered
Inventure Growth & Securities Ltd.	Equity Broking	<ul style="list-style-type: none"> • NSE (Cash & Derivatives Segments) • BSE (Cash Segment) • OTCEI • MCX-SX
	Research	<ul style="list-style-type: none"> • Fundamental • Technical
	Depository	<ul style="list-style-type: none"> • CDSL
	IPO Distribution	<ul style="list-style-type: none"> • Distribution of IPO

	Currency Futures	<ul style="list-style-type: none"> • NSE • MCX-SX
	Wholesale Debt Market	<ul style="list-style-type: none"> • NSE • BSE
Inventure Commodities Limited	Commodity Trading	<ul style="list-style-type: none"> • MCX • NCDEX • NMCE • NSEL
Inventure Insurance Broking Private Limited	Insurance Advisory Services	<ul style="list-style-type: none"> • Life Insurance • General Insurance
Inventure Finance Private Limited	Non Banking Financial Services	<ul style="list-style-type: none"> • IPO Funding • Loan Against Shares • Loan against Gold
Inventure Wealth Management Limited	Wealth Management	<ul style="list-style-type: none"> • Investment Advisory Services • Mutual Fund Distribution
Inventure Merchant Banker Service Limited	Merchant Banking Services	<ul style="list-style-type: none"> • Investment Banking Services • Merchant Banking Services

Our product & Services



Result of Operation**Review of Assets & Liabilities****Result from Operation**

Particulars	Year Ended 31-Mar-13		Year Ended 31-Mar-12	
	(₹In Lacs)	% of Total Income	(₹In Lacs)	% of Total Income
Income				
Income from Operations	1107.00	51.79	1728.91	58.43
Other Income	1030.45	48.21	1229.92	57.54
Total Income	2137.45		2958.83	
Expenditure				
Personnel Expenditure	505.70	23.66	587.16	19.84
Operating Expenditure	948.00	44.35	1048.64	35.44
Interest & Financial Charges	310.07	14.51	388.71	13.14
Depreciation/ Amortization	97.91	4.58	106.1	3.59
Total Expenditure	1861.68	87.10	2130.61	72.01
Profit Before Tax (PBT)	275.77	12.90	828.22	27.99
Current Tax	74.6	3.49	255	8.62
Deferred Tax Liability/ (Asset)	2	0.09	6.18	0.21
Profit after Tax (PAT)	199.17	9.32	567.04	19.16

The above table shows the result from operation of Inventure Growth & Securities Ltd. due to the challenging market condition, the standalone revenue of the company were Rs. 1107 Lacs for the year under review, as compared to Rs.1728.91 Lacs in the previous financial year, a decline of 6.64%. The income from Operation consisting of Brokerage from secondary, primary market, income from depository operation & others.

Total expenditure of Inventure Growth & Securities Ltd. for the year is decline by from the previous financial year Rs.268.93 Lacs. Personnel costs at 23.66% declined by Rs.81.46 Lacs compared to last year. Other operating cost include facilities, marketing, communication, travel and other costs declined by Rs.136.64 Lacs to 44.35%. The profit before depreciation, interest, exceptional, items and taxation (EBITDA) decreased by 15.09% as compared to previous financia year.

Following table ensures the details of IGSL's Income from Operational Activities:

	Year Ended 31-Mar-13		Year Ended 31-Mar-12	
	(₹ in Lacs)	% of Total Income	(₹In Lacs)	% of Total Income
Brokerage and Commission Income	1089.23	50.96	1444.03	48.80
Arbitrage Income	-73.68	-3.45	211.20	7.14
Depository Income	91.44	4.28	73.67	2.49
Total Income from Operational Activities	1107.00	51.79	1728.90	58.43

Brokerage & Commission Income

Being the Member Broker of the Stock Exchange, your company is mainly engage in the broking business. The main source of revenue is brokerage & commission in relation to trading in equity & derivatives trade on the stock exchange. The income from such source is amounted to Rs.1089.23 which constitutes 50.96% & 48.80% of the total income for the financial year 2013 & 2012 respectively.

The income of brokerage & commission constitute the income from retail client, institutional clients, HNI etc. such income is driven principally by the number of active client, market volume and underlying share price movement. The increase in percentage of the brokerage & commission is due to increase in number of clients. However the volatile and adverse stock market conditions have resulted in lower brokerage and commission income for the financial year.

Arbitrage Income

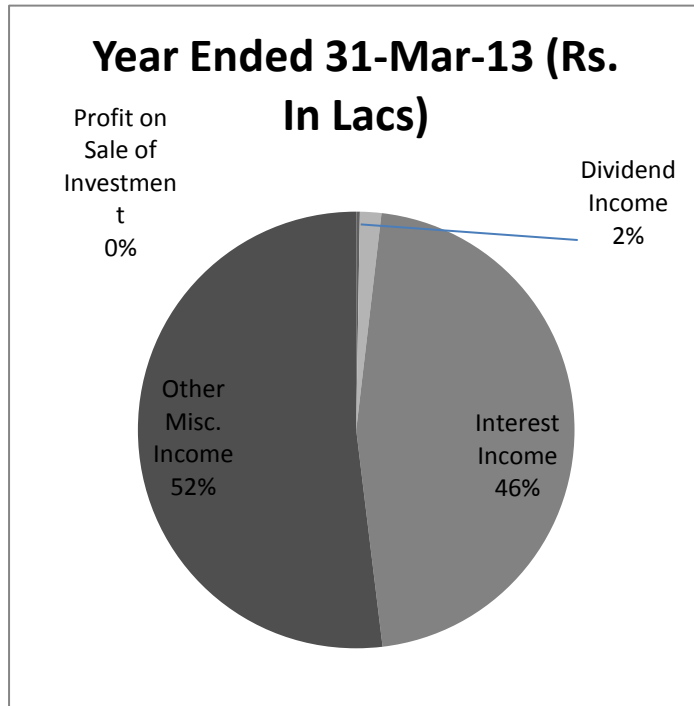
Income from the arbitrage is also one of the principal incomes for the calculation of total income. The constitution of arbitrage income is (3.45%) in the total income.

Depository Income

Your company is registered Depository Participant with CDSL & offers a depository service to its retail broking client as a value-added service. Income in such activity comprises of Fees, transaction based charges, client registration charges etc. The constitution of such income is amounted to Rs.91.44 Lacs which is 4.28% of total income. in previous year your company gained income in such activity is amounted to Rs.73.67 Lacs which is 2.49% of total income. There is a growth in terms of money is amounted to Rs.17.77 lace which constitute 1.79% of total income.

Other Income

The following chart ensures the details of Other Income for the financial year 2013.



Primarily the other income consisting of Profit on Sale of Investment, Dividend Income, Interest Income, Other Miscellaneous Income & Total Other Income. Interest income derived principally from interest earned on bank deposit made for Overdraft facility from various bank and to support bank guarantees facilities required in connection with IGSL's activity on the stock exchange.

Your company makes short-term investment as a part of its working capital management. Further, your company has also an investment in securities. Other income includes the income by way of dividend and profit on sale of investment which is amounted to Rs.16.4 Lacs & 2.87 Lacs respectively. The major contribution in such income is by way of other miscellaneous

income & Interest Income i.e. 52% which amounted to Rs. 534.98 & 46% which is amounted to Rs.476.29 respectively.

Non-Current Assets

Fixed Assets

Fixed Assets includes:

- Gross Block, Which is mainly comprising of office premises, equipment and related assets. The following illustrates IGSL's fixed assets as at 31st March 2013 & 31st March 2012

(₹ In Lacs)

Particulars	As at 31 st March 2013	As at 31 st March 2012
Tangible Assets	1146.66	11218.83
Intangible Assets	22.64	34.03
Net Block	1169.3	1252.86

Investment

Investments principally comprise:

- Long Term Investment, in fully paid up equity shares of various quoted and unquoted companies.

Investments are classified as either current or long term based on management's intention at the time of purchase.

Particular	As at 31 st March 2013	As at 31 st March 2012
Long Term Investment	6991.45	6991.79
Short Term Investment	-	-
Total	6991.45	6991.79

Long Term Loans & Advances

The following table sets out details of IGSL's Long-Term Loans & Advances as at 31st March 2013 & 31st March 2012.

(₹ In Lacs)

Particular	As at 31 st March 2013	As at 31 st March 2012
Deposit with Stock Exchange/Depository	269.24	378.74
Deposit with Others	12.42	11.33
Advances recoverable in cash or in kind	1780	-
Advance Income Tax (Net of Provision)	256	214.91
Total Debtors	2317.67	604.98

Other Non-Current Assets

Other Non-Current Assets comprise of Fixed Deposit with banks with more than twelve months maturity. As at 31st March 2013, IGSL's other Non-Currents Assets were Rs. 620.68 Lacs. The fixed deposit is the deposit placed with banks in connection with guarantees issued to the exchanges and overdraft facilities granted by these banks.

Current Assets

Current Assets typically on a day-to-day basis, depending, inter alia, on our trading volumes.

Current Assets mainly comprise of:

- Sundry Debtors which are related to amount receivable from the clients on whose behalf we undertake the trade as well as amounts receivable from the exchange.
- Stock-in-trade, which represent shares held by IGSL in connection with its arbitrage business.
- Cash, Bank and Fixed Deposit balances.
- Short-term loans and advances, deposits and loans given to subsidiary.

As at 31st March 2013, IGSL's Cash and Bank balance were Rs.4429.32 Lacs of which term deposit with more than three months maturity but due within one year from the reporting date is Rs.2799.28 Lacs, Rs. 1624.36 Lacs is towards balance with bank in currents accounts and Rs.5.67 Lacs is cash on hand. The above term deposit held as margin for guarantees/security for bank overdraft facility/lodged with Exchange.

The following table sets out the details of Trade Receivable as at 31st March 2013 and 31st March 2012.
(₹ In Lacs)

Trade Receivables		
Particulars	Year Ended	Year Ended
	31-Mar-13	31-Mar-12
Trade receivables outstanding for a period exceeding six months from the date they were due for payment: Considered Good	2074.41	1325.06
Other Trade receivables	4417.47	5847.1
	6491.88	7172.16

The following details sets out the details of Short-Term Loans & Advances as at 31st March 2013 and 31st March 2012.
(₹ In Lacs)

Particular	As at 31st March 2013	As at 31st March 2012
Advances to Subsidiary	-	1150.00
Deposit with Stock Exchanges	181.90	136.81
Prepaid Expenses	40.00	57.45
Advances recoverable in cash or in hand	1.19	1.91
Total	223.10	1346.17

Non-Current Liabilities & Current Liabilities

Non-Current Liabilities & Current Liabilities principally consist of margin monies deposited by the clients with IGSL to facilitates on their behalf and amounts payable to the clients on whose behalf IGSL undertakes trades as well as amounts payable to the exchanges. Provision includes provision for Defined Benefit (Gratuity) to employees.

The following table sets out the details of Non-Current Liabilities and Current Liabilities as at 31st March 2013 and 31st March 2012.
(₹ In Lacs)

Particulars	Year Ended	Year Ended
	31-Mar-13	31-Mar-12
A) Non-Current Liabilities		
Long-Term Borrowings	650.1	758.99
Deferred Tax Liabilities (Net)	118.38	116.38
Long Term Provisions	17.59	15.75
Total (A)	786.07	891.12
B) Current Liabilities		

Short-Term Borrowings	937.97	1484.48
Trade Payables	3300.62	2989.05
Other Current Liabilities	2334.3	2266.6
Short-Term Provisions	13.55	256.04
Total (B)	6586.44	6996.17
Total (A+B)	7372.51	7887.29

Non-Current Liabilities

The Non-Current Liabilities includes the following:

Long Term Borrowing

The IGSL's long term borrowings include loan from Banks/ Financial Institution which is secured against premises and repayable after one year

Deferred Tax Liabilities

The IGSL's deferred tax liabilities is towards provision for gratuity and other employee benefits, difference between book balance and tax balance of fixed assets.

Long term provision

Long term provision of IGSL's consist of provision for premium payable on redemption of bond, provision for contingencies, provision for estimated loss, provision for losses on onerous contract, provision for warranty, other provision etc.

Current Liabilities

Current liabilities of IGSL's include the following:

Short-Term Borrowings

Your company has taken short-term borrowing are as secured and unsecured repayable on demand from banks/other parties, loans and advances from related to parties , overdraft etc.

Other Current Liabilities

Other Current Liabilities of the IGSL's includes current maturity of long term debt from banks/financial institution, advances from clients, Securities Deposit/Margin Money from clients, statutory dues, other payables etc.

Short-Term Provision

Short-Term Provision of IGSL's includes gratuity (Non funded), proposed dividend, distribution of tax on dividend etc.

Contingent Liabilities

As at 31st March 2013, IGSL has contingent obligation not provided for on account of the following account.

Contingent Liabilities	
Particulars	Year Ended
	31-Mar-13
Guarantees given by banks in respect of capital adequacy, daily margin and other contractual commitments for which IGSL has given counter guarantees	4000
Demand in respect of taxation under appeal	58.56
Corporate Guarantees given for Subsidiaries	5500
Other Matters	50
	9608.56

The above table shows the details of contingent liabilities which includes the Guarantees given by banks in respect of capital adequacy, daily margin and other contractual commitments for which IGSL has given counter guarantees, Demand in respect of taxation under appeal, corporate guarantees given for subsidiary and other matters. The level of guarantee fluctuates on a regular basis in connection with IGSL's trading & broking activity and the related requirements in respect thereof.

Non-Current Assets

Fixed Assets

Fixed Assets includes:

- Gross Block, Which is mainly comprising of office premises, equipment and related assets. The following illustrates IGSL's fixed assets as at 31st March 2013 & 31st March 2012.

(₹ In Lacs)

Particulars	As at 31st March 2013	As at 31st March 2012
Tangible Assets	1146.66	11218.83
Intangible Assets	22.64	34.03
Net Block	1169.3	1252.86

Investment

Investments principally comprise:

- Long Term Investment, in fully paid up equity shares of various quoted and unquoted companies.

Investments are classified as either current or long term based on management's intention at the time of purchase.
(₹ In Lacs)

Particular	As at 31 st March 2013	As at 31 st March 2012
Long Term Investment	6991.45	6991.79
Short Term Investment		
Total	6991.45	6991.79

For the financial year the long term investment of your company is amounted to Rs.6991.45. During such financial year the company has write-off its long term investment.

Long Term Loans & Advances

The following table sets out details of IGSL's Long-Term Loans & Advances as at 31st March 2013 & 31st March 2012.
(₹ In Lacs)

Particular	As at 31 st March 2013	As at 31 st March 2012
Deposit with Stock Exchange/Depository	269.24	378.74
Deposit with Others	12.42	11.33
Advances recoverable in cash or in kind	1780	-
Advance Income Tax (Net of Provision)	256	214.91
Total Debtors	2317.67	604.98

For the explanation of the table, Inventure Growth & Securities Ltd. has increased its deposit with other & Advance Income Tax (Net of Provision) to 12.42 Lacs & 256 Lacs respectively, whereas there is release of deposit with stock exchange/depository by 109.5 Lacs.

Other Non-Current Assets

Other Non-Current Assets comprise of Fixed Deposit with banks with more than twelve months maturity. As at 31st March 2013, IGSL's other Non-Currents Assets were Rs. 620.68 Lacs. The fixed deposit is the deposit placed with banks in connection with guarantees issued to the exchanges and overdraft facilities granted by these banks.

Current Assets

Current Assets typically on a day-to-day basis, depending, inter alia, on our trading volumes.

Current Assets mainly comprise of:

- Sundry Debtors which are related to amount receivable from the clients on whose behalf we undertake the trade as well as amounts receivable from the exchange.
- Stock-in-trade, which represent shares held by IGSL in connection with its arbitrage business.
- Cash, Bank and Fixed Deposit balances.
- Short-term loans and advances, deposits and loans given to subsidiary.

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Other Trade receivables	4417.47	5847.1
	6491.88	7172.16

The above table explains, your company has made good its debtors. During the financial year 2013 your company has receivable of Rs. 6491.88 which decline in comparison of previous year is amounted to Rs.680.28 Lacs. There is increase in the trade receivable outstanding for a period exceeding six month from the date they were due for payment by Rs.749.35 Lacs whereas there is reverse of position for the same in other trade receivable by Rs. 1429.63 in aforesaid financial year.

The following details sets out the details of Short-Term Loans & Advances as at 31st March 2013 and 31st March 2012.
(₹ In Lacs)

Particular	As at 31st March 2013	As at 31st March 2012
Advances to Subsidiary	-	1150.00
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Prepaid Expenses	40.00	57.45
Advances recoverable in cash or in hand	1.19	1.91
Total	223.10	1346.17

The following table sets out the details of Non-Current Liabilities and Current Liabilities as at 31st March 2013 and 31st March 2012.
(₹ In Lacs)

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Short-Term Borrowings	937.97	1484.48
Trade Payables	3300.62	2989.05
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Total (A+B)	7372.51	7887.29

Non-Current Liabilities & Current Liabilities

Non-Current Liabilities & Current Liabilities principally consist of margin monies deposited by the clients with IGSL to facilitates on their behalf and amounts payable to the clients on whose behalf IGSL undertakes trades as well as amounts payable to the exchanges. Provision includes provision for Defined Benefit (Gratuity) to employees.

Non-Current Liabilities

The Non-Current Liabilities includes the following:

Long Term Borrowing

The IGSL's long term borrowings include loan from Banks/ Financial Institution which is secured against premises and repayable after one year

Deferred Tax Liabilities

The IGSL's deferred tax liabilities is towards provision for gratuity and other employee benefits, difference between book balance and tax balance of fixed assets.

Long term provision

Long term provision of IGSL's consist of provision for premium payable on redemption of bond, provision for contingencies, provision for estimated loss, provision for losses on onerous contract, provision for warranty, other provision etc.

Contingent Liabilities

As at 31st March 2013, IGSL has contingent obligation not provided for on account of the following account.

Contingent Liabilities	
Particulars	Year Ended
	31-Mar-13
Guarantees given by banks in respect of capital adequacy, daily margin and other contractual commitments for which IGSL has given counter guarantees	4000
Demand in respect of taxation under appeal	58.56
Corporate Guarantees given for Subsidiaries	5500
Other Matters	50
	9608.56

The above table shows the details of contingent liabilities which includes the Guarantees given by banks in respect of capital adequacy, daily margin and other contractual commitments for which IGSL has given counter guarantees, Demand in respect of taxation under appeal, corporate guarantees given for subsidiary and other matters. The level of guarantee fluctuates on a regular basis in connection with IGSL's trading & broking activity and the related requirements in respect thereof.

Strength of Risk Management & Technology

Our experienced compliance and risk management team also plays a vital role in ensuring that the rules and regulation are followed not just in letter but also in spirit. The risk management discipline is centrally initiated but prudentially decentralized; percolating to the line the most effective form of risk management. Given that there aren't many regulatory hurdles for entry into this space, competition has only been growing. The company's extensive national network, wide range of services, research focus, well-equipped infrastructure, strong back-end processes, long term relationship with clients and professional team of experienced personnel give it considerable edge over its peers and help mitigate this risk sufficiently. The company is bound to undertake risks as it capitalize on several new opportunities. The company ensures that the risk it assumes are commensurate with returns. Through strategic focus, forward thinking and contingency planning, it has devised a risk management policy to control risk involved in all activities, to maximize opportunities and minimize adversity.

To maintain our risk management system and reduce operational errors we need to be well equipped with regards to latest software and hardware available in the market. Our investment in technology will help us to achieve economies of scale as we expand our product and service offering.

Market Risk

In the securities market the market is affected by variety of factor linked to the economic development. Any economic event across the globe can have a direct or indirect impact on your company. To overcome this, we have diversified our revenue strategy across multiple product line and business.

Compliance Risk

Initially, Inventure Growth & Securities Ltd. occupies a financial services space in the securities market. Each of this business is regulated by a different regulator and as such compliance forms a critical part of operational of the group. Your company has a full-fledged compliance department, headed by Compliance Officer, which ensures all the regulatory compliances and reporting of the group. At your company, the compliance discipline extends across the entire transaction cycle: KYC process, transaction execution, transaction settlement involving securities, fund transfer, customer reporting's etc. the compliance requirements across the various service points have been communicated comprehensively to all through compliance manuals and circulars.

Technology Risk

In this technology intensive environment, the speed of trade execution, reliability of access and deliver of service are critical. Any disruption of service could affect clients and the company. Over the years, the company has invested in cutting-edge technologies with a single-minded objective: to enrich end-user experience and better controls. Inventure Growth & Securities Ltd. has strong IT operation and support system and highly qualified IT professional for in-house development. Server and IT support centers are geographically well distributed to provide instant customer support and enhance risk management trading networks. We have best-in-class firewalls to protect the infrastructure from the external attacks like virus, spyware, malware, spoofing, intrusion as well as hardware, firmware and operating system related bugs. Inventure Growth & Securities Ltd. ensures multiple backup of data and each activity logs in the front-end as well as back-end system application for better and faster resolution of errors and reduction of risk.

Human Resource Risk

Over the years, your company has put in place initiatives to retain its people capital such as created an environment which is conducive for the overall growth and progress of our employee, encourage growth from within as a strategy to plug vacancies, goal setting in consultation with key business executives, enhancing a sense of ownership, devised an online performance tracking and monitoring software to track employee performance and give initiative to the top performers through variable incentive plan which is one of the best in the industry, conducted a resource mapping and allocation exercise and identified resource for a new employee according to the function and level, to enable him to settle down in the shortest possible time and to be more productive.

Centralized Infrastructure

Your Registered office located at Andheri, Mumbai. The office spread across an area admeasuring 14,000 Sq.Ft. We operate in the same premises thereby facilitating ease in functionally, supervision and guidance thus enabling quick decision making in different business verticals.

Internal Control System

The Company's Internal Control system are adequate & provide, among other things, reasonable assurance of recording transaction of providing protection against significant misuse or loss of company assets. The internal processes have been designed to ensure adequate checks and balance at every stage. The processes are reviewed periodically by Internal Auditors. Your company has also complied with the several specific audit that are required by regulatory authorities such as SEBI / Exchanges / Derivatives & the report are submitted to the regulators periodically.

Internal Audit is conducted by SMARK & Co. Chartered Accountants, to assess the adequacy of internal controls procedures and processes.

Business Associates

The business of your company is being spread widely across the country. The operation of the business is through 233 business location including branches, franchisees etc.

Our business location also includes intermediaries, who deliver a standard quality of service offering on the basis of a pre-determined revenue sharing ratio for the business generated through them.

Opportunities

The great uncertainty over what will happen next in the Eurozone is unnerving financial market across the world. Back home, the rupee is on its spree of breaking one psychological level after another. The government policy inaction is not helping the situation either. All this is boding poorly for the financial markets which continue to remain highly volatile.

The strong fundamental of our country persist to be the light at the end of the tunnel. The favorable income demographics and the rising income levels should continue to see an increase in the rate of saving and consequent channeling of investment in the equities market. Further, the opportunities include:

1. To hedge against the growing competition in the industry, our company is planning to set up new business location all over India and register more business associates.
2. Economy is growing at healthy rate leading to investment / capital requirement.
3. Our vision in the business is to meet the expectation of its clients and to deliver best services to them. With expansion process, our company shall have a broad based position in the broking and finance industry which will continue to grow and add value to the company.
4. Regulatory reforms would aid greater participation by all class of investor.

The company has embarked upon the process to strengthen its business with the objective to protect existing revenue, create new ones and higher profit margins. Adding new high net worth client would be the main aim of the company. The company's quality processing, strategic location, prompt and professional service standards and unfailing dependability enable its clients to add value by saving on time, costs and opportunities. Besides, its strengthened relationship, focus service culture and organizational strength are some means to manage the risk effectively.

Margin Requirement

Customer Margin Requirement and position limits are established at levels that are adequate to protect us against reasonable foreseeable risk arising from the customer's trading activities. Customer's significant market exposure are reviewed on a weekly basis and whenever necessary we call for additional collateral or modify margin requirements or position limits to reduce the size of existing position.

We have enforced policies and procedures regarding the prompt collection of customer margin (other than in the case where there are appropriate credit arrangement in place.) and the liquidation of customer accounts (or other appropriate action) where necessary.

Economic Overview

During the Financial Year 2013, the India economy witnessed the lowest growth in the decade combined with elevated inflation, economic imbalances, current account deficits resulted in tight monetary policy. Investment dropped sharply due to high interest rates.

Project implementation growth slowdown. A decline in the country's export – The real GDP growth more than halved from 9.2% in Q4, FY11 to 4.5% in Q3, FY13 the lowest in 15 quarters.

Reduction capital inflows also led to a sharp depreciation of the Rupee. As part of the process of reforms and with a view to resorting confidence, the government has taken a number of measures since September 2012 including partial de-regulation of diesel prices, capping of subsidies of LPG and liberalization of FDI in multi-brand retail and aviation.

Deposit growth in the banking sector, which remain also slow down further. Despite the bad growth time, the RBI managed the growth-inflation by reducing the Repo Rate and SLR by 100 basis points each & CRR by 75 basis points, in a gradual fashion.

Human Resource

The company profoundly believes that an engaged is a productive and active employee. Hence a great deal of importance is given to recreational activities which serve as an indulgence during times of stress and monotony. The success of the human resource is the success of the company. We believe that people are our greatest assets and continuous efforts are made to invest in people by providing ample learning and growth opportunities. We seek constant feedback and stand by reinforcement training in the deficient area of an individual's performance.

Goal – setting and performance evaluation are significant areas in an employee's professional life. The entire process was seamlessly carried out online and the bonus credited in every employee's respective accounts.

In our endeavor to given recognition to the hidden talents of our development of our employees are periodically organized to chisel into masterpiece.

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, fairness in all transactions in the widest sense and meet the stakeholders aspirations and social expectations. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target.

The Company has set itself the objective of achieving excellence in its business. As a part of its growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance. The Company emphasizes the need for full transparency and accountability and conducting its business in a highly professional and ethical manner, thereby enhancing trust and confidence of all its stakeholders.

The Company continuously monitors its governance practices and benchmarks itself to the best governed companies across the industry. The Company believes in pursuing holistic growth and realizes its responsibility towards its stakeholders and environment.

Our comprehensive Corporate Governance practices ensures that the Company always works optimally, protecting the best interests of the stakeholders and withholding the reputation and status of the Company.

BOARD OF DIRECTORS

The Board of the Company is an appropriate mix of Executive, Non-Executive and Independent Directors that bring with them expertise in the field of strategic management, human resource development, legal & finance among others and discharge their fiduciary responsibilities ensuring efficient management adhering to highest standards of transparency, integrity and ethics.

As on 31 March, 2013, the Board of the Company comprised of Eleven (12) Directors, out of which One (1) is Chairman & Managing Director, and One (1) Joint Managing Director, Four (4) Non-Executive Directors, Six (6) are Independent Directors.

Mr. Nagji K. Rita, Chairman & Managing Director is the Chairman of the Board.

During the year under review, the Board of Directors of the Company met Six (6) times. These meetings were held on 4th April 2012; 30th May 2012; 14th August 2012; 15th September 2012; 10th November 2012; 11th February 2013;

The composition of Directors, their attendance at the Board Meetings during the financial year 2012-13 & the last AGM and their other Directorships/Committee memberships in other Companies are as follows: -

Name of Director	Category	Member of meeting held during the year the director was on the board	No. of Board Meetings Attended during the year	Attendance at last AGM held on 27 th September 2012	No. of Positions held in Other Companies		
					Board	Committee membership	Committee Chairmanship
Mr. Nagji K. Rita	Managing Director	6	6	Yes	5	-	-
Mr. Kishor Patki	Joint Managing Director	2	1	NO	-	-	-
Mr. Virendra D. Singh	Director	6	4	Yes	5	-	-
Mr. Harilal B. Rita	Director	6	6	-	1	-	-
Mr. Pravin N. Gala	Director	6	4	Yes	4	-	-
Mr. Vinod K. Shah	Director	6	3	Yes	5	-	-
Mr. Harshawardhan M. Gajbhiye	Independent Director	6	4	-	3	-	-
Mr. S. Jambunathan	Independent Director	6	4	-	5	-	-
Mr. Arun N. Joshi	Independent Director	6	4	-	-	-	-
Mr. Ajay K. Khera	Independent Director	6	3	-	3	1	1
Mr. Deepak Manikant Vaishnav	Independent Director	6	6	-	-	-	-
Mr. Dilip Shah	Independent Director	6	5	-	-	-	-

None of the Directors is disqualified u/s 274(1) (g) of the Companies Act, 1956.

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (as per Clause 49(I)(C)(ii)) of the listing Agreement across all the public limited companies in which he is a Director. All the Directors have made the requisite disclosures regarding Committee positions held by them in other public limited companies.

AUDIT COMMITTEE

As on 31 March, 2013, the Audit Committee comprised of: -

Mr. Harshawardhan M. Gajbhiye (Chairman)
Mr. S. Jambunathan
Mr. Nagji K. Rita

During the year under review, Four (4) Audit Committee Meetings were held on 30th May 2012; 12th August 2012; 10th November 2012; 9th February 2013;

Attendance at the meetings was as follows: -

Name	Designation	Category of Director	Member of meeting held during the year the director was a member of the committee	No. of meetings attended
Mr. Harshawardhan M. Gajbhiye	Chairman	Independent Director	4	4
Mr. S. Jambunathan	Member	Independent Director	4	1
Mr. Nagji K. Rita	Member	Chairman & Managing Director	4	4

In addition to the members of the Audit Committee, these meetings are attended by the heads of accounts & finance, Chief Financial Officer, Internal Auditors, Statutory Auditors and other executives of the Company who are considered necessary for providing inputs to the Committee as invitees.

Mrs. Bhavi R. Gandhi, Company Secretary acts as Secretary of the Committee.

The role of the Audit Committee includes the following: -

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Reviewing with the management the annual, half yearly and the quarterly financial statements before submission to the Board for approval,.
- Discussion with the internal auditors on any significant findings and follow-up thereon.
- Review of the items listed in clause 49(II)(D) and (E) of the Listing Agreement.

REMUNERATION COMMITTEE

The Remuneration Committee as on 31 March, 2013 comprises of following Independent Directors: -

Mr. S. Jambunathan (Chairman)
Mr. Harshawardhan M. Gajbhiye

Mr. Vinod K. Shah

During the financial year, One Remuneration Committee Meeting was held on 17th September 2012.

Attendance at the meetings was as follows: -

Name	Designation	Category of Director	Member of meeting held during the year the director was a member of the committee	No. of meetings attended
Mr. S. Jambunathan	Chairman	Independent Director	1	1
Mr. Harshwardhan M. Gajbhiye	Member	Independent Director	1	-
Mr. Nagji K. Rita	Member	Chairman & Managing Director	1	1

Mrs. Bhavi R. Gandhi, Company Secretary acts as Secretary of the Committee.

The remuneration committee has been entrusted with the following responsibilities: -

- To determine and recommend to the Board of Directors the remuneration package of Managing Director/Whole-Time Directors; and
- To approve in the event of loss or inadequate profits in any year the minimum remuneration payable to the Managing Director/Whole Time Directors within limits and subject to the parameters as prescribed in Schedule XIII of the Companies Act, 1956.

The Company pays remuneration to Executive Directors by way of Salary, Perquisites & Retirement Benefits, based on recommendation of the Committee and requisite approvals, including approvals from the Board, Shareholders and the Central Government, if necessary.

INVESTORS' GRIEVANCES COMMITTEE

As on 31 March, 2013, Investors' Grievances Committee comprises of: -

Mr. Ajay Khara (Chairman)
 Mr. Arun Joshi
 Mr. Nagji K. Rita

During the financial year, No Investors' Grievances Committee Meeting was held.

Mrs. Bhavi R. Gandhi, Company Secretary acts as Secretary of the Committee.

The Committee has been formed with a view to undertake the following: -

- To consider and approve requests for transfers, transmissions, dematerialization/rematerialisation and issue of fresh share certificates on replacement/sub-division/consolidation, issue of duplicate share certificates on loss whether by theft, misplacement or otherwise;
- To review the status of dematerialization of Company's shares and matters incidental thereto;
- To review and monitor the approval to the transfers and transmission made by any Director under executive authority delegated to him from time to time;

- d. To monitor the matters of litigation related to shareholders and take decisions relating thereto;
- e. To consider, review and monitor the matters related to the shareholders grievances, and to look into the redressing of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non receipt of declared dividend, etc;
- f. To consider and finalize the report on Corporate Governance to be annexed with the Annual Report of the company;
- g. To deal with any other matters related and/or incidental to the shareholders.

AD-HOC SELECTION COMMITTEE

The Ad-hoc Selection Committee as on 31st March 2013 comprises of following Directors:

Shri Nagji K. Rita (Chairman)
 Shri Vinod K. Shah
 Shri Pravin N. Gala
 Shri Arun N. Joshi
 Shri Deepak M. Vaishnav

During the financial year, One Ad Hoc Selection Committee Meeting was held on 12th September 2012.

Attendance at the meetings was as follows: -

Name	Designation	Category of Director	Member of meeting held during the year the director was a member of the committee	No. of meetings attended
Mr. Nagji K. Rita	Chairman	Chairman & Managing Director	1	1
Mr. Vinod K Shah	Member	Director	1	1
Mr. Pravin N. Gala	Member	Director	1	1
Mr. Arun N. Joshi	Member	Independent Director	1	1
Mr. Deepak M. Vaishnav	Member	Independent Director	1	1

Mrs. Bhavi R. Gandhi, Company Secretary acts as Secretary of the Committee.

The Ad Hoc Selection committee has been entrusted with the following responsibilities: -

To appoint the right and appropriate person as Joint Managing Director on the Board based on his qualification & experience.

The details of remuneration paid/payable to Directors for the Financial Year 2012-13 is as follows:

Name of Director	Designation	Salary	Sitting fees for Board	Sitting Fees for Committee	Total
Mr. Nagji K. Rita	Managing Director	26,25,000	-	-	26,25,000
Mr. Kishore K. Patki	Joint Managing Director	13,16,667	-	-	13,16,667
Mr. Virendra D. Singh	Director	-	20,000	-	20,000
Mr. Harilal B. Rita	Director	-	30,000	-	30,000
Mr. Pravin N. Gala	Director	-	20,000	-	20,000
Mr. Vinod K. Shah	Director	-	20,000	-	20,000

Mr. Harshawardhan M. Gajbhiye	Independent Director	-	20,000	25,000	45,000
Mr. S. Jambunathan	Independent Director	-	20000	10,000	30,000
Mr. Arun N. Joshi	Independent Director	-	20,000	-	20,000
Mr. Ajay K. Khera	Independent Director	-	15,000	-	15,000
Mr. Deepak Manikant Vaishnav	Independent Director	-	30,000	10,000	40,000
Mr. Dilip Shah	Independent Director	-	25000	-	25000

Number of Shares held by Executive & Non- Executive Directors as on 31 March, 2013 are as follows: -

Name	No. of Shares	%
Mr. Nagji K. Rita	18200000	21.67
Mr. Virendra D. Singh	4260000	5.07
Mr. Kanji B. Rita	2964448	3.53
Mr. Pravin N. Gala	3360000	4.00
Mr. Vinod K. Shah	2160000	2.57

During the financial year 2012-13, the status of shareholders/investors complaints are as follows-

S. No.	Period	Opening	Received During quarter	Closing
	1 st April, 2012 to 30 th June, 2012	Nil	Nil	Nil
	1 st July, 2012 to 30 th September, 2012	Nil	Nil	Nil
	1 st October, 2012 to 31 st December, 2012	Nil	Nil	Nil
	1 st January, 2013 to 31 st March, 2013	Nil	Nil	Nil

GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under

Year	Venue	Day/Date	Time	No. of Special Resolutions passed
2011-12	Monica Arcade Hall, Subhash Lane, Opp Daftary Road, Malad (East), Mumbai – 400097	Thursday/ 27.09.2012	11.00 A.M.	2
2010-11	Viraj Towers, W.E. highway, Andheri (East), Mumbai- 400069	Thursday/ 07.07.2011	5.00 P.M.	-
2009-10	Viraj Towers, W.E. highway, Andheri (East), Mumbai- 400069	Friday/ 24.07.2010	5.30 P.M.	3

All resolutions moved at the Last Annual General Meetings were passed unanimously by show of hands.

The following Extraordinary General Meetings were held during the last three years: -

Year	Venue	Particulars	
		Day/Date	Time
2011-12	No Meeting was held	-	-
2010-11	No Meeting was held	-	-
2009-10	Viraj Towers, W.E. highway, Andheri (East), Mumbai- 400069	Thursday/02.04.2009 Wednesday/30.09.2009 Monday/21.12.2009 Saturday/23.01.2010 Monday/08.02.2010	5.00 P.M 4.00 P.M 10.30 A.M 4.00 P.M 3.00 P.M

DISCLOSURES

- a) There have been no materially significant related party transactions, pecuniary transactions or relationship between the Company and its Directors for the year ended 31 March, 2013 that may have a potential conflict with the interest of the Company at large. The Register of Contracts containing transactions, in which Directors are interested, is placed before the Board regularly.

Related Parties and transactions with them as required under Accounting Standard (AS-18) are furnished in Notes on Accounts attached with the Financial Statements for the year ended 31 March, 2013.

- b) For the year under review, all Directors & Senior Management Personnel of the Company have confirmed their adherence to the provisions of the Code of Conduct applicable to them.
- c) The Company follows the mandatory Accounting Standards prescribed by the Institute of Chartered Accountants of India and, to the best of its knowledge; there are no deviations in the accounting treatments which require specific disclosure.
- d) There is no formal Whistle Blower Policy, however, no personnel has been denied access to the Audit Committee or the Board.
- e) The Company has complied with the all mandatory requirements of Clause 49 of the Listing Agreement.
- f) Besides constituting the Remuneration Committee and having an unqualified financial statement for the year under review, the Company has so far not implemented other non-mandatory requirements of Clause 49 of the listing agreement.

MEANS OF COMMUNICATION

The primary source of information regarding the operations of the Company is its website- www.inventuregrowth.com

The quarterly/half yearly and annual financial results are generally published in The Free Press Journal and Navshakti .

GENERAL SHAREHOLDER INFORMATIONa) **18 Annual General Meeting**

Day	Thursday
Date	26-09-2013
Time	10.30A.M
Venue	Koshish Hall, Behind Dena Bank, opp. Daftray Road, Malad (East) Mumbai - 400097

b) **Financial Year**
1st April, 2012 to 31st March, 2013c) **ISIN for NSDL&CDSL**
INE878H01016d) **Book Closure:** 20.09.2013 to 26.09.2013 (Both Days Inclusive)e) **Listing on Stock Exchanges**

Bombay Stock Exchange Limited (BSE)
14 Floor, P J Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai- 400 001

National Stock Exchange of India Limited (NSE)
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400051

f) **Listing fees to Stock Exchanges**

The Company has paid the Annual Listing Fees to the above Stock Exchanges for the Financial Year 2013-14.

g) **Stock Code**
BSE- 533506
NSE- INVENTUREl) **Share Price Data**

The shares of the Company got listed at BSE and NSE on 4TH August, 2011 pursuant to IPO of 70,00,000 Equity Shares.

Bombay Stock Exchange Limited (BSE)

Month	High (₹)	Low (₹)	No. of Shares
April ,2012	335.00	198.55	106,68,98,627
May,2012	247.90	41.55	32,71,94,652
June,2012	68.25	48.20	14,78,72,136
July,2012	71.55	23.55	29,40,80,548
August, 2012	22.45	13.60	20,22,674
September, 2012	16.15	13.70	48,41,143
October, 2012	17.45	13.80	19,67,670

November, 2012	15.80	13.00	49,89,145
December, 2012	16.30	11.97	30,18,053
January, 2013	14.31	10.11	6,20,966
February, 2013	12.00	8.56	8,82,400
March, 2013	9.00	4.80	41,66,481

National Stock Exchange Limited (NSE)

Month	High (₹)	Low (₹)	No. of Shares
April, 2012	215.80	205.00	2,39,183
May, 2012	51.80	49.70	1,43,843
June, 2012	68.25	63.70	7,37,440
July, 2012	23.60	23.45	30,732
August, 2012	15.75	15.00	11,791
September, 2012	15.40	14.00	4,76,225
October, 2012	14.15	13.80	1,07,611
November, 2012	14.25	13.65	19,202
December, 2012	14.25	13.50	1,20,390
January, 2013	12.00	10.00	81,822
February, 2013	9.50	8.70	8,134
March, 2013	5.40	4.90	14,429

j) **Registrar and Transfer Agents****Link Intime India Pvt. Ltd**

C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai 400078

k) **Share Transfer System**

Investors' Service Committee is constituted to approve all the transfers; transmission, remat of shares etc. and all shares transfer/transmission/transposition/dematerialization is handled by our Registrar and Transfer Agent's. All the work of transfer/transmission etc. is done within the minimum stipulated time.

l) **Distribution of shareholding**

No. of Equity Shares	No of Shareholders	% of Share Holder	Total No. of Shares held	% of shares held
1-5000	2291	61.6357	411977	0.4904
5001-10000	498	13.3979	416109	0.4954
10001-20000	330	8.8781	527256	0.6277
20001-30000	129	3.4705	335232	0.3991
30001-40000	70	1.8832	254045	0.3024
40001-50000	64	1.7218	299461	0.3565
50001-100000	108	2.9056	821215	0.9776
100001 and above	227	6.1071	80934705	96.3508
TOTAL	3717	100.0000	84000000	100.0000

Shareholding pattern as on 31 March, 2013

Category	No of Shares	%
Promoters & Persons acting in concert	41388565	49.27
Mutual Funds/ FIs/ Banks/ Insurance Companies	-	-
FII's	428196	0.51
Bodies Corporate	6680358	7.95
NRI/Foreign Nationals/ Foreign Bodies Corporate	233694	0.28
Public and others	35269187	41.99
Total	8,40,00,000	100

Dematerialization of Shares

As on 31 March, 2013 – 8,40,00,000 Equity Shares equivalent to 100% were held in Demat form.

Custodial Fees to Depositories

The Company has paid the annual custodial fees for the financial year 2013-14 to Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL).

Secretarial Audit

As stipulated by SEBI, a Company Secretary in Practice conducts the Secretarial Audit of the Company for the purpose of reconciliation of total admitted capital with the depositories i.e. NSDL and CDSL, and the total issued and listed capital of the Company.

Request to Investors

- Investors holding shares in electronic form are requested to deal only with their respective depository participant for change of address, nomination facility, bank account number etc.
- All requests and other communications/correspondence should be sent at the Company's Registered Office at: -201, 2nd Floor, Viraj Towers, Near Landmark, Western Express Highway, Andheri – East, Mumbai – 400 069.
- Members who wish to receive physical copies of documents need to make a written request to the Registrars, M/s. Link Intime India Pvt. Ltd. or e-mail at investorgrievances@inventuregrowth.com.

CODE OF CONDUCTS**Code of Conduct for Prevention of Insider Trading & Corporate Disclosure Practice**

The Company has implemented Code of Conduct for Prevention of Insider Trading & Corporate Disclosure Practices to prohibit the purchase/sale of shares of the Company by employees in possession of unpublished price sensitive information pertaining to the Company. The Policy and the procedures are periodically communicated to the employees who are considered as insiders. Further, they have been well intimated in advance about the closure of trading window, whenever required.

Code of Business Conduct & Ethics

The Code of Business Conduct & Ethics is applicable to all the Directors and Senior Management Personnel of the Company. The Company has obtained declarations from all its Directors and Senior Management Personnel affirming their compliance with the applicable code of conduct for the financial year ended 31 March, 2013. The declaration to this effect signed by the Chairman and Managing Director of the Company forms part of this report as Annexure

Declaration Affirming Compliance of provisions of the Code of Conduct

This is to certify that pursuant to Clause 49(I) (D) of the Listing Agreement, the Board of Directors has adopted a Code of Conduct for its members and Senior Management personnel and that they have affirmed having complied with the said Code of Conduct for the financial year ended 31 March, 2013.

For Inventure Growth & Securities Limited

Chairman & Managing Director
Shri Nagji K. Rita

Place : Mumbai
Date : 12/08/2013

**Certificate from Practicing Company Secretary regarding Compliance of Conditions
of Corporate Governance**

To
The Members
Inventure Growth & Securities Limited

I have examined the Compliance of conditions of Corporate Governance by Inventure Growth & Securities Limited (the Company) for the year ended as stipulated in Clause 49 of the Listing Agreement.

The Compliance of conditions of Corporate Governance is the responsibility of the Company's management. My examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause.

In my opinion and to best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement.

For D. M. Zaveri & Co.
Company Secretary

Mr. Dharmesh Zaveri
Proprietor
FCS No.: 4363

Place : Mumbai
Date : 12/08/2013

Certifications by Chairman, MD of the Company

I, Nagji K. Rita, Chairman & Managing Director, of to the best of my Knowledge and belief, certify that:

1. I, have reviewed the Financial Statements and Cash Flow Statements for the year and to the best of the 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.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, wherever applicable:
 - a) Deficiencies in the design or operation of internal controls, if any, which come to our notice and steps have been taken/proposed to be taken to rectify these deficiencies;
 - b) Significant changes in internal control over financial reporting during the year;
 - c) Significant changes in accounting policy during the year and that the same have been disclosed in the notes to the financial statements.
 - d) Instances of significant fraud of which they 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.

For Inventure Growth & Securities Limited

Chairman & Managing Director
Shri Nagji K. Rita

Place : Mumbai
Date : 12/08/2013

Independent Auditor's Report to the Board of Directors of
Inventure Growth & Securities Limited

We have audited the accompanying consolidated financial statements of Inventure Growth & Securities Limited ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2013, the consolidated statement of profit and loss and consolidated cash flows 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 the auditor's judgment, 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, the auditor 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.

Opinion

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:

- a) in the case of the consolidated balance sheet, of the state of affairs of the Group as at 31 March 2013;
- b) in the case of the consolidated statement of profit and loss, of the profit of the Group for the year ended on that date; and
- c) in the case of the consolidated cash flow statement, of the cash flows of the Group for the year ended on that date.

For PHD & Associates

Chartered Accountants

Firm Registration No. 111236W

D. V. Vakharia

(Partner)

Membership No. : 46115

Place : Mumbai

Date : 25 May 2013

INVENTURE GROWTH & SECURITIES LIMITED**Consolidated Balance Sheet as at 31 March 2013**

Particulars	Note No.	As at 31 March 2013 ₹	As at 31 March 2012 ₹
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	3	840,000,000	210,000,000
(b) Reserves and Surplus	4	864,847,882	1,429,731,494
		1,704,847,882	1,639,731,494
Minority Interest		233,315	567,882
Non-Current Liabilities			
(a) Long-Term Borrowings	5	66,845,328	75,898,871
(b) Deferred Tax Liabilities (Net)	6	12,055,222	12,314,258
(c) Long-Term Provisions	7	3,070,584	1,596,546
		81,971,134	89,809,675
Current Liabilities			
(a) Short-Term Borrowings	8	271,190,368	400,132,060
(b) Trade Payables	9	420,711,541	314,623,269
(c) Other Current Liabilities	10	303,663,851	254,867,242
(d) Short-Term Provisions	11	2,779,327	27,307,511
		998,345,087	996,930,082
Total		2,785,397,418	2,727,039,133
ASSETS			
Non-Current Assets			
(a) Fixed Assets	12		
(i) Tangible Assets		120,889,512	122,133,573
(ii) Intangible Assets		3,630,995	3,802,082
		124,520,507	125,935,655
(b) Goodwill on Consolidation		14,945,949	15,007,600
(c) Non-Current Investments	13	138,413,723	248,643,611
(d) Long-Term Loans and Advances	14	258,181,585	94,185,721
(e) Other Non-Current Assets	15	62,276,214	263,485,921
		598,337,978	747,258,508
Current Assets			
(a) Inventories	16	75,291,876	152,460,935
(b) Trade Receivables	17	902,138,018	765,178,576

INVENTURE GROWTH & SECURITIES LIMITED



(c) Cash and Bank Balances	18	582,297,062	352,497,112
(d) Short-Term Loans and Advances	19	620,541,422	702,055,437
(e) Other Current Assets	20	6,791,062	7,588,565
		2,187,059,440	1,979,780,625
Total		2,785,397,418	2,727,039,133
Significant Accounting Policies	2		
The accompanying notes are an integral part of the financial statements.			

Consolidated Statement of Profit and Loss for the year ended 31 March 2013

Particulars	Note No.	For the year ended	For the year ended
		31 March 2013	31 March 2012
		₹	₹
Revenue From Operations	21	278,426,963	346,551,380
Other Income	22	75,695,235	67,805,828
Total Revenue		354,122,198	414,357,208
Expenses			
(a) Employee Benefit Expenses	23	63,033,279	63,513,446
(b) Finance Costs	24	61,513,516	93,509,238
(c) Depreciation and Amortisation Expense	12	10,298,962	10,900,408
(d) Other Expenses	25	125,746,584	126,620,539
Total Expenses		260,592,341	294,543,631
Profit Before Tax		93,529,857	119,813,577
Tax Expenses			
(a) Current Tax		22,685,000	37,040,000
(b) Deferred Tax		(259,036)	649,739
(c) Income Tax for Earlier year		-	8,390
		22,425,964	37,698,129
Profit for the Year before Minority Interest		71,103,892	82,115,448
Less: Share of Profit/(Loss) transferred to Minority Interest		27,446	(377,190)
Net Profit for the Year after Minority Interest		71,076,446	82,492,638
Earnings per equity share of Nominal Value of ₹ 10/- each			
(a) Basic	28	0.85	1.10
(b) Diluted	28	0.85	1.10
Significant Accounting Policies	2		
The accompanying notes are an integral part of the financial statements.			

Notes forming part of the Consolidated financial statements**Note 1 Corporate Informatio**

The consolidated financial statements relate to Inventure Growth & Securities Limited (the company) and its subsidiaries (together 'the group'). The Company was incorporated on 22 June 1995. The company is presently having membership of various Exchanges and is in the business of providing Stock Broking and other related services. The Subsidiary Companies are involved in Commodity Broking, Financing, Merchant Banking & other related activities.

Note 2 Significant Accounting Policies**(a) Basis of accounting and preparation of financial statements**

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.

(b) Principles of consolidation

The consolidated financial statements have been prepared on the following basis:

- 1 The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) Consolidated Financial Statements'.
- 2 The Consolidated Financial Statements are based on the audited financial statements of the company & its subsidiary companies for the year ended 31 March 2013.
- 3 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 in the same manner as the holding company's financial statements.
- 4 The Financial Statement of the holding company and its subsidiaries have been combined to the extent possible on a line by line basis by adding together like items of assets, liabilities, income and expenses. On consolidation all intra company balances and transactions have been eliminated as far as possible.
- 5 The excess of cost over the company's investments in the subsidiary company is recognised in the consolidated financial statements as goodwill. The excess of company's share in equity and reserves of the subsidiary company over the cost of acquisition is treated as capital reserve.
- 6 Minority interest in the net income and net assets of the Subsidiary Companies is computed and disclosed separately.

7 The subsidiaries considered in the preparation of these financial statements and the shareholding of the holding company in them are as follows:

Particulars	Inventure Commodities Limited	Inventure Wealth Management Limited	Inventure Finance Private Limited	Inventure Insurance Broking Private Limited	Inventure Merchant Banker Services Private Limited
Country of Incorporation	India	India	India	India	India
% of ownership interest as at 31 March 2013	99.97%	93.33%	100.00%	100.00%	100.00%
Period included in consolidation	01/04/2012 to 31/03/2013	01/04/2012 to 31/03/2013	01/04/2012 to 31/03/2013	01/04/2012 to 31/03/2013	01/04/2012 to 31/03/2013

(c) 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 recognised in the year in which the results are known / materialised.

(d) Revenue Recognition

- 1 Income from brokerage activities is recognized as income as per contracted rates on the execution of transactions on behalf of the clients.
- 2 Interest and other dues are accounted for on accrual basis except in the case of non-performing assets ("NPAs") where it is recognised upon realisation, as per the income recognition and asset classification norms prescribed by the RBI.
Front end fees on processing of loans are recognised upfront as income.
- 3 Advisory Fees are recognised when reasonable right of recovery is established/revenue can be reliably measured and are accounted on accrual basis.
- 4 Income from arbitrage operations and trading in securities and derivatives comprises of profit/loss on sale of securities held as stock-in-trade and profit/loss on derivative instruments.
- 5 Profit/loss earned on sale of investments is recognised on trade date basis.
- 6 Dividend income is recognised when the right to receive payment is established.
- 7 In respect of other heads of income, the Company accounts the same on accrual basis.

(e) 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.

(f) Depreciation / Amortization

Tangible fixed assets are depreciated on straight line basis in accordance with the rates prescribed under Schedule XIV of the Companies Act, 1956.

Intangible assets 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".

Computer Softwares are amortized over a period of 4 years.

Bombay Stock Exchange Membership is amortized over a period of 15 years, having regard to the nature and long term economic life of the asset.

MCX Membership and Merchant banking licence is amortized over a period of 4 years, having regard to the nature and useful economic life of the asset.

(g) Inventories

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 end.

(h) Investments

Non-Current Investments are carried at cost. Provision for diminution in the value of Non-Current Investments is made only if such a decline is other than temporary in the opinion of the management.

Current Investments are carried at lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

On disposal of investments the difference between its carrying amounts and net disposal proceeds is charged or credited to the Statement of Profit and Loss. Profit or loss on sale of investments is determined on a First-in-First-out (FIFO) basis.

(i) Securities Transaction Tax

Securities Transaction Tax related to the company's own transactions in shares & securities are charged to Statement of Profit & Loss.

(j) Borrowing Costs

Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are included to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are charged to revenue.

(k) Share Issue Expense

Expenses incurred in connection with issue of share capital are adjusted against Securities Premium Account in the year in which shares are issued.

(l) Keyman Insurance

Keyman Insurance premium paid during the financial year is written off as expenditure in the Statement of Profit & Loss.

(m) Employees Retirement Benefits

1 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 Statement of Profit & Loss.

2 Gratuity

The employees of the Company are eligible for Gratuity in accordance with the Payment of Gratuity Act, and is a Defined Employee Benefit. The above benefit is not funded but provision is made in the accounts.

The present value of the obligation under such benefit plans is determined based on actuarial

valuation using the Projected Unit Credit Method which recognizes each period of service that give rise to additional unit of employee benefit entitlement and measures each unit separately to built up the final obligation.

Actuarial gains and losses are recognized immediately in the Statement of Profit & Loss.

3 Compensated Leave

Unutilized leave of staff lapses as at the year end and is not encashable. Accordingly, no provision is made for compensated absences.

(n) 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:

- 1 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 Statement of Profit & Loss.
- 2 Debit balance in the “Mark-to-Market Margin-Equity Index/Stock Futures Account”, being anticipated loss, is recognized in the Statement of Profit & Loss.

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 Statement of Profit & Loss 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.

(o) Equity Index/Stock – Options :

“Equity Index/Stock Option Premium Account” represents premium paid or received for buying or selling the options, respectively.

(p) Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the year 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 year).

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 recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation 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 realised.

(q) Impairment of Assets

The Group 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 Group 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.

(r) Provisions, Contingent Liabilities & Contingent Assets

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

Notes forming part of the Consolidated financial statements

Note 3 Share Capital

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Authorised 100,000,000 (24,500,000) Equity Shares of ` 10/- each Nil (5,00,000) Preference shares of ` 10/- each	1,000,000,000 -	245,000,000 5,000,000
Issued 84,000,000 (21,000,000) Equity Shares of ` 10/- each	840,000,000	210,000,000
Subscribed and fully paid up 84,000,000 (21,000,000) Equity Shares of ` 10/- each	840,000,000	210,000,000
Total	840,000,000	210,000,000

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31 March 2013		As at 31 March 2012	
	No. of Shares	₹	No. of Shares	₹
At the beginning of the year	21,000,000	210,000,000	14,000,000	140,000,000
Add: Issued during the year	-	-	7,000,000	70,000,000
Add: Bonus shares issued during the year	63,000,000	630,000,000	-	-
Outstanding at the end of the year	84,000,000	840,000,000	21,000,000	210,000,000

(b) The Company has one class of Equity shares having a par value of ` 10/- per share. Each shareholder is eligible for 1 vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In event of liquidation the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholdings.

(c) Details of shareholders holding more than 5% shares in the company:

Name of Shareholder	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held	% holding in that class of shares	No. of Shares held	% holding in that class of shares
Equity shares of ₹ 10/- each fully paid				
Nagji K Rita	18,200,000	21.67	4,201,940	20.01
Jayshree N. Rita	7,100,000	8.45	1,584,060	7.54
Virendra D. Singh	4,260,000	5.07	1,065,000	5.07
Pravin N. Gala	3,360,000	4.00	1,120,000	5.33
Usha Atul Shah	4,444,440	5.29	1,111,110	5.29

(d) Aggregate number of Bonus shares issued during the period of 5 years immediately preceding the reporting date:

- (i) 7,000,000 Equity shares of ₹ 10/- each were issued as Bonus shares by way of capitalisation of ₹ 70,000,000 out of General Reserves during the Financial Year 2009-10.
- (ii) 63,000,000 Equity shares of ₹ 10/- each were issued as Bonus shares by way of capitalisation of ₹ 630,000,000 out of Securities Premium during the Financial Year 2012-13.

Notes forming part of the Consolidated financial statements

Note 4 Reserves and Surplus

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Capital Reserve		
Opening Balance	2,025,000	2,025,000
Closing Balance	2,025,000	2,025,000
Securities Premium Account		
Opening Balance	717,071,621	9,652,500
Add : Premium credited on further issue of shares vide Initial Public Offer	-	749,000,000
Less : Utilised during the year (Issue of bonus shares / share issue expenses)	635,908,540	41,580,879
Closing Balance	81,163,081	717,071,621
Statutory Reserve		
Opening Balance	8,792,625	5,492,625
Add: Transfer from surplus in Statement of Profit & Loss	8,900,000	3,300,000
Closing Balance	17,692,625	8,792,625

Taxation Reserve		
Opening Balance	12,500,000	12,500,000
Closing Balance	12,500,000	12,500,000
General Reserve		
Opening Balance	574,821,877	544,821,877
Add: Transfer from surplus in Statement of Profit and Loss	-	30,000,000
Closing Balance	574,821,877	574,821,877
Surplus balance in Statement of Profit and Loss		
Opening balance	114,520,371	90,060,686
Add: Adjustment arising on consolidation	(51,518)	(326,228)
Add: Profit for the year	71,076,446	82,492,638
Less: <u>Appropriations</u>		
Interim dividend	-	21,000,000
Dividend tax	-	3,406,725
Transfer to General Reserve	-	30,000,000
Transfer to Statutory Reserve (Refer Note 29)	8,900,000	3,300,000
Closing Balance	176,645,299	114,520,371
Total	864,847,882	1,429,731,494

Notes forming part of the Consolidated financial statements

Note 5 Long-Term Borrowings

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Secured		
Term loans		
From bank	55,223,352	63,087,142
From other parties	11,621,976	12,811,729
Total	66,845,328	75,898,871

(a) Details of security and terms of repayment for the other secured long term borrowings:

Particulars	Security and terms of repayment	As at 31 March 2013	As at 31 March 2012
		₹	₹
<u>Term loan from Bank:</u>			
ICICI Bank Limited	(a) Secured against the premises (b) Repayable in 64 monthly installments, last installment being	53,388,394	63,087,142

	due in July 2018		
	(c) Range of rate of interest is from 12.00% to 14.50% p.a.		
ICICI Bank Limited	(a) Secured against Car (b) Repayable in 36 monthly installments, last installment being due in December 2015 (c) Rate of interest is 9.75% p.a.	1,834,958	-
<u>Term loan from other parties</u> ICICI Home Finance Limited	(a) Secured against the premises (b) Repayable in 93 monthly installments, last installment being due in December 2020 (c) Range of rate of interest is 12.00% to 14.50% p.a.	11,621,976	12,811,729

(b) Secured long term borrowings of ₹ 65,010,370/- (Previous year ₹ 75,898,871/-) are personally guaranteed by some of the directors of the Company.

Note 6 Deferred Tax Liabilities (Net)

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Tax effect of items constituting deferred tax liability:		
On difference between book balance and tax balance of fixed assets	13,065,655	12,618,552
Profit on sale of Investments	-	595,250
Tax effect of items constituting deferred tax assets:		
Provision for gratuity	(1,010,433)	(899,544)
Total	12,055,222	12,314,258

Note 7 Long- Term Provisions

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Provision for employee benefits (Refer Note 32)		
Gratuity (Non funded)	1,759,126	1,575,426
Provision for Standard Assets (Refer note 11)	-	21,120
Provision for Non Performing Loan Assets (Refer note 19)	1,311,458	-
Total	3,070,584	1,596,546

Note 8 Short-Term Borrowings

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
<u>Secured</u> (Refer particulars given below)		
Loans repayable on demand		
From banks	136,848,707	153,471,564
From other parties	124,541,661	219,160,496
	261,390,368	372,632,060
<u>Unsecured</u>		
Loans repayable on demand		
From other parties	9,500,000	26,000,000
Loans and Advances from a related party	300,000	1,500,000
	9,800,000	27,500,000

Total	271,190,368	400,132,060

Particulars of security for the secured short-term borrowings:

Particulars	Nature of security	As at 31 March 2013	As at 31 March 2012
Loans repayable on demand			
<u>From banks:</u>			
Bank overdraft	Secured against Term Deposits	136,848,707	153,471,564
<u>From other parties:</u>			
ECL Finance Limited	Secured pursuant to an agreement with the lender against collateral security of the client held by the company as a pledgee.	-	5,000,000
Investsmart Financial Services Limited		19,541,661	70,660,497
Kotak Mahindra Prime Limited		62,500,000	93,499,999
Morgan Stanley India Capital Private Limited		42,500,000	50,000,000
		124,541,661	219,160,496

Note 9 Trade Payables

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Trade Payables (Refer Note 35)	420,711,541	314,623,269
Total	420,711,541	314,623,269

Note 10 Other Current Liabilities

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Current maturities of long term debt (Refer Note 5)	11,064,181	7,202,275
Interest accrued and due on borrowings	1,906,476	3,531,314
Advances from clients	2,116,366	2,998,697
Security Deposit /Margin Money from clients	274,942,701	235,817,706
Statutory dues	1,477,204	2,471,909
Other payables	12,156,923	2,845,341
Total	303,663,851	254,867,242

There is no amount due and outstanding to be paid to Investor Education and Protection Fund as at 31 March 2013

Note 11 Short Term Provisions

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Provision for employee benefits (Refer Note 32)		
Gratuity (Non Funded)	1,355,168	1,197,093
Proposed dividend	-	21,000,000
Distribution Tax on dividend	-	3,406,725
Provision for Standard Assets (Refer note 7)	1,424,159	1,703,693
Total	2,779,327	27,307,511

INVENTURE GROWTH & SECURITIES LIMITED


Notes forming part of the Consolidated financial statements

Note 12 Fixed Assets

(Amount in ₹)

Fixed Assets	Gross Block				Accumulated Depreciation / Amortisation				Net Block	
	As at 1 April 2012	Additions	Deductions	As at 31 March 2013	As at 1 April 2012	For the year	On disposals	As at 31 March 2013	As at 31 March 2013	As at 31 March 2012
Tangible Assets										
Own Assets:										
Office Premises	80,601,443	-	-	80,601,443	5,971,678	1,313,801	-	7,285,479	73,315,964	74,629,765
Furniture and Fixtures	34,513,976	-	-	34,513,976	9,339,452	2,151,743	-	11,491,195	23,022,781	25,174,524
Vehicles	9,600,178	6,115,236	-	15,715,414	4,402,347	994,384	-	5,396,731	10,318,683	5,197,831
Office Equipments	9,095,249	311,597	-	9,406,846	2,442,440	441,821	-	2,884,261	6,522,585	6,652,809
Air Conditioners	3,497,646	-	-	3,497,646	773,166	166,142	-	939,308	2,558,338	2,724,480
Computers	36,862,698	63,681	-	36,926,379	29,108,534	2,666,684	-	31,775,218	5,151,161	7,754,164
Total	174,171,190	6,490,514	-	180,661,704	52,037,617	7,734,575	-	59,772,192	120,889,512	122,133,573
Previous year	174,803,113	589,789	1,221,712	174,171,190	43,878,344	8,517,465	358,192	52,037,617	122,133,573	130,924,769
Intangible Assets										
Own Assets:										
Computer Softwares	11,808,857	-	-	11,808,857	8,006,775	2,104,871	-	10,111,646	1,697,211	3,802,082
Membership of Bombay Stock Exchange Limited	18,100,000	-	-	18,100,000	18,100,000	-	-	18,100,000	-	-
Membership of Multi Commodity Exchange Limited	-	1,060,000	-	1,060,000	-	265,000	-	265,000	795,000	-
Merchant Banking Licence	-	1,333,300	-	1,333,300	-	194,516	-	194,516	1,138,784	-
Total	29,908,857	2,393,300	-	32,302,157	26,106,775	2,564,387	-	28,671,162	3,630,995	3,802,082
Previous year	29,408,857	500,000	-	29,908,857	23,723,832	2,382,943	-	26,106,775	3,802,082	5,685,025

INVENTURE GROWTH & SECURITIES LIMITED**Notes forming part of the Consolidated financial statements****Note 13 Non-Current Investments**

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Investments (At cost less provision for other than temporary diminution, if any):		
<u>Trade (unquoted)</u>		
Investment in equity shares, fully paid up		
26,182 (26,182) Equity Shares of Bombay Stock Exchange Limited ₹ 1/- each	2,014	2,014
	2,014	2,014
<u>Other than Trade Investments (Quoted)</u>		
Investment in equity shares, fully paid up		
19,49,010 (5,00,000) Equity Shares of Gujarat Narmada Flyash Company Limited of ₹ 5/- each	21,834,593	2,500,000
6,00,000 (6,00,000) Equity Shares of Kelvin Fincap Limited of ₹ 10/- each	6,000,000	6,000,000
3,229,500 (Nil) Equity Shares Sundaram Multipap Limited of ₹ 1/- each	49,508,235	-
122500 (Nil) Equity Shares of Taj GVK Hotels & Resorts Limited of ₹ 2/- each	9,345,527	-
144500 (Nil) Equity Shares of PG Foils Limited of ₹ 10/- each	11,292,675	-
1,578,000 (Nil) Equity Shares of Prakash Constrowell Ltd of ₹ 1/- each.	16,488,669	-
Nil (300,000) Equity Shares of Bedmutha Industries Limited of ₹ 10/- each	-	36,750,000
NIL (250,000) Equity Shares of Gokul Refoils & Solvent Limited of ₹ 2/- each	-	20,097,500
Nil (16,00,679) Equity Shares of Euro Ceramics Limited of ₹ 10/- each	-	133,443,106
Nil (165,318) Equity Shares of Sejal Architectural Glass Limited of ₹ 10/- each	-	8,888,367
Nil (162,527) Equity Shares of Indus Finance Corporation Limited of ₹10/- each	-	29,288,586
NIL (5,75,000) Equity Shares of Shubham Granites Limited of ₹10/- each	-	11,500,000
Investment in Debenture, fully paid up		
Nil (173) 11.85% Bonds of Shriram City Union 2016 of ₹ 1000/- each	-	174,038
<u>Other Investments (Unquoted)</u>		

Investment Property	23,942,010	-
	138,411,709	248,641,597
Total	138,413,723	248,643,611
Aggregate amount of quoted investments	114,469,699	248,641,597
Aggregate market value of quoted investments	125,971,234	170,739,735
Aggregate amount of unquoted investments	23,944,024	2,014

Note 14 Long Term Loans And Advances

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Secured, considered good		
Loans given	-	8,447,978
Unsecured, considered good		
Deposits		
(a) With Stock/Commodity Exchanges / Depository	34,224,469	45,324,469
(b) With others	1,249,828	1,140,861
Advances recoverable in cash or in kind	178,000,000	-
Advance Income Tax (Net of Provisions)	44,707,288	39,272,413
Total	258,181,585	94,185,721

Note 15 Other Non-Current Assets

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Balances with banks		
Term deposits with banks with more than twelve months maturity	62,067,817	263,173,325
Preliminary expenditure	208,397	312,596
Total	62,276,214	263,485,921

The above Term deposits are held as margin for guarantees/security for bank overdraft facility/lodged with Exchanges.

INVENTURE GROWTH & SECURITIES LIMITED**Note 16 Inventories**

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
(At lower of cost and net realisable value)		
Stock-in-trade		
Shares and Securities	75,291,876	152,460,935
Total	75,291,876	152,460,935

Note 17 Trade Receivables

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Unsecured, considered good :		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	223,438,977	132,505,832
Other Trade receivables	678,699,041	632,672,744
Total	902,138,018	765,178,576

INVENTURE GROWTH & SECURITIES LIMITED
Consolidated Cash Flow Statement for the year ended 31 March 2013

Note 18 Cash and Bank Balances

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Cash and cash equivalents		
Balances with banks in current accounts	180,036,232	47,952,948
Cash on hand	582,830	244,164
Total	180,619,062	48,197,112
Other bank balances		
Term deposits with more than three months maturity but due within one year from the reporting date	401,678,000	304,300,000
Total	401,678,000	304,300,000

The above Term deposits are held as margin for guarantees/security for bank overdraft facility/lodged with Exchanges.

Note 19 Short-Term Loans and Advances

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Secured, considered good		
Loans to others	198,448,076	279,333,935
Unsecured, considered good		
Loans Given:		
Standard Assets	371,215,499	402,143,430
Others- Non Performing Assets	13,114,575	-
Deposits with Stock Exchanges	33,190,003	13,681,000
Prepaid expenses	4,306,683	6,140,301
Security Deposit	-	476,114
Advance Income Tax (Net of Provisions)	5,767	-
Advance recoverable in Cash or in Kind	260,819	280,657
Total	620,541,422	702,055,437

Note 20 Other Current Assets

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Interest accrued on Term deposits with banks	4,671,338	5,107,620
Others	2,119,724	2,480,945
Total	6,791,062	7,588,565

INVENTURE GROWTH & SECURITIES LIMITED

Note 21 Revenue From Operations

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	₹	₹
Sale of services :		
(a) Brokerage Income :		
Secondary Market	138,660,331	159,889,828
Primary Market	186,477	9,375,693
Others	98,352	2,864,742
(b) Advisory Fees	4,950,000	1,025,000
(c) Income from Depository Operations	9,130,867	7,325,936
Interest :		
(a) from Financing activities	91,257,328	93,705,835
(b) from Term deposits	5,623,400	9,640,501
Income from Loan Processing	231,455	756,268
	250,138,210	284,583,803
Other operating revenues :		
(a) Profit/(Loss) from Arbitrage/Securities/Commodity Trading	(13,645,914)	20,573,015
(b) Interest on Term Deposits with banks	41,634,013	41,394,562
(c) Provision for Standard Loan Assets reversed	300,654	-
	28,288,753	61,967,577
Total	278,426,963	346,551,380

Note 22 Other Income

	For the year ended 31 March 2013	For the year ended 31 March 2012
	₹	₹
Dividend income :		
(a) from current investments/stock-in-trade	1,658,306	2,323,068
(b) from non-current investments	578,979	157,626
Net gain on sale of investments :		
(a) from current investments	278,244	1,838,227
(b) from non-current investments	18,887,315	-
Other non-operating income :		
(a) Delayed payment charges	47,693,723	57,070,349
(b) Miscellaneous income	6,598,668	6,416,558
Total	75,695,235	67,805,828

Note 23 Employee Benefit Expenses

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	₹	₹
Salaries and other benefits	60,456,391	60,822,157
Contributions to Provident and other Funds	1,161,361	1,012,667
Staff welfare expenses	1,415,527	1,678,622
Total	63,033,279	63,513,446

Note 24 Finance Cost

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	₹	₹
Interest expense	54,950,061	85,527,061
Other borrowing costs	6,563,455	7,982,177
Total	61,513,516	93,509,238

Note 25 Other Expenses

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	₹	₹
Sub- Brokerage / Commission	69,964,033	76,496,060
Payment to Franchisees	1,009,260	683,972
Securities Transaction Tax on Shares/Derivatives	4,787,736	6,392,297
Stock Exchange expenses & Contribution to Stock Exchange funds	1,174,312	905,196
SEBI Turnover/Registration charges	437,073	1,058,318
Depository charges	2,489,386	1,867,631
Rent	4,421,852	5,466,144
Electricity expenses	4,308,820	3,900,199
Repairs and Maintenance - Building	1,500,000	-
Repairs and Maintenance - Others	3,194,570	3,596,783
Printing & Stationery	951,106	1,317,449
Communication expenses	6,244,672	5,288,247
Software charges	1,353,500	1,384,314
Advertisement & Publicity	356,037	572,665
Legal and Stamping charges	160,373	906,130
Legal and Professional charges (Refer Note 26 below)	9,582,722	6,220,371
Directors Sitting fees	276,630	220,000
Insurance	704,296	647,171
Travelling & Conveyance expenses	387,443	502,323
Rates and Taxes	1,119,721	1,141,273
Securities Transaction Tax on Investment	49,594	-
Preliminary expenses written off	104,199	104,199
Business promotion expenses	2,017,785	2,505,715
Membership & Subscription	2,645,137	1,393,824
Client Compensation	208,835	346,035
Donation	703,501	729,001
Bad Debts	2,974,569	-
Loss on Fixed Assets sold/written off	-	715,897
Provision for Standard Loan Assets	-	710,571
Provision for Non Performing Loan Assets	1,311,458	-
Miscellaneous expenses	1,307,964	1,548,754
Total	125,746,584	126,620,539

Note 26 Remuneration to Auditors

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	₹	₹
Legal and Professional charges includes payments to the auditors towards:		
Audit fees*	250,000	225,000
Tax matters*	135,000	30,000
Other services*	100,000	210,000
Total	485,000	465,000

* Excluding Service Tax

Note 27 Contingent Liabilities and Commitments

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Contingent Liabilities :		
Guarantees given by the Company's bankers and counter guaranteed by the Company	400,000,000	455,000,000
Corporate Guarantees given for subsidiaries	100,000,000	100,000,000
Income Tax matters in Appeal	6,668,861	6,668,861
Other Matters	5,000,000	-

Note 28 : Earnings Per Share

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	₹	₹
Nominal Value of Equity shares	10	10
Net profit after tax available to the Equity shareholders	71,076,446	82,492,638
Weighted average number of Equity shares	84,000,000	74,743,168
Basic and Diluted Earnings per share	0.85	1.10

Note 29 : Out of current year's profit, a sum of ₹ 89,00,000 (Previous year ₹ 33,00,000) has been transferred to the Statutory Reserve in compliance with Section 45-IC of the Reserve Bank of India Act.

Note 30 : Details of Leasing arrangements

(a) Operating Lease: As a Lessee

The Group has entered into a cancellable operating leases. These lease arrangements are normally renewable on expiry. The lease arrangement can be cancelled either at the option of lessor giving notice for the period ranging from two months to three months or lessee giving two months notice.

Lease payments amounting to ₹ 4,421,852/-(Previous year ₹ 5,466,144/-) are included in rental expenditure in the Statement of Profit and Loss during the current year.

(b) Operating Lease: As a Lessor

The Company has given office premises under cancellable lease arrangement for a period ranging from eleven months to twelve months. These lease arrangements are normally renewable on expiry. The lease arrangement can be cancelled either at the option of lessor giving three months notice or lessee giving notice for a period ranging from one month to two months.

Lease rent received during the year and accounted as income is ₹ 398,300/- (Previous year ₹ 405,450/-)

Note 31 Open Interest in Equity Index/Stock Futures at at 31 March 2013:

Long Position

Sr No.	Name of Future	Series of Future	Number of Contracts	Number of Units involved
1	Bank Nifty	25-Apr-2013	4	100
2	Dish TV India Limited	25-Apr-2013	18	72,000
3	JSW Energy Limited	25-Apr-2013	7	28,000
4	Larsen & Toubro Limited	25-Apr-2013	4	1,000
5	NHPC Limited	25-Apr-2013	5	60,000
6	Punjab National Bank	25-Apr-2013	2	1,000
7	Reliance Infrastructure Limited	25-Apr-2013	11	5,500
8	Rural Electrification Corporation Limited	25-Apr-2013	1	1,000
9	Shree Renuka Sugers Limited	25-Apr-2013	92	736,000
10	Tata Chemical Limited	25-Apr-2013	9	9,000
11	Tata Global Beverages Limited	25-Apr-2013	17	34,000
12	Tata Power Company Limited	25-Apr-2013	3	12,000
13	Tata Steel Limited	25-Apr-2013	5	5,000
14	The Indian Hotels Company Limited	25-Apr-2013	14	56,000
15	UCO Bank	25-Apr-2013	4	16,000

Notes forming part of the Consolidated financial statements

Note 32 Employee Benefit Plans

(a) Defined Contribution Plans:

The amount recognised as expense in respect of Defined Contribution Plans (Contribution to Provident Fund, Family Pension Fund and Employees State Insurance) aggregate to ₹ 8,19,586/- (Previous year ₹ 8,02,236/-).

(b) Retirement Benefit - Gratuity:

The employees of the Company are eligible for gratuity in accordance with the Payment of Gratuity Act, and is a Defined Employee Benefit. The above benefit is not funded but provision is made in the accounts for accrued gratuity under Projected Unit Credit Method of actuarial valuation.

The following table summaries the components of the employee benefit expenses recognised in the Statement of Profit & Loss and the amount recognised in the Balance sheet for the gratuity provision made under actuarial method.

Statement of Profit and Loss

Net employee benefit expenses recognised in Employee Benefit Expenses (Note No 23)

Particulars	(Amount in ₹)	
	For the year ended 31 March 2013	For the year ended 31 March 2012
Components of employer expense		
Current Service cost	313,771	382,723
Interest cost	235,664	211,372
Expected return on plan assets	-	-
Curtailement cost/(credit)	-	-
Settlement cost/(credit)	-	-
Past Service Cost	-	-
Actuarial Losses/(Gains)	(207,660)	(383,664)
Total expense recognised in the Statement Profit & Loss	341,775	210,431

Balance Sheet

Details of provision for gratuity

Net asset/(liability) recognised in balance sheet	(Amount in ₹)	
	As at 31 March 2013	As at 31 March 2012
Present value of Defined Benefit Obligation	3,114,294	2,772,519
Fair value of plan assets	-	-
Funded status [Surplus/(Deficit)]	(3,114,294)	(2,772,519)
Unrecognised Past Service Costs	-	-
Net asset/(liability) recognised in balance sheet	(3,114,294)	(2,772,519)

Change in Defined Benefit Obligations (DB) during the year ended	(Amount in ₹)	
	For the year ended 31 March 2013	For the year ended 31 March 2012
Present Value of DBO at beginning of period	2,772,519	2,562,088
Current Service cost	313,771	382,723

Interest cost	235,664	211,372
Curtailement cost/(credit)	-	-
Settlement cost/(credit)	-	-
Plan amendments	-	-
Acquisitions	-	-
Actuarial (gains)/ losses	(207,660)	(383,664)
Past Service Cost	-	-
Benefits paid	-	-
Present Value of DBO at the end of period	3,114,294	2,772,519

Principal actuarial assumptions as at the balance sheet date

Particulars	As at 31 March 2013	As at 31 March 2012
Discount Rate	8.10%	8.50%
Salary escalation	5%	5%
Attrition Rate	2%	2%

Party DisclosuresThe following details give the information pursuant to Accounting Standard (AS) 18 " Related Party Disclosures".

(a) Name of the Related Parties and the Nature of Relationship

Name of the Related Parties	Nature of Relationship
Nagji Keshavji Rita	Director and Key Management Personnel
Virendra Dudhnath Singh	Director and Key Management Personnel
Nishit Vinod Shah	Director and Key Management Personnel
Amrutben Kanji Shah	Relative of Director
Jayshree Nagji Rita	Relative of Director
Khimaiben Keshavji Rita	Relative of Director
Kiran Virendra Singh	Relative of Director
Shraddha V. Singh	Relative of Director
Vaibhav N. Rita	Relative of Director
Nagji K. Rita HUF	Enterprises significantly influenced by the Director
Keshavji M. Rita HUF	Enterprises significantly influenced by the Director
Virendra Dudhnath Singh HUF	Enterprises significantly influenced by the Director

(b) Details of Related Party transactions during the year ended 31 March 2013

Particulars	Directors & Key Management Personnel	Relatives of Directors & Key Management Personnel	Enterprises significantly influenced by the Directors / Relatives	Total
Salary/Remuneration paid	2,625,000 (2,310,000)	240,000 (240,000)	- (-)	2,865,000 (2,550,000)
Security Deposit Received	- (-)	- (800,000)	1,100,000 (500,000)	1,100,000 (1,300,000)
Security Deposit Repaid	- (-)	- (1,900,000)	- (3,500,000)	- (5,400,000)
Loans Received	1,300,000 (1,500,000)	600,000 (-)	- (-)	1,900,000 (1,500,000)
Loans Repaid	2,500,000 (2,000,000)	- (-)	- (-)	2,500,000 (2,000,000)
Interest Paid	81,944 (300,820)	83,343 (249,181)	160,603 (525,000)	325,890 (1,075,001)
Rent Paid	312,000 (-)	2,880,000 (2,880,000)	960,000 (960,000)	4,152,000 (3,840,000)
Outstanding Credit Balance	300,000	600,000	1,100,000	2,000,000

Figures in the brackets relate to the previous year

Note 34 Segments Reporting

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	₹	₹
1. Segment Revenue		
a) Equity/Commodity Broking & Other related activities	269,574,866	333,159,225
b) Financing & Other related activities	97,112,183	104,102,604
c) Others	-	1,421,455
Total	366,687,049	438,683,284
Less: Inter Segment Revenue	12,564,851	24,326,076
Income form Operations, Other Opertaing Income & Other Income	354,122,198	414,357,208
2. Segment Results Profit before tax and interest from Each segment		
a) Equity/Commodity Broking & Other related activities	68,853,919	115,333,301
b) Financing & Other related activities	56,703,615	44,256,392
c) Others	-	753,931
Total	125,557,534	160,343,624
Less: Interest	32,027,677	40,530,047
Profit from Ordinary Activities before tax	93,529,857	119,813,577

3. Capital Employed**(Segment Assets - Segment Liabilities)**

a) Equity/Commodity Broking & Other related activities	1,073,326,461	1,052,324,933
b) Financing & Other related activities	627,956,917	583,842,057
c) Others	3,564,504	3,564,504
Total	1,704,847,882	1,639,731,494

Notes :

The Group's operations predominantly relate to Equity Broking, Commodity Broking, Financing and other related activities. In accordance with Accounting Standard - 17 on segment reporting and Company (Accounting Standards) Rules, 2006, the Group has (a) Equity/Commodity Broking and Other related activities and (b) Financing and other related activities as reportable segments.

Note 35 : There are no amounts payable to any Micro, Small and Medium Enterprises as identified by the Management from the information available with the Company and relied by Auditors.

Note 36 : Figures have been rounded off to nearest rupees.

As per our attached report of
even date

For and on behalf of the Board of Directors

For PHD & Associates

Chartered Accountants

Firm Registration No. 111236W

Nagji K Rita

Chairman & Managing Director

Virendra D Singh

Director

D. V. Vakharia

Partner

Membership No. 46115

Bhavi R Gandhi

Company Secretary

Place : Mumbai

Date : 25 May 2013

INVENTURE GROWTH & SECURITIES LIMITED

Consolidated Cash Flow Statement for the year ended 31 March 2013

Particulars	For the year ended 31 March 2013		For the year ended 31 March 2012	
	₹	₹	₹	₹
A. Cash Flow from Operating Activities				
Net Profit before tax		93,529,857		119,813,577
Adjustment for :				
Depreciation and amortisation	10,298,962		10,900,408	
Finance costs	61,513,516		93,509,238	
Interest income	(47,257,413)		(51,035,063)	
Dividend income	(2,237,285)		(2,480,694)	
Profit on Sale of Investments	(19,115,965)		(1,838,227)	
Provision for defined employee benefits	341,775		210,431	
Contingent Provisions against Standard Assets	(300,654)		710,571	
Contingent Provisions against Non Performing Assets	1,311,458		-	
Preliminary Expenses Written Off	104,199		104,199	
Bad debts	2,974,569		-	
Loss on Sale/Write off of Fixed assets	-		715,897	
		7,633,162		50,796,760
Operating profit before working capital changes		101,163,019		170,610,337
Adjustments for :				
Trade receivables	(139,934,011)		(120,686,272)	
Inventories	77,169,059		(150,968,380)	
Long term Loans and advances	(158,560,989)		(8,088,961)	
Short term Loans and advances	81,519,782		(284,536,410)	
Other Current Assets	257,022		(506,070)	
Other Non-Current Assets	104,199		(312,596)	
Trade Payables	106,088,272		96,117,904	
Other Current Liabilities	46,559,541		(208,746,613)	
		13,202,876		(677,727,398)
Cash generated from / (used in) operations		114,365,895		(507,117,061)
Direct Taxes paid (Net of refunds)		(28,125,642)		(42,140,218)
Net cash flow from / (used in) operating activities (A)		86,240,253		(549,257,279)
B. Cash Flow from Investing Activities				
Purchase of fixed assets	(8,883,814)		(1,089,789)	
Proceeds from sale of fixed assets	-		147,623	

Fixed deposits with banks with original maturity of more than three months - placed	(200,572,492)		(351,973,325)	
Fixed deposits with banks with original maturity of more than three months - matured	304,300,000		398,176,000	
Investments in subsidiary companies	(351,880)			
Purchase of other investments	(175,371,283)		(215,984,490)	
Proceeds from sale of investments	304,717,135		128,063,012	
Dividend income	2,237,285		2,480,694	
Interest Received	47,693,695		51,940,411	
Net cash flow from investing activities (B)		273,768,644		11,760,136
C. Cash Flow from Financing Activities				
Proceeds from issue of equity shares (including securities premium)	-		782,011,621	
Proceeds / (Repayment) of long term borrowings	(5,191,637)		(7,290,737)	
Proceeds / (Repayment) of short term borrowings	(128,941,692)		(132,328,858)	
Finance costs	(63,138,354)		(92,994,138)	
Share Issue Expenses	(5,908,540)		-	
Dividend paid (including distribution tax)	(24,406,725)		(16,271,150)	
Net cash flow from / (used in) financing activities (C)		(227,586,948)		533,126,738
Net increase / (decrease) in cash and cash equivalents (A+B+C)		132,421,949		(4,370,405)
Cash and cash equivalents at the beginning of the year		48,197,113		52,567,518
Cash and cash equivalents at the end of the year		180,619,062		48,197,113

Notes:

1. Cash and Cash Equivalents are as under:

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Cash in hand	582,830	244,164
In Current Accounts	180,036,232	47,952,948
	180,619,062	48,197,112

2. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard - 3 on "Cash Flow Statements" issued by the Institute of Chartered Accountants of India.

3 Previous year's figures have been regrouped/rearranged wherever necessary to conform to the current year's presentation.

As Per Our Attached Report Of Even Date For PHD & Associates Chartered Accountants	For and on behalf of the Board of Directors	
D. V. Vakharia Partner Membership No. 46115 Place : Mumbai Date : 25 May 2013	Nagji K Rita Virendra D Singh Bhavi R Gandhi	Chairman & Managing Director Director Company Secretary

Independent Auditor's Report to the Members of Inventure Growth & Securities Limited.

We have audited the accompanying financial statements of Inventure Growth & Securities Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2013 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's 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 section 211(3C) 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2013;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) 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

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) 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;
 - b) 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
 - c) 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.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act;
 - e) on the basis of written representations received from the directors as on 31 March 2013 and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on 31 March 2013 from being appointed as a director in terms of section 274(1)(g) of the Act.

For PHD & Associates
Chartered Accountants
Firm Registration No. 111236W
D. V. Vakharia
(Partner)
Membership No. : 46115

Place : Mumbai
Date : 25 May 2013

Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Inventure Growth & Securities Limited on the accounts for the year ended 31 March 2013

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets in respect of major items of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company has not disposed off substantial part of its fixed assets.
- (ii) (a) The inventory being stock-in-trade of securities (all held in dematerialized form) has been verified during the year by the management with the holding certificates from the respective depositories. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. No material discrepancies were noticed on verification between the depository certificates and the book records.
- (iii) (a) During the year the Company has granted loans and advances to two subsidiary company, being the company covered in the register maintained under section 301 of the Companies Act, 1956. The year end outstanding balance was ` Nil and the maximum amount outstanding during the year was 22,51,38,000/-.
- (b) As per the information & explanations given to us, the rate of interest & other terms & conditions of the loans are *prima facie* not prejudicial to the interest of the company.
- (c) The loans are repayable on demand basis and as such there is no specific stipulation for repayment.
- (d) During the year the Company has taken Loans/ Security Deposits from 3 parties covered in the register maintained under Section 301 of the Companies Act, 1956. The year end balance of the aforesaid loans was ` 20,00,000/- and the aggregate of the maximum amount due in respect of each of the aforesaid parties was ` 45,00,000/-.
- (e) In our opinion, the rate of interest and other terms and conditions of the loans referred to in paragraph (d) above are not, *prima facie*, prejudicial to the interest of the Company.
- (f) The loans are repayable on demand basis and as such there is no specific stipulation for repayment. The Company has been regular in the payment of interest.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of securities, fixed assets and for the sale of

securities and services. In the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.

- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to the prevailing market prices.
- (vi) According to the information and explanations given to us, the Company has not accepted any public deposit within the meaning of Section 58 A of the Companies Act read with the Companies (Acceptance of Deposits) Rules 1975.
- (vii) The Company has an internal audit system commensurate with the size of the Company and nature of business.
- (viii) The Central Government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Cess and other material statutory dues applicable to it.
- (b) According to information and explanations given to us, there are no dues of Income Tax, Service Tax, and Cess which have not been deposited on account of any dispute.
- (x) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year and does not have accumulated losses.
- (xi) The Company has not defaulted in repayment of dues to any financial institution, bank or debenture holders.
- (xii) The Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities and as such the requirement for maintenance of records in respect thereof does not arise.
- (xiii) The Company is not a chit fund or a nidhi/mutual benefit fund/society. Hence, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In respect of Company's dealing in shares and securities, proper records have been maintained of these transactions and contracts and timely entries have been made therein. The investment in shares and securities are held by the Company in its own name except to the extent of exemption granted under section 49 of the Companies Act, 1956.
- (xv) According to the information and explanations given to us, the Company has given guarantees for loans taken by its subsidiaries, in the overall business interest. The terms & conditions of the guarantees given are *prima facie*, not prejudicial to the interest of the Company.
- (xvi) The Company has applied the term loans for the purposes for which the loans were obtained.

- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanation given to us, the Company has not made preferential allotment of shares to parties and / or companies covered in the register maintained under section 301 of the Act.
- (xix) The Company has not issued any debentures. As such, the question of creation of security in respect thereof does not arise.
- (xx) The Company has not raised any money by public issues during the year and as such the question of disclosure and verification of end use thereof does not arise.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For PHD & Associates

Chartered Accountants

Firm Registration No.111236W

D. V. Vakharia

Partner

Membership No.: 46115

Place: Mumbai

Date: 25 May 2013.

INVENTURE GROWTH & SECURITIES LIMITED
Balance Sheet as at 31 March 2013

Particulars	Note No.	As at 31 March 2013 ₹	As at 31 March 2012 ₹
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	3	840000000	210000000
(b) Reserves and Surplus	4	699315016	1315306500
		1539315016	1525306500
Non-Current Liabilities			
(a) Long-Term Borrowings	5	65010370	75898871
(b) Deferred Tax Liabilities (Net)	6	11838293	11638389
(c) Long-Term Provisions	7	1759126	1575426
		78607789	89112686
Current Liabilities			
(a) Short-Term Borrowings	8	93797486	148448065
(b) Trade Payables	9	330061898	298904871
(c) Other Current Liabilities	10	233430274	226659839
(d) Short-Term Provisions	11	1355168	25603818
		658644826	699616593
		2276567631	2314035779
Total			
ASSETS			
Non-Current Assets			
(a) Fixed Assets	12		
(i) Tangible Assets		114665807.3	121883250.3
(ii) Intangible Assets		2264148	3402738
		116929955.3	125285988.3
(b) Non-Current Investments	13	699145298.4	699179454
(c) Long-Term Loans and Advances	14	231766668.8	60497987.7
(d) Other Non-Current Assets	15	62067817	263173325
		1109909739	1148136755
Current Assets			

(a)	Inventories	1 6	47232105	102952700
(b)	Trade Receivables	1 7	649188383.4	717215601
(c)	Cash and Bank Balances	1 8	442931621.1	205545067
(d)	Short-Term Loans and Advances	1 9	22309570	134617255
(e)	Other Current Assets	2 0	4996212.5	5568401
			1166657892	1165899024
Total			2276567631	2314035779
Significant Accounting Policies		2		
The accompanying notes are an intergral part of the financial statements.				

As per our attached report of even date
For PHD & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Firm Registration No. 111236W

Director

Nagji K Rita Chairman & Managing

D. V. Vakharia

Virendra D Singh Director

Partner

Bhavi R Gandhi Company Secretary

Membership No. 46115

Place : Mumbai

Date : 25 May 2013

INVENTURE GROWTH & SECURITIES LIMITED
Statement of Profit and Loss for the year ended 31 March 2013

Particulars	Not e No.	For the Year Ended 31 March 2013	For the Year Ended 31 March 2012
		₹	₹
Revenue from Operations	21	158,329,093	233,333,067
Other Income	22	55,416,085	62,550,067
Total Revenue		213,745,178	295,883,134
Expenses			
(a) Employee Benefit Expenses	23	50,569,824	58,716,954
(b) Finance Costs	24	31,006,934	38,870,607
(c) Depreciation and Amortisation Expense	12	9,791,311	10,609,543
(d) Other Expenses	25	94,800,155	104,864,121
Total Expenses		186,168,224	213,061,225
Profit Before Tax		27,576,954	82,821,909
Tax Expenses			
(a) Current Tax		7,460,000	25,500,000
(b) Deferred Tax		199,904	618,084
		7,659,904	26,118,084
Profit for the Year		19,917,050	56,703,825
Earnings per equity share of Nominal Value of ₹ 10/- each			
(a) Basic	29	0.24	0.76
(b) Diluted	29	0.24	0.76
Significant Accounting Policies The accompanying notes are an intergral part of the financial statements	2		

As per our attached report of even date

For PHD & Associates
Chartered Accountants
Firm Registration No. 111236W
Chairman & Managing Director

For and on behalf of the Board of Directors

D. V. Vakharia
Partner

Virendra D Singh Director

Membership No. 46115

Bhavi R Gandhi Company Secretary

Place : Mumbai
Date : 25 May 2013

INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the financial statements

Note 1 Corporate Information

The Company was incorporated on 22 June 1995. The company is presently having membership of various exchanges and is in the business of providing Stock Broking and other related services.

Note 2 Significant Accounting Policies

(a) Basis of accounting and preparation of financial statements

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.

(b) 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 recognised in the year in which the results are known / materialised.

(c) Revenue Recognition

1. Income from brokerage activities is recognized as income as per contracted rates on the execution of transactions on behalf of the clients.
2. Income from arbitrage operations and trading in securities and derivatives comprises of profit/loss on sale of securities held as stock-in-trade and profit/loss on equity derivative instruments.
3. Interest income is recognised on accrual basis.
4. Dividend income is recognised when the right to receive payment is established.
5. In respect of other heads of income, the Company accounts the same on accrual basis.

(d) 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.

(e) Depreciation / Amortization

Tangible fixed assets are depreciated on straight line basis in accordance with the rates prescribed under Schedule XIV of the Companies Act, 1956.

Intangible assets 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".

Computer Softwares are amortized over a period of 4 years.

Bombay Stock Exchange Membership is amortized over a period of 15 years, having regard to the nature and long term economic life of the asset.

MCX Membership is amortized over a period of 4 years, having regard to the nature and useful economic life of the asset.

(f) Inventories

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 end.

(g) Investments

Non-Current Investments are carried at cost. Provision for diminution in the value of Non-Current Investments is made only if such a decline is other than temporary in the opinion of the management. Current Investments are carried at lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments. On disposal of investments the difference between its carrying amounts and net disposal proceeds is charged or credited to the Statement of Profit and Loss. Profit or loss on sale of investments is determined on a First-in-First-out (FIFO) basis.

(h) Securities Transaction Tax

Securities Transaction Tax related to the company's own transactions in shares & securities are charged to Statement of Profit & Loss.

(i) Borrowing Costs

Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are included to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are charged to revenue.

(j) Share Issue Expense

Expenses incurred in connection with issue of shares are adjusted against Securities Premium Account in the year in which shares are issued.

(k) Keyman Insurance

Keyman Insurance premium paid during the financial year is written off as expenditure in the Statement of Profit & Loss.

(l) Employees Retirement Benefits**1 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 Statement of Profit & Loss.

2 Gratuity

The employees of the Company are eligible for Gratuity in accordance with the

Payment of Gratuity Act, and is a Defined Employee Benefit. The above benefit is not funded but provision is made in the accounts.

The present value of the obligation under such benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method which recognizes each period of service that give rise to additional unit of employee benefit entitlement and measures each unit separately to built up the final obligation.

Actuarial gains and losses are recognized immediately in the Statement of Profit & Loss.

3 **Compensated Leave**

Unutilized leave of staff lapses as at the year end and is not encashable. Accordingly, no provision is made for compensated absences.

(m) **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:

- 1 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 Statement of Profit & Loss.
- 2 Debit balance in the “Mark-to-Market Margin-Equity Index/Stock Futures Account”, being anticipated loss, is recognized in the Statement of Profit & Loss.

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 Statement of Profit & Loss 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.

(n) **Equity Index/Stock – Options :**

“Equity Index/Stock Option Premium Account” represents premium paid or received for buying or selling the options, respectively.

(o) **Taxation**

Income-tax expense comprises current tax (i.e. amount of tax for the year 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 year).

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 recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a

virtual certainty of realisation 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 realised.

(p) 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.

(q) 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.

INVENTURE GROWTH & SECURITIES LIMITED**Notes forming part of the Financial Statements****Note 3 Share Capital**

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Authorised 100,000,000 (24,500,000) Equity Shares of ` 10/- each Nil (5,00,000) Preference Shares of ` 10/- each	1,000,000,000 -	245,000,000 5,000,000
Issued 84,000,000 (21,000,000) Equity Shares of ` 10/- each	840,000,000	210,000,000
Subscribed and fully paid up 84,000,000 (21,000,000) Equity Shares of ` 10/- each	840,000,000	210,000,000
Total	840,000,000	210,000,000

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31 March 2013		As at 31 March 2012	
	No. of Shares	₹	No. of Shares	₹
At the beginning of the year	21,000,000	210,000,000	14,000,000	140,000,000
Add: Issued during the year	-	-	7,000,000	70,000,000
Add: Bonus Shares issued during the year	63,000,000	630,000,000	-	-
Outstanding at the end of the year	84,000,000	840,000,000	21,000,000	210,000,000

(b) The Company has one class of Equity shares having a par value of ` 10/- per share. Each shareholder is eligible for 1 vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In event of liquidation the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholdings.

(c) Details of shareholders holding more than 5% shares in the company:

Name of Shareholder	As at 31 March 2013		As at 31 March 2012	
	No. of Shares	% holding	No. of Shares	% holding
Equity shares of ₹ 10/- each fully paid				
Nagji K Rita	18,200,000	21.67	4,201,940	20.01
Jayshree N. Rita	7,100,000	8.45	1,584,060	7.54
Virendra D. Singh	4,260,000	5.07	1,065,000	5.07
Pravin N. Gala	3,360,000	4.00	1,120,000	5.33
Usha Atul Shah	4,444,440	5.29	1,111,110	5.29

(d) Aggregate number of Bonus shares issued during the period of 5 years immediately preceding the reporting date:

(i) 7,000,000 Equity shares of ₹ 10/- each were issued as Bonus shares by way of capitalisation of ₹ 70,000,000 out of General Reserves during the Financial Year 2009-10.

(ii) 63,000,000 Equity shares of ₹ 10/- each were issued as Bonus shares by way of capitalisation of ₹ 630,000,000 out of Securities Premium during the Financial Year 2012-13.

INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Financial Statements

Note 4 Reserves and Surplus

Particulars	As at 31 March 2013 ₹	As at 31 March 2012 ₹
Capital Reserve		
Opening Balance	2,025,000	2,025,000
Closing Balance	2,025,000	2,025,000
Securities Premium Account		
Opening Balance	707,419,121	-
Add : Premium credited on further issue of shares vide Initial Public Offer	-	749,000,000
Less : Utilised during the year (Issue of bonus shares / share issue expenses)	635,908,540	41,580,879
Closing Balance	71,510,581	707,419,121
Taxation Reserve		

Opening Balance	12,500,000	12,500,000
Closing Balance	12,500,000	12,500,000
General Reserve		
Opening Balance	564,821,877	534,821,877
Add: Transfer from surplus in Statement of Profit and Loss	-	30,000,000
Closing Balance	564,821,877	564,821,877
Surplus balance in Statement of Profit and Loss		
Opening balance	28,540,508	26,243,402
Add: Profit for the year	19,917,050	56,703,825
Less: <u>Appropriations</u>		
Interim dividend	-	21,000,000
Dividend tax	-	3,406,725
Transfer to General Reserve	-	30,000,000
Closing Balance	48,457,558	28,540,502
Total	699,315,016	1,315,306,500

INVENTURE GROWTH & SECURITIES LIMITED**Notes forming part of the Financial Statements****Note 5 Long-Term Borrowings**

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
<u>Secured</u> (Refer (a) and (b) below):		
Term loans		
From bank	53,388,394	63,087,142
From other parties	11,621,976	12,811,729
Total	65,010,370	75,898,871

(a) Details of security and terms of repayment for the other secured long term borrowings:

Particulars	Security and terms of repayment	As at 31 March 2013	As at 31 March 2012
		₹	₹
<u>Term loan from Bank:</u> ICICI Bank Limited	(a) Secured against the premises (b) Repayable in 64 monthly installments, last installment being due in July 2018 (c) Range of rate of interest is from 12.00% to 14.50% p.a.	53,388,394	63,087,142
<u>Term loan from other parties</u> ICICI Home Finance Limited	(a) Secured against the premises (b) Repayable in 93 monthly installments, last installment being due in December 2020 (c) Range of rate of interest is 12.00% to 14.50% p.a.	11,621,976	12,811,729

(b) Secured long term borrowings of ` 65,010,370/- (Previous year ` 75,898,871/-) are personally guaranteed by some of the directors of the Company.

(c) Current maturities of Term loans from ICICI Bank Limited and ICICI Home Finance Limited amounting to ` 1,01,44,306/- (Previous Year ` 72,02,275/-) is disclosed under 'Other Current Liabilities' (Refer Note 10).

Note 6 Deferred Tax Liabilities (Net)

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Tax effect of items constituting deferred tax liability: On difference between book balance and tax balance of fixed assets	12,848,726	12,537,933
Tax effect of items constituting deferred tax assets: Provision for gratuity and other employee benefits	(1,010,433)	(899,544)
Total	11,838,293	11,638,389

INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the Financial Statements

Note 7 Long- Term Provisions

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Provision for employee benefits (Refer Note 31)		
Gratuity (Non funded)	1,759,126	1,575,426
Total	1,759,126	1,575,426

Note 8 Short-Term Borrowings

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Secured (Refer Particulars given below)		
Loans repayable on demand		
From banks	84,997,486	146,948,065
Unsecured		
Loans repayable on demand		
From other parties	8,500,000	-
Loans and advances from a related party	300,000	1,500,000
Total	93,797,486	148,448,065

Particulars of security for the secured short-term borrowings:

Particulars	Nature of security	As at 31 March 2013	As at 31 March 2012
		₹	₹
Loans repayable on demand			
From banks:			
Bank overdraft	Secured against Term Deposits	84,997,486	146,948,065

Note 9 Trade Payables

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Trade Payables (Refer Note 34)	330,061,898	298,904,871
Total	330,061,898	298,904,871

Note 10 Other Current Liabilities

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Current maturities of long term debt (Refer Note 5)	10,144,306	7,202,275
Advances from clients	2,116,366	2,998,697
Security Deposit /Margin Money from clients	218,193,455	213,349,837
Statutory dues	718,353	835,879
Other payables	2,257,794	2,273,151
Total	233,430,274	226,659,839

There is no amount due and outstanding to be paid to Investor Education and Protection fund as at 31 March 2013.

Note 11 Short Term Provisions

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Provision for employee benefits (Refer Note 31)		
Gratuity (Non Funded)	1,355,168	1,197,093
Proposed dividend	-	21,000,000
Distribution Tax on dividend	-	3,406,725
Total	1,355,168	25,603,818

INVENTURE GROWTH & SECURITIES LIMITED
Notes forming part of the Financial Statements

Note 12 Fixed Assets

(Amount in ₹)

Fixed Assets	Gross Block				Accumulated Depreciation / Amortisation				Net Block	
	As at 1 April 2012	Additions	Deductions	As at 31 March 2013	As at 1 April 2012	For the year	On disposals	As at 31 March 2013	As at 31 March 2013	As at 31 March 2012
Tangible Assets										
Own Assets:										
Office Premises	80,601,443	-	-	80,601,443	5,971,678	1,313,801	-	7,285,479	73,315,964	74,629,765
Furniture and Fixtures	34,419,082	-	-	34,419,082	9,329,966	2,145,736	-	11,475,702	22,943,380	25,089,116
Vehicles	9,600,178	-	-	9,600,178	4,402,347	871,828	-	5,274,175	4,326,003	5,197,831
Office Equipment	8,892,542	311,597	-	9,204,139	2,404,648	428,530	-	2,833,178	6,370,961	6,487,894
Air Conditioners	3,497,646	-	-	3,497,646	773,166	166,142	-	939,308	2,558,338	2,724,480
Computer	35,961,255	63,681	-	36,024,936	28,207,091	2,666,684	-	30,873,775	5,151,161	7,754,164
Total	172,972,146	375,278	-	173,347,424	51,088,896	7,592,721	-	58,681,617	114,665,807	121,883,249
Previous year	173,630,765	563,093	1,221,712	172,972,146	43,049,207	8,397,881	358,192	51,088,896	121,883,250	130,581,559
Intangible Assets										
Own Assets:										
Computer Software	10,993,732	-	-	10,993,732	7,590,994	1,933,590	-	9,524,584	1,469,148	3,402,738
Membership of Bombay Stock Exchange Limited	18,100,000	-	-	18,100,000	18,100,000	-	-	18,100,000	-	-
Membership of Multi Commodity Exchange Limited	-	1,060,000	-	1,060,000	-	265,000	-	265,000	795,000	-
Total	29,093,732	1,060,000	-	30,153,732	25,690,994	2,198,590	-	27,889,584	2,264,148	3,402,738
Previous year	28,593,732	500,000	-	29,093,732	23,479,332	2,211,662	-	25,690,994	3,402,738	5,114,400

INVENTURE GROWTH & SECURITIES LIMITED**Notes forming part of the Financial Statements****Note 13 Non-Current Investments**

Particulars	As at 31 March 2013 ₹	As at 31 March 2012 ₹
Investments (At cost less provision for other than temporary diminution, if any):		
<u>Trade (unquoted)</u>		
Investment in equity shares, fully paid up:		
(a) Investment in Subsidiaries:		
48,00,000 (48,00,000) Equity Shares of Inventure Finance Private Limited ` 10/- each	551,129,000	551,129,000
21,90,100 (21,90,100) Equity Shares of Inventure Commodities Limited of ` 10/- each	21,901,000	21,901,000
6,06,664 (5,19,994) Equity Shares of Inventure Wealth Management Limited of ` 10/- each	5,551,820	5,199,940
6,00,020 (6,00,020) Equity Shares of Inventure Insurance Broking Private Limited of ` 10/- each	4,000,000	4,000,000
1,210,000 (1,210,000) Equity Shares of Inventure Merchant Banker Services Private Limited of ` 10/- each	60,100,000	60,100,000
(b) Others:		
26,182 (26,182) Equity Shares of Bombay Stock Exchange Limited ` 1/- each	2,014	2,014
	642,683,834	642,331,954
<u>Other Investments (Quoted)</u>		
Investment in equity shares, fully paid up:		
949,010 (Nil) Equity Shares of Gujarat Narmada Flyash Company Limited of ` 5/- each	19,334,593	-

144,500 (Nil) Equity Shares of PG Foils Limited of ` 10/- each	11,292,675	-
1,578,000 (Nil) Equity Shares of Prakash Constrowell Limited of ` 1/- each	16,488,669	-
122,500 (Nil) Equity Shares of Taj GVK Hotels & Resorts Limited of ` 2/- each	9,345,527	-
Nil (300,000) Equity Shares of Bedmutha Industries Limited of ` 10/- each	-	36,750,000
Nil (250,000) Equity Shares of Gokul Refoils & Solvent Limited of ` 2/- each	-	20,097,500
	56,461,464	56,847,500
Total	699,145,298	699,179,454
Aggregate amount of quoted investments	56,461,464	56,847,500
Aggregate market value of quoted investments	30,544,009	25,145,000
Aggregate amount of unquoted investments	642,683,834	642,331,954

Note 14 Long Term Loans And Advances

Particulars	As at 31 March 2013 ₹	As at 31 March 2012 ₹
Unsecured, considered good :		
Deposits		
(a) With Stock Exchanges / Depository	26,924,469	37,874,469
(b) With others	1,241,779	1,132,812
Advances recoverable in cash or in kind	178,000,000	-
Advance Income Tax (Net of Provisions)	25,600,421	21,490,707
Total	231,766,669	60,497,988

INVENTURE GROWTH & SECURITIES LIMITED**Notes forming part of the Financial Statements****Note 15 Other Non-Current Assets**

Particulars	As at 31 March 2013 ₹	As at 31 March 2012 ₹
Balances with banks:		
Term deposits with banks with more than twelve months maturity	62,067,817	263,173,325
Total	62,067,817	263,173,325
The above Term deposits are held as margin for guarantees/security for bank overdraft facility/lodged with Exchanges.		

Note 16 Inventories

Particulars	As at 31 March 2013 ₹	As at 31 March 2012 ₹
(At lower of cost and net realisable value)		
Stock-in-trade :		
Shares and Securities	47,232,105	102,952,700
Total	47,232,105	102,952,700

Note 17 Trade Receivables

Particulars	As at 31 March 2013 ₹	As at 31 March 2012 ₹
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	207,441,234	132,505,832
Other Trade receivables	441,747,150	584,709,769
Total	649,188,383	717,215,601

INVENTURE GROWTH & SECURITIES LIMITED**Notes forming part of the Financial Statements****Note 18 Cash and Bank Balances**

Particulars	As at 31 March 2013 ₹	As at 31 March 2012 ₹
Cash and cash equivalents		
Balances with banks in current accounts	162,436,273	30,288,566
Cash on hand	567,348	206,501
Total	163,003,621	30,495,067
Other bank balances		
Term deposits with more than three months maturity but due within one year from the reporting date	279,928,000	175,050,000
Total	279,928,000	175,050,000
The above Term deposits are held as margin for guarantees/security for bank overdraft facility/lodged with Exchanges.		

Note 19 Short-Term Loans And Advances

Particulars	As at 31 March 2013 ₹	As at 31 March 2012 ₹
Unsecured, considered good		
Loans and advances to related parties :		
To a Subsidiary Company	-	115,000,000
Deposits with Stock Exchanges	18,190,003	13,681,000
Prepaid expenses	4,000,326	5,745,275
Advances recoverable in cash or in kind	119,241	190,980
Total	22,309,570	134,617,255

Note 20 Other Current Assets

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Interest accrued on Term deposits with banks	3,006,649	3,195,245
Others	1,989,564	2,373,156
Total	4,996,213	5,568,401

INVENTURE GROWTH & SECURITIES LIMITED**Notes forming part of the Financial Statements****Note 21 Revenue From Operations**

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	₹	₹
Sale of services:		
(a) Brokerage Income:		
Secondary Market	108,704,827	134,803,583
Primary Market	186,477	9,375,693
Others	31,889	224,097
(b) Income from Depository Operations	9,144,448	7,367,198
	118,067,641	151,770,571
Other operating revenues:		
(a) Profit/(Loss) from Arbitrage/Securities Trading	(7,367,798)	21,120,086
(b) Interest Income	47,629,250	60,442,410
	40,261,452	81,562,496
Total	158,329,093	233,333,067

Note 22 Other Income

Particulars	For the year ended 31 March 2013 ₹	For the year ended 31 March 2012 ₹
Dividend income :		
(a) from current investments/stock-in-trade	1,278,615	357,531
(b) from non-current investments	361,242	104,728
Net gain on sale of current investments	278,244	-
Other non-operating income :		
(a) Delayed payment charges	47,693,723	56,114,289
(b) Miscellaneous income	5,804,261	5,973,519
Total	55,416,085	62,550,067

Note 23 Employee Benefit Expenses

Particulars	For the year ended 31 March 2013 ₹	For the year ended 31 March 2012 ₹
Salaries and other benefits	47,992,936	56,030,614
Contributions to Provident and Other Funds	1,161,361	1,012,667
Staff welfare expenses	1,415,527	1,673,673
Total	50,569,824	58,716,954

Note 24 Finance Costs

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	₹	₹
Interest expense	25,265,281	31,750,867
Other borrowing costs	5,741,653	7,119,740
Total	31,006,934	38,870,607

Note 25 Other Expenses

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	₹	₹
Sub- Brokerage / Commission	52,141,087	62,705,000
Payment to Franchisees	1,009,260	683,972
Securities Transaction Tax on Shares/Derivatives	3,238,982	5,103,717
Stock Exchange expenses & Contribution to Stock Exchange funds	668,602	726,762
SEBI Turnover/Registration charges	437,073	1,058,318
Depository charges	2,489,386	1,867,631
Rent	4,421,852	5,180,644
Electricity expenses	4,289,227	3,877,762
Repairs and Maintenance - Building	1,500,000	-
Repairs and Maintenance - Others	3,147,043	3,309,265
Printing & Stationery	869,809	1,210,849
Communication expenses	5,657,715	5,111,635
Software charges	553,500	1,384,314

Advertisement & Publicity	356,037	562,665
Legal and Stamping charges	160,273	549,570
Legal and Professional charges (Refer Note 26 below)	5,221,414	2,620,558
Directors Sitting fees	276,630	220,000
Insurance	704,296	637,121
Travelling & Conveyance expenses	359,663	438,548
Rates and Taxes	1,119,721	1,133,773
Business promotion expenses	1,780,810	2,449,868
Mememrship & Subscription	2,645,137	1,393,824
Client Compensation	208,834	346,035
Donations	703,501	729,001
Loss on Fixed Assets sold/written off	-	715,897
Miscellaneous expenses	840,303	847,392
Total	94,800,155	104,864,121

Note 26 Remuneration to Auditors

Particulars	For the year ended 31 March 2013 ₹	For the year ended 31 March 2012 ₹
Legal and Professional charges includes payments to the auditors towards:		
Audit fees*	150,000	130,000
Tax matters*	115,000	30,000
Other services*	100,000	210,000
Total	365,000	370,000

* Excluding Service Tax

Note 27 Remuneration to Auditors

Particulars	For the year ended 31 March 2013 ₹	For the year ended 31 March 2012 ₹
Contingent Liabilities:		
Guarantees given by the company 's Banker and Counter Gauranteed by the Company	400,000,000	455,000,000
Corporate Guareantees given for Subsidiaries	550,000,000	550,000,000
Income Tax matters in Appeal	5,855,601	5,855,601
Other Matters	5,000,000	-
Total	365,000	370,000

Note 28 : Disclosure as per Clause 32 of the listing agreement

Loans and Advances in the nature of loans given to subsidiaries:

Name of the Party	Relationship	Amount outstanding as at 31 March 2013 ₹	Maximum Balance Outstanding during the year ₹
Inventure Finance Private Limited	Subsidiary Company	- (115,000,000)	225,000,000 (424,500,000)
Inventure Commodities Limited	Subsidiary Company	- (-)	- (29500000)
Inventure Wealth Management Limited	Subsidiary Company	- (-)	138,000 (2355000)

Figures in brackets relates to previous year

Note 29 : Earnings Per Share

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	₹	₹
Nominal Value of Equity shares	10	10
Net profit after tax available to the Equity shareholders	19,917,050	56,703,825
Weighted average number of Equity shares	84,000,000	74,743,168
Basic and Diluted Earnings per share	0.24	0.76

Note 30 : Details of Leasing arrangements**(a) Operating Lease: As a Lessee**

The company has entered into cancellable operating leases. These lease arrangements are normally renewable on expiry. The lease arrangement can be cancelled either at the option of lessor giving notice for the period ranging from two months to three months or lessee giving two months notice.

Lease payments amounting to ₹ 4,421,852/- (Previous year ₹ 5,180,644/-) are included in rental expenditure in the Statement of Profit and Loss during the current year.

(b) Operating Lease: As a Lessor

The Company has given office premises under cancellable lease arrangement for a period ranging from eleven months to twelve months. These lease arrangements are normally renewable on expiry. The lease arrangement can be cancelled either at the option of lessor giving three months notice or lessee giving notice for a period ranging from one month to two months.

Lease rent received during the year and accounted as income is ₹ 1,004,299/- (Previous year ₹ 989,950/-)

INVENTURE GROWTH & SECURITIES LIMITED**Notes forming part of the financial statements****Note 31 Employee Benefit Plans****(a) Defined Contribution Plans:**

The amount recognised as expense in respect of Defined Contribution Plans (Contribution to Provident Fund, Family Pension Fund and Employees State Insurance) aggregate to ₹ 8,19,586/- (Previous year ₹ 8,02,236/-).

(b) Retirement Benefit - Gratuity:

The employees of the Company are eligible for gratuity in accordance with the Payment of Gratuity Act, and is a Defined Employee Benefit. The above benefit is not funded but provision is made in the accounts for accrued gratuity under Projected Unit Credit Method of actuarial valuation.

The following table summaries the components of the employee benefit expenses recognised in the Statement of Profit and Loss and the amount recognised in the Balance sheet for the gratuity

provision made under actuarial method.

Statement of Profit and Loss

Net employee benefit expenses recognised in Employee Benefit Expenses (Note No. 23)

(Amount in ₹)

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
Components of employer expense		
Current Service cost	313,771	382,723
Interest cost	235,664	211,372
Expected return on plan assets	-	-
Curtailement cost/(credit)	-	-
Settlement cost/(credit)	-	-
Past Service Cost	-	-
Actuarial Losses/(Gains)	(207,660)	(383,664)
Total expense recognised in the Statement of Profit & Loss	341,775	210,431

Balance Sheet

Details of provision for gratuity

(Amount in ₹)

Net asset/(liability) recognised in balance sheet	As at 31 March 2013	As at 31 March 2012
Present value of Defined Benefit Obligation	3,114,294	2,772,519
Fair value of plan assets	-	-
Funded status [Surplus/(Deficit)]	(3,114,294)	(2,772,519)
Unrecognised Past Service Costs	-	-
Net asset/(liability) recognised in balance sheet	(3,114,294)	(2,772,519)

(Amount in ₹)

Change in Defined Benefit Obligations (DBO) during the year ended	For the year ended 31 March 2013	For the year ended 31 March 2012
Present Value of DBO at beginning of period	2,772,519	2,562,088
Current Service cost	313,771	382,723
Interest cost	235,664	211,372
Curtailement cost/(credit)	-	-

Settlement cost/(credit)	-	-
Plan amendments	-	-
Acquisitions	-	-
Actuarial (gains)/ losses	(207,660)	(383,664)
Past Service Cost	-	-
Benefits paid	-	-
Present Value of DBO at the end of period	3,114,294	2,772,519

Principal actuarial assumptions as at the balance sheet date:

Particulars	As at 31 March 2013	As at 31 March 2012
Discount Rate	8.10%	8.50%
Salary escalation	5%	5%
Attrition Rate	2%	2%

INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the financial statements

Note 32 Related Party Disclosures

The following details give the information pursuant to Accounting Standard (AS) 18 " Related Party Disclosures".

(a) Name of the Related Parties and the Nature of Relationship

Name of the Related Parties	Nature of Relationship
Inventure Finance Private Limited	Subsidiary Company
Inventure Insurance Broking Private Limited	Subsidiary Company
Inventure Commodities Limited	Subsidiary Company
Inventure Wealth Management Limited	Subsidiary Company
Inventure Merchant Banker Services Private Limited	Subsidiary Company
Nagji Keshavji Rita	Director and Key Management Personnel
Virendra Dudhnath Singh	Director and Key Management Personnel
Amrutben Kanji Shah	Relative of Director
Jayshree Nagji Rita	Relative of Director
Khimaiben Keshavji Rita	Relative of Director
Kiran Virendra Singh	Relative of Director
Shraddha V. Singh	Relative of Director

Vaibhav N. Rita	Relative of Director
Nagji K. Rita HUF	Enterprises significantly influenced by the Director
Keshavji M. Rita HUF	Enterprises significantly influenced by the Director
Virendra Dudhnath Singh HUF	Enterprises significantly influenced by the Director

(b) Details of Related Party transactions during the year ended 31 March 2013
(Amount in ₹)

Particulars	Subsidiaries	Directors & Key Management Personnel	Relatives of Directors & Key Management Personnel	Enterprises significantly influenced by the Directors / Relatives	Total
Investment in Equity Shares	351,880	-	-	-	351,880
	(364,100,000)	(-)	(-)	(-)	(364,100,000)
Salary/Remuneration paid	-	2,625,000	240,000	-	2,865,000
	(-)	(2,310,000)	(240,000)	(-)	(2,550,000)
Loans & Advances given	350,938,000	-	-	-	350,938,000
	(1,567,964,500)	(-)	(-)	(-)	(1,567,964,500)
Loans & Advances received back	465,938,000	-	-	-	465,938,000
	(1,455,319,500)	(-)	(-)	(-)	(1,455,319,500)
Security Deposit Received	-	-	-	1,100,000	1,100,000
	(-)	(-)	(800,000)	(500,000)	(1,300,000)
Security Deposit Repaid	-	-	-	-	-
	(-)	(-)	(1,900,000)	(3,500,000)	(5,400,000)
Loans Received	-	1,300,000	600,000	-	1,900,000
	(-)	(1,500,000)	(-)	(-)	(1,500,000)
Loans Repaid	-	2,500,000	-	-	2,500,000
	(-)	(2,000,000)	(-)	(-)	(2,000,000)
Interest Paid	-	81,944	83,343	160,603	325,890
	(-)	(300,820)	(249,181)	(525,000)	(1,075,001)
Interest Received	11,945,270	-	-	-	11,945,270
	(23,700,314)	(-)	(-)	(-)	(23,700,314)
Rent Received	606,000	-	-	-	606,000
	(584,500)	(-)	(-)	(-)	(584,500)
Rent Paid	-	312,000	2,880,000	960,000	4,152,000

	(-)	(-)	(2,640,000)	(960,000)	(3,600,000)
Outstanding Credit Balance	-	300,000	600,000	1,100,000	2,000,000

Figures in brackets relates to the previous year

INVENTURE GROWTH & SECURITIES LIMITED

Notes forming part of the financial statements

Note 33 Segment Reporting

The Company's operations predominantly consist of "Broking of shares/securities and other related activities ". Hence there are no reportable segments under Accounting Standard -17. During the year under report the Company was engaged in its business only within India. The conditions prevailing in India being uniform no separate geographical disclosures are considered necessary.

Note 34 : There are no amounts payable to any Micro, Small and Medium Enterprises as identified by the Management from the information available with the Company and relied by Auditors.

Note 35 : Figures have been rounded off to nearest rupees.

As per our attached report of even date

For PHD & Associates

Chartered Accountants

Firm Registration No.

111236W

For and on behalf of the Board of Directors

Nagji K Rita

Chairman & Managing Director

D. V. Vakharia

Partner

Membership No. 46115

Virendra D Singh

Director

Bhavi R Gandhi

Company Secretary

Place : Mumbai

Date : 25 May 2013

INVENTURE GROWTH & SECURITIES LIMITED

Cash Flow Statement for the year ended 31 March 2013

Particulars	For the year ended 31 March 2013		For the year ended 31 March 2012	
	₹	₹	₹	₹
A. Cash Flow from Operating Activities				
Net Profit before tax		27,576,954		82,821,909
Adjustment for :				
Depreciation and amortisation	9,791,311		10,609,543	
Finance costs	31,006,934		38,870,607	
Interest income	(47,629,250)		(60,442,410)	
Dividend income	(1,639,857)		(462,259)	
Provision for defined employee benefits	341,775		210,431	
Profit on sale of Investment	(278,244)		-	
Loss on Sale/Write off of Fixed assets	-		715,897	
		(8,407,331)		(10,498,191)
Operating profit before working capital changes		19,169,623		72,323,718
Adjustments for :				
Trade receivables	68,027,218		(85,226,586)	
Inventories	55,720,595		(102,744,555)	
Long term Loans and advances	(167,158,967)		360,017	
Short term Loans and advances	(2,692,315)		(10,044,227)	
Other Current assets	383,592		(517,821)	
Trade payables	31,157,027		89,989,417	
Other Current liabilities	3,828,404		(227,638,019)	
		(10,734,446)		(335,821,774)
Cash generated from operations		8,435,177		(263,498,056)
Direct Taxes paid (Net of refunds)		(11,569,714)		(22,422,139)
Net cash flow used in operating activities (A)		(3,134,537)		(285,920,195)
B. Cash Flow from Investing Activities				
Purchase of fixed assets	(1,435,278)		(1,063,093)	
Proceeds from sale of fixed assets	-		147,623	
Fixed deposits with banks with original maturity of more than three months - placed	(78,822,492)		(222,723,325)	

Fixed deposits with banks with original maturity of more than three months - matured	175,050,000		314,026,000	
Investments in subsidiary companies	(351,880)		(364,100,000)	
Purchase of other non-current investments	(101,921,038)		(56,847,500)	
Proceeds from sale of long-term investments	102,585,324		-	
Dividend income	1,639,857		462,259	
Interest Received	47,817,846		62,933,013	
Advances / (Repayment) to /from Subsidiaries (Net)	115,000,000		(112,768,976)	
Net cash flow from / (used in) investing activities (B)		259,562,339		(379,933,999)
C. Cash Flow from Financing Activities				
Proceeds from issue of equity shares (including securities premium)	-		782,011,621	
Repayment of long term borrowings	(7,946,470)		(7,290,737)	
Repayment of short term borrowings	(54,650,579)		(30,331,120)	
Finance costs	(31,006,934)		(38,870,607)	
Bonus Issue Expenses	(5,908,540)		-	
Dividend paid (including distribution tax)	(24,406,725)		(16,271,150)	
Net cash flow from financing activities (C)		(123,919,248)		689,248,007
Net increase in cash and cash equivalents (A+B+C)		132,508,554		23,393,813
Cash and cash equivalents at the beginning of the year		30,495,067		7,101,254
Cash and cash equivalents at the end of the year		163,003,621		30,495,067

Notes:

- 1 Cash and Cash Equivalents are as under:

Particulars	As at 31 March 2013	As at 31 March 2012
Cash in hand	567,348	206,501
In Current Accounts	162,436,273	30,288,566
	163,003,621	30,495,067

2. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard -3 on "Cash Flow Statements" issued by the Institute of Chartered Accountants of India.

3. Previous year's figures have been regrouped/rearranged wherever necessary to conform to the current year's presentation.

As Per Our Attached Report Of Even Date

For PHD & Associates

Chartered Accountants

Firm Registration No. 111236W

D. V. Vakharia

Partner

Membership No. 46115

Place : Mumbai

Date : 25 May 2013

For and on behalf of the Board of Directors

Nagji K Rita

**Chairman & Managing
Director**

Virendra D Singh

Director

Bhavi R Gandhi

Company Secretary

INVENTURE GROWTH & SECURITIES LIMITED



INVENTURE GROWTH & SECURITIES LIMITED																							
SUMMARY OF FINANCIAL STATEMENTS OF SUBSIDIARY COMPANIES PURSUANT TO SECTION 212(8) OF COMPANIES ACT, 1956																							
(₹ In Lakhs)																							
Subsidiary Name	Accounting Period		Capital		Reserves		Total Liabilities		Total Assets		Investment (Other than in Subsidiaries)		Turnover /Income		PBT/(LBT)		Tax provision		PAT/(LAT)		Dividends Proposed/Paid		
	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	
Inventure Finance Pvt. Ltd.	01.04.12 to 31.03.13	01.04.11 to 31.03.12	480.00	480.00	5,799.57	5,358.42	8,029.47	9,559.91	8,029.47	9,559.91	324.42	1,807.67	1,082.65	1,058.80	559.11	228.14	117.97	68.67	441.15	159.47	-	-	
Inventure Commodities Ltd.	01.04.12 to 31.03.13	01.04.11 to 31.03.12	219.07	219.07	750.18	688.59	1,866.09	1,314.38	1,866.09	1,314.38	-	110.28	350.17	320.44	89.34	127.95	27.75	43.30	61.59	84.65	-	-	
Inventure Wealth Management Limited	01.04.12 to 31.03.13	01.04.11 to 31.03.12	65.00	65.00	(33.99)	(37.85)	31.43	28.63	31.43	28.63	-	-	21.06	26.71	3.89	(18.94)	0.02	0.03	3.86	(18.97)	-	-	
Inventure Insurance Broking Private Limited	01.04.12 to 31.03.13	01.04.11 to 31.03.12	60.00	60.00	(20.26)	(19.45)	39.93	40.75	39.93	40.75	-	-	0.05	1.72	(0.82)	0.60	(0.01)	(0.01)	(0.81)	0.61	-	-	
Inventure Merchant Banker Services Pvt. Ltd	01.04.12 to 31.03.13	29.08.11 to 31.03.12	121.00	121.00	494.45	488.37	616.32	609.79	616.32	609.79	495.08	-	75.48	20.33	8.01	12.17	1.93	3.80	6.08	8.37	-	-	

INVENTURE GROWTH AND SECURATIES LIMITED

Registered office: Viraj Towers, 201, 2nd Floor, Near Landmark, Andheri Flyover, Western Express Highway, Andheri (East), Mumbai- 400069.

Attendance Slip

(To be signed and handed over at the entrance of the Meeting Venue)

Registered Folio No: _____

DP ID* : _____

No. of Shares held: _____

Client ID*: _____

Full Name of the Member (in Block Letter) _____

Name of the Proxy _____

(To be filled- in if the Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 18th ANNUAL GENERAL MEETING of the Company on Thursday, September 26, 2013 at 10.30 A.M at the Koshish Hall, Malad .

Members/Proxy's Signature
(To be signed at the time of handing over the slip)

*Applicable for members holding shares in electronic form

Note : Members are requested to bring their copies of the Annual Report to the Meeting.

INVENTURE GROWTH AND SECURATIES LIMITED

Registered office: Viraj Towers, 201, 2nd Floor, Near Landmark, Andheri Flyover, Western Express Highway, Andheri (East), Mumbai- 400069.

PROXY FORM

Registered Folio No: _____ DP ID* : _____

No. of Shares held : _____ Client ID*: _____

I/We _____

of _____ in the district of _____

being a member/members of the above-named Company hereby appoint

Shri _____

_____ or failing him Shri _____

As my/our proxy to vote for me/us on my behalf at the 18th ANNUAL GENERAL MEETING of the Company on Thursday September 26,20103 at 10.30 A.M at the Koshish Hall, Malad and at any adjournment thereof.

Signed this _____ day of _____ 2013 Signature _____

Affix
Revenue
Stamp

*Applicable for members holding shares in electronic form.

Note : This form in order to be effective, should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

INVENTURE

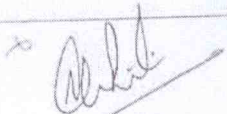
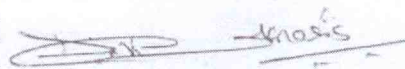
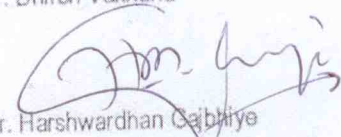
GROWTH & SECURITIES LTD.
Enhancing Fortunes. Enriching Lives.



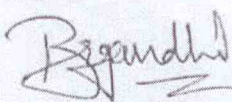
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CURRENCY DERIVATIVES • DP-CDSL

FORM A

1.	Name of the Company:	Inventure Growth & Securities Limited.
2.	Annual financial statements for the year ended	31 st March, 2013.
3.	Type of Audit observation	Not Applicable
4.	Frequency of observation	Not Applicable
5.	To be signed by-	
	• CEO/ Managing Director	 Shri Nagji K. Rita
	• Auditor of Company	For M/S PHD & Associates  Mr. Dhiren Vakharia
	• Audit Committee Chairman	 Mr. Harshwardhan Gajbhiye

For Inventure Growth & Securities Limited


Bhavi R. Gandhi