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## CORPORATE INFORMATION

### BOARD OF DIRECTORS:

- |                               |                                     |
|-------------------------------|-------------------------------------|
| 1. Shri Nagji K. Rita         | Chairman                            |
| 2. Shri Kamlesh S. Limbachiya | Whole Time Director                 |
| 3. Shri Kanji B. Rita         | Managing Director                   |
| 4. Shri Virendra D. Singh     | Director (Resigned w.e.f10.08.2016) |
| 5. Shri Harilal B. Rita       | Director                            |
| 6. Shri Deepak M. Vaishnav    | Independent Director                |
| 7. Shri Ajay Khera            | Independent Director                |
| 8. Shri Dilip C. Shah         | Independent Director                |
| 9. Shri Bharat P. Shah        | Independent Director                |
| 10. Smt Shilpa Vishal Solnaki | Independent Director                |

### AUDIT COMMITTEE

Shri Deepak M. Vaishnav (Chairman)  
Shri Ajay Khera  
Shri Nagji K. Rita  
Shri Kamlesh S Limbachiya  
Shri Bharat P Shah

### NOMINATION & REMUNERATION COMMITTEE

Shri Ajay Khera (Chairman)  
Shri Deepak M. Vaishnav  
Shri Virendra D. Singh (Resigned w.e.f 10.08.2016)

### STAKEHOLDER RELATIONSHIP COMMITTEE

Shri Ajay Khera (Chairman)  
Shri Deepak M. Vaishnav  
Shri Nagji K. Rita

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Shri Bharat P. Shah (Chairman)  
Shri Nagji K. Rita  
Shri Kamlesh S. Limbachiya

### COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Bhavi R Gandhi

### CHIEF FINANCIAL OFFICER

Mr. Arvind J. Gala

### STATUTORY AUDITORS

M/s. PHD & Associates  
Chartered Accountants  
Radha Chambers, Level 3, Teli lane,  
Andheri-East, Mumbai

### INTERNAL AUDITORS

M/s. Shah & Ramaiya 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

### SECRETARIAL AUDITOR

D. M. Zaveri & Co.

### REGISTRAR AND SHARE TRANSFER AGENT

LINKINTIME INDIA PRIVATE LIMITED  
C -13, Pannalal Silk Mills Compound  
L.B.S Marg, Bhandup (West), Mumbai – 400 078

### REGISTERED OFFICE

CIN No. L65990MH1995PLC089838  
201,2nd floor, Viraj Towers,  
Western Express Highway,  
Andheri – East, Mumbai – 400069

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**CHAIRMAN MESSAGE**

Dear Shareholders,

I am glad to welcome you in our 21<sup>st</sup> Annual General Meeting of our company. Our Company began operations 21 years ago with modest roots and an aspiration to build a solid and robust business based on sustainable and long-lasting values and culture. Initially we provided Broking and financial services to our clients. Today, our aspiration is to be a respected, world-class, diversified financial services firm with a portfolio of high-quality, growth businesses.

During the journey of 21 years Company has diversified its business in different segments such as commodity, broking, non-banking financial services, Insurance and merchant banking services through its subsidiaries. This has meant that during this 21-years the company has gain several advantages and built a multi-platform for the benefit of its customers and shareholders and also helps the company to sustain in a volatile market environment, leading to reduced costs and improved customer services. With a significant presence in almost all the important segments of the financial services and leadership positions in many – each of our businesses represents future growth and an opportunity to sustain multiple client relationships across adjacent synergistic business verticals. We build enduring relationships with our clients by offering solutions that are customised to their needs and are supported by smart execution.

FY 2015-2016 wasfickle, the general economic slowdown in the country. We reduce market share, the business has faced its own set of challenges like persistency levels that did not match the high standards we had set for ourselves. Several times over the past few years we have paused and taken a moment to step back and take stock, identify the areas where we were lagging and worked on ways to improve. Almost all organisation's struggle to maintain a healthy balance between the two – become too pragmatic and risk losing the “soul” of their business – become too idealistic and one may find it difficult to survive in the real world. The reality of the global financial crisis had hit home hard. While this stage of our journey was the most demanding and punishing phase of our journey, which lead to poor performance of the Company its Broking Segment as compared to its performance in past years.

We have always felt that the India growth story should be seen from an evolutionary perspective rather than from an at-a-point-of-time perspective. The volatility and uncertainty in the Economy will be no more than what we have seen and we truly believe that the next two decades will be a better, upgraded version of the previous two decades. The basic tenets however remain the same – hard work, dedication, mental and physical strength and a firm belief in our own abilities. It is a long-winding road and the challenges are many but we will continue to justify the faith you have reposed in us by consistently exceeding expectations and delivering results that truly make this organization stronger over the period of time.

This letter provides the perfect opportunity to share our journey with you and put our successes as well as our failures in perspective. I look forwards to your unwavering support in this challenging but exciting process of building a good corporate image amongst stakeholders. We always want to look ahead and push ourselves to reinvent and re-innovate. We took this opportunity to be introspective and realized our core strengths. We believe that new innovation is necessary and a great driver for growth.

I am grateful to our stakeholders – customers for reposing their faith on us. Customers are at the heart of

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what we do and happy customers make us happy. In fact it has been our customers who have been the stars to help us navigate our way as we built this diverse financial services platform. I am also thankful to our employees whom we are recognize as our core assets for their enthusiasm, numerous loyalty, and commitment towards the quest of excellence, our member on the Board for their perception and continuous support; management team for efficiency steering the company's resource and you, our shareholders for your trust and confidence.

**Thanks & Regards,**

**Shri Nagji K. Rita**  
**(Chairman)**  
**Inventure Growth & Securities Limited**

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**BOARD OF DIRECTORS****Shri Nagji K. Rita (Chairman)**

Mr. Nagji K. Rita, 64years, is the Chairman 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. He has initiated to explore a new business opportunity in real estate sector.

During the year he has been awarded degree for Dr. of Philosophy by Trinity World University of U.K.

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

**Shri Kanji B. Rita (Managing Director)**

Mr. Kanji B. Rita, 50years, is the Managing Director w.e.f. 24.09.2015of our Company. He is a non-matriculate and started his career in retail steel sector from the year 1984. He has over 16 years of experience in the stock markets. He has diversified business interests in the areas of realty, retail and finance. In the year 2002he incorporated Vandana Collection Private Limited and set up a retail store by the name "Kenorita". He ventured into the real estate sector and has multiple projects running under the banner of Krushmi Developers Private Limited, Ratnasagar Diamond Mall Private Limited and Kenorita Developers Private Limited.

**Shri Kamlesh S. Limbachiya (Whole time Director)**

Shri Kamlesh S. Limbachiya is a Whole Time Director of the Company with effect from 1st April 2014. He is Commerce Graduate and started his career in the year 1993. He has 17yrs of experience in Readymade Garments business including 12 years of experience in construction business. He works as a Partner in M/S Shri Paridhan Traders and as a Director in Keshvi Developers Private Limited

**Shri. Harilal B. Rita (Non Executive Director)**

Mr. Harilal. Rita 47 years is the Non Executive Director of our Company, Since February 2012. He started his career in the year 1990. He has around 11years of Experience in Finance & Brokerage and overall he has 22 years of experience. At present he is a Director in Kenorita Developers Pvt Ltd, Pioneer Securities Pvt Ltd and Kothari Builders Pvt Ltd. He is also a Partner in Kenorita Realty, LLP

**Shri. Deepak M. Vaishnav (Independent Director)**

Mr. Deepak M. Vaishnav, 52years, is the Independent Director of our Company. He is a Chartered Accountant by profession. He has a vast experience of 22 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, SwamiVivekanand College etc. for faculty trainings, addressing students to prepare under testing times etc. He has conducted various trainings programs on project management, Oracle applications and finance for variety of audiences across Tata Consultancy Services' offices.

**Shri. Ajay Khera (Independent Director)**

Shri Ajay Khera, 61years, is the 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 33years 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)**

Shri Dilip C. Shah, 42Years, is the 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 14 years of experience in real estate sector, including 12 years of experience in the stock markets. At present he is a partner in Oswal Enterprises, a Partnership Firm.

**Shri Bharat P. Shah (Independent Director)**

Shri Bharat Papatlal Shah is designated as an Independent Director in our company. He is qualified as a B.com from Mumbai University & Chartered Accountants from ICAI. His work experience is more than 32 years & currently he is Proprietor of Bharat P. Shah & Co.

**Mrs. Shilpa Vishal Solanki**

Ms. Shilpa V Solanki has 12 years of working experience in accountancy background. She is Qualified as a B. Com from Mumbai University as well as Chartered Accountants from ICAI. By profession she is Practicing Chartered Accountants in the firm name “M/s Shilpa S Jain and Associates”, she is partner in YardliPrabhu&Associates.

**NOTICE**

**NOTICE is hereby given that the Twenty first Annual General Meeting of the Members of Inventure Growth & Securities Limited will be held on Thursday, 29<sup>th</sup> September 2016 at 11.00 AM at 3<sup>rd</sup> Floor, Sterling Banquet Hall, Topiwala Center, Off S.V. Road, Near Station Road, Goregaon (West), Mumbai – 400 062.**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Statement of Profit & Loss for the financial year ended March 31, 2016 and the Balance Sheet as on that date and the Report of the Directors' and Auditor's thereon.

2. To appoint a Director in place of Mr. Harilal B. Rita (holding Din No:02750900) who retires by rotation and being eligible offers himself for re-appointment

3. To ratify the appointment of Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** subject to the provisions of Section 139, 142 and all other applicable, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force as amended from time to time), pursuant to the recommendation of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the members at the Annual General Meeting held on 24<sup>th</sup> September, 2015, the appointment of M/s. PHD & Associates, Chartered Accountants, (Firm Registration Number: 111236W) as Statutory Auditors of the Company to hold the office from conclusion of this Annual General Meeting (hereinafter referred to as 'AGM') till the conclusion of the Twenty fifth AGM of the Company to be held in the calendar year 2020 be and hereby ratified and the Board of directors are be and hereby authorised to fix the remuneration payable to them for the financial year ending 31 March 2017 as may be determined by the Audit Committee in consultation with the Auditors, and as may be agreed upon between the Auditors and the Board of Directors”

**By Order of the Board of Directors**

**For Inventure Growth & Securities Ltd.**

**Kanji B. Rita**  
**(Managing Director)**

Place: Mumbai  
Date: 11.08.2016

## NOTES:

1. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll, instead of himself/ herself and the proxy need not be a Member of the Company. A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Shareholder. The instrument appointing proxy should, however, be deposited at the Registered Office of the Bank not later than forty-eight hours before the commencement of the Meeting.
2. Members/Proxies should fill the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting. The copies of the Annual Report will not be distributed at the meeting.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution/ power of attorney authorizing their representative to attend and vote on their behalf at the Meeting.
4. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Relevant documents referred to in the accompanying notice are open for inspection at the registered office of the Company on all working days (Monday to Friday) between 11.00 a.m. to 3.00 p.m. during the business hours up to the date of Annual general Meeting.
6. Members having any questions on financial statements or on any agenda item proposed in the notice of Annual General Meeting are requested to send their queries at least seven days prior to the date of Annual General Meeting at the registered office address of the Company to enable the Company to collect the relevant information.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Registrar and Transfer Agent (R&TA).
8. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
9. The Copy of the Annual Report is being sent by electronic mode to members who have registered their e-mail ids with the Company / Depository Participant(s). To support the "Green Initiative" as well as Regulation 36 (1)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members are requested to register/update their e-mail ids with the Company/ Depository Participant/ R&TA which will be used for the purpose of



sending the communications in future.

10. Members whose e-mail id is not registered with the Company, physical copies of this annual report will be sent at their registered address through permitted mode.
11. Members whose e-mail ids are registered with the Company and who wish to receive printed copy of the Annual report may send their request to the Company at its registered office address or to the R&T, Link In time India Pvt. Ltd.(Contact details Tel.: 22 25963838, Fax No: 25946969 email: saili.lad@linkintime.co.in)
12. Members may note that the Notice of the 21<sup>st</sup> Annual General Meeting and the Annual Report for the year 2015-16 will also be available on the Company's website [www.inventuregrowth.com](http://www.inventuregrowth.com) and on the website of CDSL <https://www.evotingindia.co.in>.
13. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their nominations, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Members holding shares in physical form are requested to intimate such changes the Company's Registrar and Transfer Agents.
14. Non-Resident Indian Members are requested to Inform Registrar and Transfer Agent immediately about:
  - (i) The change in residential status on return to India for permanent settlement.
  - (ii) The particular of NRO Bank account in India, if not furnished earlier.
15. Profile of the Directors retiring by rotation, as required by Regulation 36 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and 1.2.5 of Secretarial Standard on General Meetings are given in the Report on Corporate Governance forming part of the Directors' Report. The Directors have furnished requisite declaration for their appointment / re appointment.
16. Members who hold shares in dematerialized form are requested to bring their detail of Demat account (client ID and DP ID) for speedy and easier identification of attendance at the meeting.
17. Member / proxy holder shall hand over the attendance slip, duly signed and filled in all respect, at the entrance for attending the meeting. Route map of AGM venue is given in this report.
18. **E-voting facility**

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 21<sup>st</sup>AGM and accordingly, business/resolutions as mentioned in this Notice shall be transacted considering e-voting. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting.

## **Steps for Remote E-voting**

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

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</p>
DOB	<p>Enter the Date of Birth as recorded in your Demat account or in the company records for the said Demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</p>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.

Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for “INVENTURE GROWTH & SECURITIES LIMITED”
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”.  
A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
- (b) They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (c) After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- (d) The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- (e) They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (2) In case of members receiving the physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] ∴

Initial password will be provided by Linkintime Pvt. Ltd., Registrar and Share Transfer Agents of the Company: EVEN (E•Voting Event Number), user ID and password

EVEN (Remote e-voting Event Number)USER ID PASSWORD/PIN

Please follow all steps from sr. no. (i) To sr. no. (xvii) Above to cast vote.

(3) The e-voting period commences at 10.00 am on 26<sup>th</sup> September, 2016 and ends at 05.00 p.m. on 28<sup>th</sup> September, 2016. The e-voting module shall be disabled by CDSL for voting thereafter. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22<sup>nd</sup>September-- of 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

(4) Other Instructions

The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cutoff date 22<sup>nd</sup>September, 2016.

Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22<sup>nd</sup>September, 2016, may obtain the login ID and password by sending a request at the Company or Issuer/RTA.

However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.cdsl.com](http://www.evoting.cdsl.com) or contact CDSL at the following toll free no.: 18002005533.

For any queries/grievances or guidance for e-voting, members may contact Ms. Bhavi Gandhi, Company Secretary at the Registered Office, on landline number 022-39548503 or may write to [cs@inventuregrowth.com](mailto:cs@inventuregrowth.com). Member may refer the Frequently Asked Questions (FAQs) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact CDSL on 18002005533.

**1. Procedure of voting at Annual General Meeting**

Members who do not vote by e-voting are entitled to vote at the meeting. Members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the meeting.

Voting to the resolutions as contained in the Notice shall be conducted through ballot/poll or other appropriate process. Relevant facility for voting shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting. Members who are entitled to vote can cast their vote through ballot paper in the AGM. The Company will make arrangement in this respect including distribution of ballot papers under the supervision of Scrutinizer appointed for the purpose. Members will need to write on the ballot paper, inter alia, relevant Folio no., DPID & Client ID and number of shares held etc.

The Members whose names appear in the Register of Members/list of Beneficial Owners as received from Depositories as on September 22, 2016 (“cut-off date”) are entitled to vote on the resolutions set forth in this Notice. Person who is not member as on the said date should treat this Notice for information purpose only.

Mr.Dharmesh Zaveri, Practicing Company Secretary (Membership No. FCS 5418), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Assent/Dissent Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The results declared along with the Scrutinizer's Report shall be placed on the Company's website i.e. [www.inventuregrowth.com](http://www.inventuregrowth.com) within two days of the passing of the resolutions at the 21<sup>st</sup> Annual General Meeting of the Company and communicated to the BSE Limited & National Stock Exchange of India Limited where the shares of the Company are listed.

**By Order of the Board of Directors**

**For Inventure Growth & Securities Ltd.**

**Kanji B. Rita**  
**(Managing Director)**

Place: Mumbai  
Date: 11.08.2016



Details of Directors seeking appointment/re-appointment at the Annual General Meeting pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2)

Name of the Director	Mr. Harilal Rita
Date of Birth	10.12.1971
Age	47
Date of Appointment	29.02.2012
Brief resume, qualification, experience and nature of expertise in specific functional areas	He started his career in the year 1990. He has around 11 years of Experience in Finance & Brokerage and overall he has 22 years of experience. At present he is a Director in Kenorita Developers Pvt Ltd, Pioneer Securities Pvt Ltd and Kothari Builders Pvt Ltd. He is also a Partner in Kenorita Realty, LLP
No. of Board Meetings attended during the financial year ended March 31, 2016	4
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	3
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	None
Number of Shares held in the Company	None
Inter-se relationship with other Directors and Key Managerial Personnel	Brother of Mr. Kanji B. Rita (Managing director)
Details of Remuneration sought to be paid	None
Remuneration last drawn by the Director	None

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## MANAGEMENT DISCUSSION & ANALYSIS

The Company is in the business of Trading in Shares and Finance Activity. The key issue of the Management Discussion and Analysis are given below.

- **SUSTANABILTY**

Our philanthropic arm, Give Foundation is based on bridging the gap between the for-profit world and the not-for-profit world, and inculcating a habit of giving back.

- **OPERATING RISK AND OPPORTUNITIES**

Low rainfall or slower than expected recovery of macro-economy, volatile market, domestically as well as globally remain threats for our overall growth. However, a greater diversification in investments, recent Government initiatives like Digital India will provide access to a whole set of new clients.

- **GOVERNANCE**

Aside from our internal controls and Risk structures, we also have in place a set of various crucial policies such as Risk Management Policy, the Prevention of Insider Trading, Conflicts of Interest Policy and a strong Whistleblower Policy

- **INDUSTRY STRUCTURE AND DEVELOPMENT**

The Company is a Corporate Member of the BSE Limited, National Stock Exchange of India Ltd. and MSEI Exchange Limited. The Membership includes member in Capital Market, Future & Option Market & Currency Derivatives Segments. Today the stock market has a range of player's mutual funds, FII's, Hedge Funds, corporate & other institute. Domestic Savings and capital inflows are channelized in the capital market. In recent years, the capital market has undergone substantial reforms in regulation and supervision. Reforms, particularly the establishment of SEBI, market determined prices and allocation of resources, screen based nation-wide trading, t+2 settlement, scrip settlement and electronic transfer of securities, rolling settlement and derivatives trading have greatly improved both regulatory frame work and efficiency of trading and settlement.

- **REGULATORY**

Our Company's activities are subject to supervision and regulation by multiple statutory and regulatory authorities This regulators includes Stock Exchanges, Registrar of Companies, Income Tax Authorities, Securities & Exchange Board of India etc. Company is also complying various statutory provisions such as Companies Act, Income tax Act, Service Tax, BSE & NSE provisions, Securities contracts Act, RBI Act and other applicable laws and regulations applicable to the companies.

- **INTENSE COMPETITION**

Our Company faces significant competition from companies seeking to attract clients' financial assets. In particular, we compete with other Indian and foreign brokerage houses, public and private sector commercial banks operating in the markets in which we are present. In recent years, large international banks have also entered these markets. The profitability of the company depends upon volatility of the Company.

- **MANPOWER & EMPLOYEE RELATIONS:**

Our ability to seed, nurture and grow new businesses would not have happened if we had not built a great management team. Over the several phases of our journey, people have always been at the top and center. Our aspiration has been to create a great platform for people to assume great responsibility. We like people who can push the boundary in their thinking, who embrace new ideas and are hungry for more, for the firm and for themselves. Our approach to leadership and development also embodies this predilection – identify great talent early and provide the enabling environment for success, the focus has always been to create business owners rather than employees. We consider human resources a key element. Emphasis is laid on providing adequate training to its employee, to meet the attitudinal and cultural values of the organization ethos to achieve the goals set. The human resources of company are quite enough according to size, volume and transactions of business and employee relations are continued to be cordial during the year. We have always focused on hiring great people and providing them with a platform to build great businesses.

- **INTERNAL CONTROL SYSTEM AND ADEQUACY:**

Inventure Growth & Securities Limited has adequate internal control systems in place for safeguarding the assets, for ensuring that all transaction are in accordance with the policies of the Company, are duly authorized, recorded and reported. The objective is to prevent possibilities of frauds or other irregularities. The Company is working to further strengthen the systems for internal audit and risk assessment and mitigation.

- **FUTURE OUTLOOK**

We at Inventure, see our future joined with our employees. Leadership Program is committed to provide an opportunity to all who can contribute at a leadership level.

## **INVENTURE GROWTH & SECURITIES LTD.**

Inventure Growth & Securities Ltd. is the listed company. Being the listed company the structure of it is based on the following elements:

- To be the most preferential financial services provider for all categories of investor by offering them ample services.
- Improvement & enhancing the worth of services to stakeholder community including customers, employee & other concerned authority.

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 also registered as DP with CDSL.

**The following activity to be included in the operation:**

## **BROKING IN SECURITIES**

Services offered by the Inventure Growth & Securities Ltd. provide the service of equity broking to ultimate customer 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 Net worth 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.

## **INVESTOR MEETING POINT**

The success of our client is the biggest reward for us. We always put the interest of our clients before our own. Understanding our clients' needs, seeking new opportunities for them, addressing them and delivering unique solutions as per their expectation are imperative to us.

## **EXECUTION**

Our expertise, experience and continuous focus on the quality of execution ensure effective implementation of our strategies.

## **MORDENIZATION**

We understand our clients' needs and develop solutions for the most complex or the simplest financial transactions, creativity and innovation are driving factor in everything we do. Therefore, we encourage new ideas that help us address unique opportunities.

## **ROUTINE**

We believe in the development of our human resource and continuously hone our skills by setting higher targets of performance of ourselves. We strive to attract, develop and retain the best talent in the industry and also ensure they get their well deserved rewards.

## **TEAMWORK**

We believe extensive teamwork is what makes it possible for us to work together towards a common goal. We value and respect each individual's commitment to group efforts.

## INTEGRITY

Integrity is fundamentals to our business. We adhere to moral and ethical principles in everything we do as professionals, colleagues and corporate citizens. Our reputation based on high standards of integrity is invaluable.

## EXAMINE 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 identify potentially wealth-creating equity investment ideas.

## DEPOSITORY SERVICES

We are the Depository Participant of CDSL, who is authorized 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.

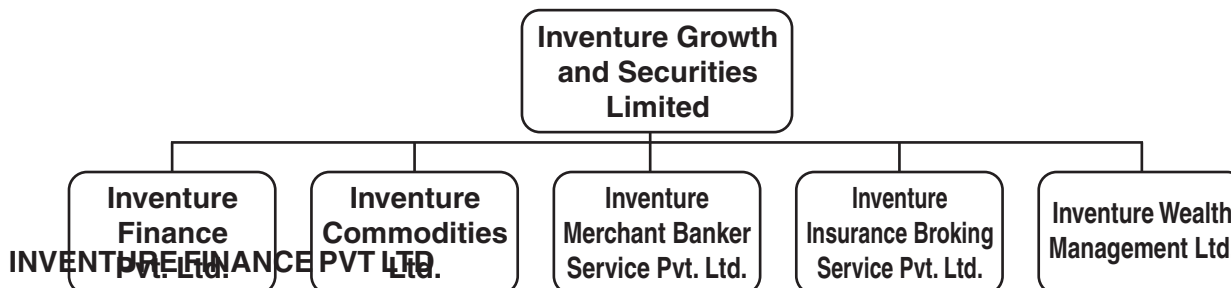
## MARKET MARKER

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 scrip.

## 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 the to our stakeholder community up to allotment of securities offered to general public.

## SUBSIDIARY OF INVENTURE GROWTH & SECURITIES LTD.





## 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.

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

## INVENTURE COMMODITIES LTD

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.

### **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 PVT LTD**

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 interallia 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 SERVICES PVT LTD.**

Inventure Merchant Banker Service Private Limited incorporates under Companies Act, 1956 on 29<sup>th</sup> 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 2014 we engaged with some entity in regards to IPO they are Ratna Kamal Holding Limited, Amines & Plasticizers Limited, Newever Trade Wings Limited, GCM Commodity & Derivatives Limited, VKJ Infradevelopers Private Limited, Saffron

Vinimay Private Limited, Shaili Paradigm Infratech private Limited, Unisher Urban Infra Limited, Anishalmpex Limited. We awarded by one of the Top performers on SME platform.

• **BUSINESS STREAMS**

Company Name	Service Area	Membership/Product Offered
Inventure Growth & Securities Ltd.	Equity Brokin	<ul style="list-style-type: none"> <li>• NSE (Cash &amp; Derivatives Segments)</li> <li>• BSE (Cash Segment)</li> <li>• MCX-SX</li> </ul>
	Research	<ul style="list-style-type: none"> <li>• Fundamental</li> <li>• Technical</li> </ul>
	Depository	<ul style="list-style-type: none"> <li>• CDSL</li> <li>• CIRL</li> </ul>
	IPO Distribution	<ul style="list-style-type: none"> <li>• Distribution of IPO</li> </ul>
	Currency Futures	<ul style="list-style-type: none"> <li>• NSE</li> <li>• MCX-SX</li> </ul>
	Wholesale Debt Market	<ul style="list-style-type: none"> <li>• NSE</li> <li>• BSE</li> </ul>
Inventure Commodities Limited	Commodity Trading	<ul style="list-style-type: none"> <li>• MCX</li> <li>• NCDEX</li> </ul>
Inventure Insurance Broking Private Limited	Insurance Advisory Services	<ul style="list-style-type: none"> <li>• Life Insurance</li> <li>• General Insurance</li> </ul>
Inventure Finance Private Limited	Non Banking Financial Services	<ul style="list-style-type: none"> <li>• RBI</li> <li>• IPO Funding</li> <li>• Loan Against Shares</li> </ul>
Inventure Wealth Management Limited	Wealth Management	<ul style="list-style-type: none"> <li>• Investment Advisory Services</li> <li>• Mutual Fund Distribution</li> </ul>
Inventure Merchant Banker Service Limited	Merchant Banking Services	<ul style="list-style-type: none"> <li>• Investment Banking Services</li> <li>• Merchant Banking Services</li> </ul>

**FINANCIAL PERFORMANCE**

**Review of Assets & Liabilities**

Particulars	Year Ended 31-Mar-16		Year Ended 31-Mar-15	
	(Rs. In Lacs)	(Rs. In Lacs)	(Rs. In Lacs)	% of Total Income
<b>Income</b>				
Income from Operations	(403.69)	(54.99)	1257.69	62.80
Other Income	1137.77	154.99	745.09	37.20
<b>Total Income</b>	<b>734.08</b>	<b>-</b>	<b>2002.78</b>	<b>-</b>
<b>Expenditure</b>				
Personnel Expenditure	474.89	26.29	477.53	26.02
Operating Expenditure	902.90	49.99	1029.61	56.10

Interest & Financial Charges	335.43	18.57	208.94	11.38
Depreciation/ Amortization	92.90	5.14	119.20	6.50
Total Expenditure	1806.13	-	1835.28	-
Profit Before Tax (PBT)	(1072.05)	-	167.5	-
Current Tax	-	-	82.00	-
Deferred Tax Liability/ (Asset)	(367.07)	-	44.43	-
Profit after Tax (PAT)	(854.15)	-	284.03	-

- INCOME**

The above table shows the result from operation of Inventure Growth & Securities Ltd. due to the challenging market condition, the standalone loss of the company were Rs. 854.15 Lacs for the year under review. The income from Operation consisting of Brokerage from secondary, primary market, income from depository operation & others

- EXPENDITURE**

Total Expenditure of Inventure Growth & Securities Limited includes Personnel Expenditure, Operating Expenditure, Interest & Financial Charges & Depreciation / Amortization

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

Income from Operational Activities	Year Ended 31-Mar-16		Year Ended 31-Mar-15	
	(Rs. In Lacs)	% of Total Income	(Rs. In Lacs)	% of Total Income
Brokerage and Commission Income	1069.16	145.64	58.84	1178.30
Profit from Arbitrage				
Arbitrage Income	(1537.83)	(207.94)	(0.22)	(0.02)
Depository Income	64.98	8.85	79.61	3.98
Total Income from Operational Activities	(403.69)	(54.99)	62.80	1257.69

- BROKERAGE AND COMMISSION INCOME**

Your company is being the Member Broker of various 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.1069.16 Lacs which constitutes 145.64% of the total income for the financial year 2015.

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.

• **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. 64.98 Lacs which is 8.85% of total income.

• **OTHER INCOME**

The following chart ensures the details of Other Income for the financial year 2016.

Primarily the other income consisting of Loss on Sale of Investment, Dividend Income, Profit on sale of Office Premises, 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.

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, profit on sale of office

• **FIXED ASSETS**

Gross Block, Which is mainly comprising of office premises, equipment and related assets. The following illustrates IGSL's fixed assets as at 31<sup>st</sup> March 2016 & 31<sup>st</sup> March 2015

Particulars	(Rs. In Lacs)	
	As at 31st March 2014	As at 31st March 2015
Tangible Assets	881.03	957.45
Intangible Assets	1.50	6.68
Net Block	882.53	964.13

The above table indicates the detail of Fixed Assets which is consisting of Tangible Assets is amounted to Rs. 881.03 Lacs & Intangible Assets is amounted to Rs. 1.50 Lacs in the previous financial year.

• **INVESTMENTS**

Investments are classified as non-current based on management's intention at the time of purchase

Particular	(Rs. In Lacs)	
	As at 31st March 2016	As at 31st March 2015
Non-current Investment	6658.22	6809.62
Total	6658.22	6809.62

• **LONGTERM LOANS & ADVANCES**

The following table sets out details of IGSL's Long-Term Loans & Advances as at 31<sup>st</sup> March 2016 & 31<sup>st</sup> March 2015



Particular	(Rs. In Lacs)	
	As at 31st March 2016	As at 31st March 2015
Deposit with Stock Exchange/Depository	270.74	269.24
Deposit with Others	24.63	23.63
Advances recoverable in cash or in kind	980	1180.00
Advance Income Tax (Net of Provision)	281.12	290.81
<b>Total Debtors</b>	<b>1566.50</b>	<b>1772.68</b>

Long Term Loans & Advances consisting of Deposit with Stock Exchange / Depository is amounted to Rs. 270.74 Lac, Deposit with Others is amounted Rs. 24.63 Lacs, Advances recoverable in cash or in kind is amounted to Rs. 980 Lacs & Advance Income Tax (Net of Provision) is amounted to Rs. 281.12 Lacs.

• **OTHER NON-CURRENT ASSETS**

Other Non-Current Assets comprise of Fixed Deposit with banks with more than twelve months maturity. As at 31<sup>st</sup> March 2016, IGSL's other Non-Currents Assets were Rs. 1680 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 the 31<sup>st</sup> March 2016, Cash & Bank Balances of Inventure Growth & Securities Limited Rs. 3261.82 Lacs which includes balance with banks in current accounts Rs. 168.92 Lacs & Cash on hand Rs. 0.12 Lacs, Term deposit with more than three months maturity but due within one year from the reporting date Rs. 3092.78 lacs.

The following table sets out the details of Trade Receivable as at 31<sup>st</sup> March 2016 and 31<sup>st</sup> March 2015.

(Rs. In Lacs)		
Trade Receivables	Year Ended 31-Mar 16	Year Ended 31-Mar-15
Particulars		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment: Considered Good	2924.13	2953.83
Other Trade receivables	1241.54	1283.07
<b>Total</b>	<b>4165.67</b>	<b>4236.90</b>

In the said table, trade receivable outstanding for a period exceeding six months from the date they were due for payment has been decreased to Rs. 2924.13 Lacs as compared from previous year which was amounted to Rs. 2953.83 Lacs. Whereas, other trade receivable is amounted to Rs 1241.54 Lacs

The following Table sets out details of Short-Term Loans & Advances as at 31<sup>st</sup> March 2016 and 31<sup>st</sup> March 2015.

Particular	(Rs. In Lacs)	
	As at 31st March 2016	As at 31st March 2015
Advances to Subsidiary	-	-
Deposit with Stock Exchanges	116.68	56.00
Prepaid Expenses	30.02	22.29
Advances recoverable in cash or in hand	7.75	4.72
<b>Total</b>	<b>154.45</b>	<b>83.02</b>

The above table indicates, Short-Term Loans & Advance which consisting of Advances to Subsidiary, Deposit with Stock, Prepaid Expenses & Advances recoverable in cash or in kind is amounted to Rs. 154.45 Lacs.

• **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 31<sup>st</sup> March 2016 and 31<sup>st</sup> March 2015.

Particulars	(Rs. In Lacs)	
	Year Ended 31-Mar-16	Year Ended 31-Mar-15
<b>A) Non-Current Liabilities</b>		
Long-Term Borrowings	-	-
Deferred Tax Liabilities (Net)	(201.28)	165.79
Long Term Provisions	35.23	48.10
<b>Total (A)</b>	<b>(166.05)</b>	<b>213.89</b>
<b>B) Current Liabilities</b>		
Short-Term Borrowings	899.58	1462.04
Trade Payables	1725.41	1243.38
Other Current Liabilities	1177.26	1283.76
Short-Term Provisions	4.08	16.44
<b>Total (B)</b>	<b>3806.33</b>	<b>4005.62</b>
<b>Total (A+B)</b>	<b>3640.28</b>	<b>4219.51</b>

As per the latest audited balance sheet, your company has reduced his non-current liabilities & current liabilities, which comprising of Long-term liabilities, Deferred Tax Liabilities (Net), Long Term Provisions, Short-Term Borrowings; trade Payables, Other Current Liabilities & Short-Term Provision.

- **NON-CURRENT LIABILITIES**

The Non-Current Liabilities includes the following:

- **LONG TERM BORROWING**

The Inventure Growth & Securities Ltd.'s long term borrowings include loan from Banks/ Financial Institution which is secured against premises and repayable after one year

- **DEFERRED TAX LIABILITIES**

The Inventure Growth & Securities Ltd.'s deferred tax liabilities is towards provision for gratuity and other employee benefits, difference between book balance and tax balance of fixed assets is NIL in previous financial year.

- **LONG TERM PROVISION**

Long term provision of Inventure Growth & Securities Ltd. consist of provision for gratuity (Non-funded), 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. is amounted to Rs. 35.23 Lacs.

- **LONG TERM BORROWING**

The Inventure Growth & Securities Ltd.'s long term borrowings include loan from Banks/ Financial Institution which is secured against premises and repayable after one year

- **DEFERRED TAX LIABILITIES**

The Inventure Growth & Securities Ltd.'s deferred tax liabilities is towards provision for gratuity and other employee benefits, difference between book balance and tax balance of fixed assets is NIL in previous financial year.

- **LONG TERM PROVISION**

Long term provision of Inventure Growth & Securities Ltd.'s consist of provision for gratuity (Non-funded), 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. is amounted to Rs. 35.23 Lacs.

- **CURRENT LIABILITIES**

Current liabilities of Inventure Growth & Securities Ltd. 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.

- **TRADE PAYABLE**

As per the latest audited Balance Sheet, trade payable of your company is amounted to Rs. 1725.41 Lacs, which has been increased by Rs. 1243.38 Lacs as compared to previous financial year.

- **OTHER CURRENT LIABILITIES**

Other Current Liabilities of the Inventure Growth & Securities Ltd. 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. is amounted to Rs. 1177.27 which is reduced by Rs.1283.76 Lacs.

- **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.

- **TRADE PAYABLE**

As per the latest audited Balance Sheet, trade payable of your company is amounted to Rs. 1725.41 Lacs, which has been increased by Rs. 1243.38 Lacs as compared to previous financial year.

- **OTHER CURRENT LIABILITIES**

Other Current Liabilities of the Inventure Growth & Securities Ltd.'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. is amounted to Rs. 1177.27 which is reduced by Rs.1283.76 Lacs.

- **SHORT-TERM PROVISION**

Short-Term Provision of IGSL's includes gratuity (Non-funded), proposed dividend, distribution of tax on dividend etc. is amounted to Rs. 4.08 Lacs.

- **CONTINGENT LIABILITIES**

As at 31<sup>st</sup> March 2016, IGSL has contingent obligation not provided for on account of the following account

(Rs. In Lacs)	
<b>Contingent Liabilities</b>	Year Ended 31-Mar-16
Demand in respect of taxation under appeal	58.56
<b>Total</b>	<b>58.56</b>

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 and Demand in respect of taxation under appeal. The level of guarantee fluctuates on a regular basis in connection with IGSL's trading & broking activity and the related requirements in respect thereof.

- **CAUTIONARY STATEMENT**

Statements in the Management Discussion & Analysis, describing the Company's objectives, projections and estimates are forward looking statement and progressive within the meaning of applicable laws & regulations. Actual result may vary from those expressed or implied. Important developments that could affect the Company's operations are significant changes in political and economic environment in India, tax laws, exchange rate fluctuation and related factors.

**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present the 21<sup>st</sup> Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31<sup>st</sup> March, 2016.

**FINANCIAL HIGHLIGHTS**
**Consolidate Financial Information :**

(Rs. In Lacs)

Particulars	For the year ended	
	March 31, 2016	March 31, 2015
Gross Income	1926.29	3447.98
Profit Before Depreciation, Interest & Tax	20.8	1873.52
Less: Depreciation	102.93	130.63
Interest	584.87	473.72
Profit Before Tax	(667.50)	1269.18
Current Tax	253.76	245.43
Deferred Tax	(428.71)	1.10
Net Profit /(Loss)(after Minority Interest)	(490.40)	1022.15
Add: Profit brought forward from earlier years	2621.88	1744.72
Adjustment arising on consolidation	0	0
Profit available for appropriation	2131.47	2766.88
Appropriations		
Proposed Dividend	-	-
Interim Dividend	-	-
Dividend Tax	-	-
General Reserve	-	-
Statutory Reserve	70	145.00
Balance carried to Balance sheet	2061.47	2621.88
Basic and Diluted Earnings Per Share	(0.58)	1.22

**II Standalone Financial Information:**

(Rs. In Lacs)

Particulars	For the year ended	
	March 31, 2016	March 31, 2015
Gross Income	734.09	2002.78
Profit Before Depreciation, Interest & Tax	(1651.84)	738.60
Less:	Depreciation	
92.91	119.20	
	Interest	
335.43	208.94	
Profit Before Tax	(1223.50)	410.46
Current Tax	-	82.00

Deferred Tax	(367.07)	44.43
Net Profit/(Loss)	(854.15)	284.03
Add: Profit brought forward from earlier years	735.56	451.53
Profit available for appropriation	(118.59)	735.56
Appropriations		
Proposed Dividend	-	-
Interim Dividend	-	-
Dividend Tax	-	-
General Reserve	-	-
Balance carried to Balance sheet	(118.59)	735.56
Basic and Diluted Earnings Per Share	(1.02)	0.34

**1. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR**

During the financial year 2015-16 (hereinafter referred as the year) our Revenue has decreased up to Rs. 734.09. Profit before tax also is Rs. -1223.50 for the financial year.

**2. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

During the year the company has not made any changes in its nature of business.

**3. DIVIDEND**

The strength of the Company lies in identification, execution and successful implementation of business projects. To strengthen the long term prospectus and sustainable growth in assets and revenue, it is important for the company to evaluate various opportunities in the different business vertical in which Company operates.

The Board of Directors considers this to be in the strategic interest of the company and believe that this will greatly enhance the long term shareholder value. The Company expects better results for the coming year. In order to fund this development and implementation projects, conservation of fund is of vital importance. Therefore, your Directors have not recommended any dividend for the financial year 2015-2016.

**4. TRANSFER TO RESERVES**

For the financial year ended 31<sup>st</sup> March, 2016, your Company proposes to transfer no amount to General Reserve.

**5. CONSOLIDATED FINANCIAL STATEMENTS**

Pursuant to Section 129(3) of the Companies Act, 2013, the Company has prepared a



consolidated financial statements which shall be laid before the ensuing 21<sup>st</sup> Annual General Meeting of the Company along with the Company's financial statement under sub-section (2) of Section 129 i.e. Standalone Financial Statement of the Company.

In accordance with the Companies Act, 2013 and the provisions of Accounting Standard ('AS') 21, the Consolidated financial statements of the Company form part of this Annual Report

## **6. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS**

Your Directors wish to present the details of Business operations done during the year under review:

### **a. Profitability**

During the year the Company has made loss of Rs. 854.15Lacs.

### **b. Future Prospects including constraints affecting due to Government policies**

We expect the capital markets to turn favorable and based on the various factors like macro economy condition, the Company is hopeful of significantly improved financial performance in the coming year and hope to provide booming results.

## **7. NUMBER OF BOARD MEETINGS:**

The board met 4 times on the following dates during the financial year 2015-2016.

Number of BM	Dates
1st	30.05.2015
2nd	13.08.2015
3rd	07.11.2015
4th	12.02.2016

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The detail information on the meetings of the Board are included in the report on Corporate Governance which forms part of the Annual Report.

## **8. LOANS, GUARANTEE AND INVESTMENTS UNDER SECTION 186**

The particulars of loans, guarantees and investments have been disclosed in the financial statements in note the Annual Report.

## **9. BOARD EVALUATION**

Pursuant to the provisions of the Act, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such level of engagement and contribution and independence of

judgment thereby safeguarding the interests of the Company. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as Stakeholder Relationship Committee. The Directors expressed their satisfaction with the evaluation process

## **10. DECLARATION OF INDEPENDENT DIRECTORS**

The company has received necessary declaration from each Independent Director under section 149(7) of the Companies Act, 2013, which he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **11. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The Audit Committee consists of the following members

Sr. No.	Name of the Member	Designation
1	Deepak Vaishnav	Chairman
2	Ajay Khera	Member
3	Bharat P. Shah	Member
4	Nagji K. Rita	Member
5	Kamlesh Limbachiya	Member

The above composition of the Audit Committee consists of independent Directors viz., Deepak Vaishnav, Ajay Khera & Bharat P. Shah who forms the majority. More details on the Committee are given in the Corporate Governance Report which forms part of this Annual Report.

The Company has established a vigil mechanism and oversees through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of company employees and the Company. The detail of the Whistle Blower Policy is explained in the Corporate Governance Report and is also displayed on the website of the Company.

## **12. LISTING OF SECURITIES**

The Equity Shares of the Company are presently listed on BSE Limited, National Stock Exchange of India Limited and Metropolitan Stock Exchange of India. The Annual Listing Fee for the year 2016-17 has been duly paid to the stock exchange.

**13. INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

**14. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY**

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. March 31, 2016 and the date of the Director's report i.e. 11<sup>th</sup> August, 2016

**15. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

Pursuant to section 2(85), we have following subsidiary companies:

1. Inventure Finance Private Limited
2. Inventure Merchant Banker Services Private Limited
3. Inventure Commodities Limited
4. Inventure Wealth Management Limited
5. Inventure Insurance Banking Services Private Limited

The report on the performance and financial position of each of the subsidiary, associate and joint venture and salient features of the financial statements in the prescribed form AOC-1 is furnished in **Annexure A** and is attached to this report.

**16. PARTICULARS OF CONTRACT AND ARRANGEMENT UNDER SECTION 188**

**All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in form AOC-2 is not required. Further, there are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.**

**The policy on the materiality of the Related Party Transactions and also on dealing with the Related Party Transactions as approved by the Audit Committee and Board of Directors is available on the weblink [www.inventuregrowth.com](http://www.inventuregrowth.com)**

**17. AUDITORS****Statutory Auditors**

The term of office of M/s PHD & Associates, Chartered Accountants having firm Registration No.11236W as Statutory Auditors of the Company will expire with the conclusion of ensuing Annual General Meeting of the Company. The Board of directors of the company have, subject to the approval of members, decided to ratify the appointment of Statutory Auditors M/s PHD &

ASSOCIATES, Chartered Accountants, having firm registration No. 11236W pursuant to Section 139 of the Companies Act, 2013. M/s PHD & ASSOCIATES are proposed to be appointed as Statutory Auditors for a period of one year from the conclusion of Twenty first AGM till the conclusion of Twenty second AGM.

**Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed **D. M. Zaveri & Co.**, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as **Annexure B**.

**Internal Auditors**

The Company continues to engage **SHAH & RAMAIYA CHARTERED ACCOUNTANTS** as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

**18. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

There was no qualifications, reservations or adverse remarks made either by the Auditors in their respective reports for the Financial Year ended 31st March, 2016.

However the Secretarial Audit Report for the financial year ended 31st March, 2016 has an observation regarding amount to be spent as required under Section 135(5) of the Act for CSR Activities and explanation regarding the same is given in the heading 'Corporate Social Responsibility'.

**19. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134 of the Act, the Directors state that

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure, if any;
- b. Appropriate accounting policies have been selected and applied consistently and have 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 as at 31<sup>st</sup> March 2016 and of the profit and loss of the company for the year ended March 31, 2016.
- c. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 2013 for safeguarding assets of the company and for preventing and detecting fraud and other irregularities;
- d. The annual accounts have been prepared on a going concern basis

- e. Proper internal financial controls were followed by the company and such internal financial controls are adequate and were operating effectively;
- f. Proper system is devised to endure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**20. EXTRACT OF ANNUAL RETURN:**

Pursuant to section 134(3)(a) and Section 92(3) of Companies Act, 2013 read with relevant Rules framed thereunder, the extract of Annual Return as on 31<sup>st</sup> March, 2016 forms part of this Report as **Annexure C**.

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

The particulars required by the Section 134(3)(m) of the Companies Act, 2013 (“the Act”) read with rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption have not furnished considering the nature of activities undertaken by the Company during the year under review.

**Foreign Exchange Earning and Outgo**

Your Company has no foreign exchange earnings and outgo.

**22. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, including criteria for determining Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **Annexure D** and is attached to this report

**23. VIGIL MECHANISM**

The Company has established a Vigil Mechanism that enables the Directors and Employees to report genuine concerns. The Vigil Mechanism provides for adequate safeguards against victimization of persons who use the Vigil Mechanism. Details of the Vigil Mechanism policy are made available on the Company's website [www.inventuregrowth.com](http://www.inventuregrowth.com)

**24. COMMITTEES OF THE BOARD**

There are currently four Committees of the Board, as indicated below:

- (1) Audit Committee
- (2) Nomination and Remuneration Committee
- (3) Stakeholders Relationship Committee
- (4) Corporate Social Responsibility Committee

Details of all the Committees, along with their charters, composition and meetings held during the year are provided in the report on Corporate Governance forms part of the Annual Report

**25. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

Pursuant to Section 135 of the Companies Act, 2013 and the relevant rules, the Board has



constituted Corporate Social Responsibility (CSR) Committee under the Chairmanship of Mr. Bharat P. Shah, Independent Director. The other members of the Committee are Mr. Nagji K. Rita and Mr. Kamlesh S. Limbachiya. The Board of Directors, based on the recommendations of the Committee, formulated a CSR Policy. The detailed CSR Policy is available on web link [www.inventuregrowth.com](http://www.inventuregrowth.com) Annual report on CSR as required under Companies (Corporate Social Responsibility Policy) Rules 2014.

The Company is finding out suitable ways and means to undertake CSR activities. The Company could not undertake CSR activities before finalizing this report as the time was too short to identify suitable projects in line of the CSR policy and Company's philosophy regarding responsibility as corporate citizen.

The Company confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company

**26. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure-E**

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended is not applicable to the Company as there was no employee drawing remuneration of Rs. 105 lakh per annum or Rs. 8.5 lakh per month during the year ended March 31, 2016.

The Company has not paid any remuneration to its Non-Executive Directors, except sitting fees for attending the meetings of the Board and Committee thereof during the FY 2015-16. The details of the same are provided in the corporate governance Report forms part of the Annual Report.

**27. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal complaints committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year 2015-16, no complaints were received by the Company related to sexual harassment.

**28. DEPOSITS (UNDER CHAPTER V):**

We had not accepted any deposit from public during the year under review.



**29. SHARES****a. BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

**b. SHARES WITH DIFFERENTIAL VOTING RIGHTS**

The company has not issued equity shares with differential voting rights during the period under review.

**c. SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

**d. BONUS SHARES**

No Bonus Shares were issued during the year under review.

**e. EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees.

**f. PREFERENTIAL ISSUE OF WARRANTS CONVERTIBLE INTO EQUITY SHARES**

No Preferential Issue of warrants convertible into Equity Shares were issued during the year under review.

**30. CORPORATE GOVERNANCE**

A separate section on Corporate Governance standards followed by the Company, as stipulated under SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 and certain disclosures as required under the Companies Act, 2013 including the Auditors' Certificate thereon.

**31. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report as required under Regulation 34(2)(e) of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed separately forms part of the Annual Report.

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operation in future.

**32. ACKNOWLEDGEMENTS**

The Board appreciates and places on record the contribution made by the employees during the year under review and the support received from the parent company. The Board also places on record their appreciation of the support of all stakeholders particularly shareholders, customers, suppliers, medical fraternity and business partners.

**For Inventure Growth & Securities Limited**

**Place: Mumbai**

**Date: 11.08.2016**

**Kanji B. Rita Kamlesh S Limbachiya**

**(Managing Director)(Whole -Time Director)**

**ANNEXURE A**  
**Form No AOC 1**

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

The statement containing silent features of the financial statement of subsidiaries companies is given below:

SrNo	1	2	3	4	5
Name of Subsidiaries	INVENTURE FINANCE PVT LTD	INVENTURE COMMODITIES LIMITED	INVENTURE WEALTH MANAGEMENT LIMITED	INVENTURE INSURANCE BROKING PRIVATE LIMITED	INVENTURE MERCHANT BANKER SERVICES PRIVATE LIMITED
Share Capital	48,000,000	21,907,000	6,500,000	6,000,200	12,100,000
Reserves & Surplus	685,653,260	78,929,740	(3,062,201)	(1,480,210)	50,273,541
Total Assets	958,980,327	165,846,257	3,448,799	4,530,990	62,389,871
Total Liabilities	958,980,327	165,846,257	3,448,799	4,530,990	62,389,871
Investments	56,063,205	-	-	-	56,783,512
Turnover	104,646,822	13,371,673	287,712	353,920	560,798
Profit Before Tax	53,184,361	2,285,319	198,440	285,938	(354,671)
Provision for Tax	18,495,647	775,792	6390	5807	(59,545)
Profit After Tax	34,688,714	1,509,527	192,050	280,131	(295,126)
Proposed Dividend	-	-	-	-	-
% of Shareholding	100%	99.97%	100%	100%	100%

**Secretarial Audit Report**  
**Form No. MR-3**

For the Financial year ended 31<sup>st</sup> March, 2016

*[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,

**Inventure Growth and Securities Limited**

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

Based on my verification of the Inventure Growth and Securities Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended on 31<sup>st</sup> March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter read with our letter of even date annexed as Annexure A which form an integral part of this report.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- (i) The Companies Act, 2013(the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and the Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('The SEBI'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not relevant / applicable during the year under review)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not relevant / applicable during the year under review)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not relevant / applicable during the year under review)
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(Not relevant / applicable during the year under review)

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other law applicable specifically to the Company as per the representation given by the management of the Company is SEBI (Stock Brokers and Sub-brokers) Regulations, 1992. I have also examined compliance with the applicable clauses to the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange of India Limited and Metropolitan Stock Exchange of India Limited and uniform listing agreements entered with BSE, NSE and MCX-SX in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;

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

**I further report that**, the Board of Directors of the Company is duly constituted with proper balance of Executive, Non – Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board Meeting, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

**I further report that** during the audit period no events have occurred during the year which have a major bearing on Company's affairs. However the followings events have occurred during the year under review:-

1. The Company has passed Special resolution for Appointment of Mr. Kanji B. Rita (DIN: 00727470) as Managing Director in its 20<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2015.
2. The Company has passed Special resolution for Payment of remuneration to Mr. Kanji B. Rita (DIN: 00727470) as Managing Director of the Company in its 20<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2015.
3. The Company has passed Special resolution relating to authority to the Board of Directors for borrowing up to Rs. 500 crores as required by section 180(1)© of the Companies Act, 2013 in its 20<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2015.

**For D. M. Zaveri & Co**  
**Company Secretaries**

**Dharmesh Zaveri**  
**(Proprietor)**  
**FCS. No.: 5418**  
**CP No.: 4363**  
**Place: Mumbai**  
**Date: 11<sup>th</sup> August, 2016**

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**Annexure A**

To,  
The Members,  
Inventure Growth and Securities Limited

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

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

**For D. M. Zaveri & Co  
Company Secretaries**

**Dharmesh Zaveri  
(Proprietor)**

**FCS. No.: 5418  
CP No.: 4363**

**Place: Mumbai  
Date: 11<sup>th</sup> August, 2016**

**ANNEXURE – C**

**Extract of Annual Return**  
**Form No MGT 9**

**I. REGISTRATION AND OTHER DETAILS:**

Sr. No.	Particular	Remark
1	CIN	L65990MH1995PLC089838
2	Registration Date	22.06.1995
3	Name of the Company	Inventure Growth & Securities Limited
4	Category / Sub-Category of the Company	Company limited by Shares
5	Address of the Registered office and contact details	201, Viraj Tower, Near Landmark, W.E. highway, Andheri (East), Mumbai – 400 069. Tel. No.: 022 – 3954 8500 Fax No.: 022 – 3954 8510
6	Whether listed company Yes / No	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	<b>LINKINTIME INDIA Pvt Ltd,</b> C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product / Services
1	Broking of Shares & other Securities	8030

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr No.	Name And Address of The Company	CIN/GLN	Holding/ Subsidiary Associate	% Of Shares Held	Applicable Section
1	Inventure Finance Pvt Ltd.	U65990MH1990PTC056454	Subsidiary Company	99.99%	2(87)
2	Inventure Merchant Banker Services Pvt Ltd.	U74120MH2011PTC221416	Subsidiary Company	99.9%	2(87)
3	Inventure Wealth Management Ltd.	U51909MH2008PLC183472	Subsidiary Company	99.98%	2(87)
4	Inventure Commodities Ltd	U67120MH1995PLC094485	Subsidiary Company	99.97%	2(87)
5	Inventure Insurance Broking Pvt Ltd.	U66000MH2008PTC177574	Subsidiary Company	99.99%	2(87)



**III SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):**
**1. Category wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year 31-03-2015				No. of Shares held at the end of the year 31-03-2016				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/HUF	11500000	0	11500000	13.69	7500000	0	7500000	8.93	-4.76	Decrease
b) Central Govt or State Govt.			0	0.00	0	0	0	0.00	0.00	
c) Bodies Corporate	0		0	0.00	0	0	0	0.00	0.00	
d) Bank/Fl			0	0.00	0	0	0	0.00	0.00	
e) Any other	13175439	0	13175439	15.69	1,71,75,439	0	1,71,75,439	20.45	4.76	Increase
SUB TOTAL:(A) (1)	24675439	0	24675439	29.38	24675439	0	24675439	29.38		
(2) Foreign										
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00	
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00	
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00	
d) Banks/Fl	0	0	0	0.00	0	0	0	0.00	0.00	
e) Any other...	0	0	0	0.00	0	0	0	0.00	0.00	
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00	
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	24675439	0	24675439	29.38	24675439	0	24675439	29.38	0.00	
B. PUBLIC SHAREHOLDING Institutions										
(a) Mutual Fund	0	0	0	0	0	0	0	0	0	
(b) Venture Capital Funds	0	0	0	0	0	0	0	0	0	
(c) Alternate Investment Funds	0	0	0	0	0	0	0	0	0	
(d) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0	
(e) Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0	
(f) Financial Institutions / Banks	0	0	0	0	0	0	0	0	0	
(g) Insurance Companies	0	0	0	0	0	0	0	0	0	
(h) Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0	0	
(i) Any Other (Specify)	0	0	0	0	0	0	0	0	0	
Sub Total (B)(1)	0	0	0	0	0	0	0	0	0	
Central Government/ State Government(s)/ President of India		0	0	0		0	0	0	0	
Sub Total (B)(2)	0	0	0	0	0	0	0	0	0	
Non-Institutions		0	0	0		0	0	0	0	
Individuals	0	0	0	0	0	0	0	0	0	
i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	2467203	0	2467203	2.94	2248553	0	2248553	2.2384		
ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	32195561	0	32195561	38.33	39908127	0	39908127	43.6861		

# INVENTURE GROWTH & SECURITIES LIMITED



Arvind Karsanbhai Chheda	1257000	0	1257000	1.50	1257000	0	1257000	1.50		
Kantilal Karsan Chheda	1314800	0	1314800	1.57	1314800	0	1314800	1.57		
Keshavji Noghambhai Shah	870010	0	870010	1.04	870010	0	870010	1.04		
Navin Karsan Chheda	1268000	0	1268000	1.51	1268700	0	1268700	1.53		
Usha Atul Shah	4444440	0	4444440	5.291	4444440	0	4444440	5.29		
NBFCs registered with RBI	0	0	0	0	0	0	0	0		
Employee Trusts	0	0	0	0	0	0	0	0		
Overseas Depositories (holding Drs) (balancing figure)	0	0	0	0	0	0	0	0		
Any Other (Specify)					17167881	0	17167881	24.70		
Relatives Of Director	5922489	0	5922489	7.05	8900000	0	8900000			
Harilal Bhachubhai Rita	1282489	0	1282489		2900000	0	2900000	3.45		
Shantiben Kanji Rita	2000000	0	2000000	2.38	2000000	0	2000000	2.38		
Hindu Undivided Family	0	0	0	0.00	2825247	0	2825247	5.22		
B K Satra (Huf)	443900	0	443900		869950	0	869950	1.04		
Non Resident Indians (Non Repat)	185996	0	185996	0.22	11040	0	11040	0.01		
Non Resident Indians (Repat)	10380	0	10380	0.01	196175	0	196175	0.23		
Clearing Member	173283	0	173283	0.21	484912	0	484912	4.30		
Bodies Corporate	8052612	0	8052612	9.59	4750507	0	4750507	4.33		
Keshvi Developers Private Limited	0	0	0	0	4100000	0	4100000	3.69		
Sub Total (B)(3)	57888163	0	57888163		59324561	0	59324561	70.62		
Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)	57888163	0	57888163		59324561	0	59324561	70.62		
Custodian/DR Holder	0	0	0	0	0	0	0			
Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0	0	0	0			
Total Non-Promoter-Non Public Shareholding © = (C)(1)+(C)(2)	0	0	0	0	0	0	0			
Grand Total (A+B+C)	84000000	0	84000000	0	84000000	0	84000000			

## (ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the End of the year			% change in Shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	NAGJI KESHAVJI RITA	11500000	13.69	0	7500000	8.93	0	4.76
2	KANJI BACHUBHAI RITA	10664327	12.70	0	1,46,64,327	17.46	0	4.76
3	KANJI BHACHU RITA HUF	1511112	1.80	0	1511112	1.80	0	0
4	PRAVIN NANJI GALA	1000000	1.19	0	1000000	1.19	0	0

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total share of the company
1.	Kanji B. Rita At the beginning of the year	10664327	12.6956	10664327	12.6956
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) Transfer 4000000 on 1st January 2016	4000000	4.76	4000000	4.76
	At the end of the year	14664327	17.4575	14664327	17.4575
2.	Kanji B. Rita HUF At the beginning of the year	1511112	1.7989	1511112	1.7989
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year	1511112	1.7989	1511112	1.7989
3.	Nagji Keshavji Rita At the beginning of the year	11500000	13.6905	11500000	13.6905
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase decrease (e.g. allotment/transfer/bonus/sweat equity etc) Transfer 4000000 on 1st January 2016	-4000000	4.76	-4000000	4.76
	At the end of the year	7500000	8.9286	7500000	8.9286
4.	Pravin Nanji Gala At the beginning of the year	1000000	1.1905	1000000	1.1905
	Date wise increase/decrease in Promoters Share holding				

	during the year specifying the reasons for increase decrease (e.g. allotment/ transfer/bonus/sweat equity etc) Transfer 4000000 on 1st January 2016	-	-	-	-
	At the end of the year	1000000	1.1905	1000000	1.1905

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.		Share holding at the end of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total share of the company
1	Usha Atul Shah At the beginning of the year	4444440	5.29	4444440	5.29
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	4444440	5.29	4444440	5.29
2	Keshvi Developers Private Limited At the beginning of the year	4100000	4.88	4100000	4.88
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	4100000	4.88	4100000	4.88
3	Shantiben Kanji Rita At the beginning of the year	2000000	2.38	2000000	2.38
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease				

	(e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	2000000	2.38	2000000	2.38
4	Harilal Bhachubhai Rita At the beginning of the year	1282489	1.5268	1282489	1.5268
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) 10.04.2015- 717511 17.04.2015-520000 31.03.2016- 980000	2217511	2.6399	2217511	2.6399
	At the end of the year (or on the date of separation, if separated during the year)	3500000	4.1667	3500000	4.1667
5	Kantilal Karsan Chheda At the beginning of the year	1333800	1.59	1333800	1.59
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	1333800	1.59	1333800	1.59
6	Navin Karsan Chheda At the beginning of the year	1287000	1.5321	1287000	1.5321
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) 21.08.2015-(13500) 28.08.2015-13500 04.09.2015- 18700	18700	0.0223	18700	0.0223
	At the end of the year (or on the date of separation, if separated during the year)	1305700	1.5544	1305700	1.5544

7	Arvind Karsanbhai Chhada At the beginning of the year	1276000	1.52	1276000	1.52
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	1276000	1.52	1276000	1.52
8	Keshavji Noghabhai Shah At the beginning of the year	870010	1.04	870010	1.04
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	870010	1.04	870010	1.04
9	B K Satra (Huf) At the beginning of the year	443900	0.5285	443900	0.5285
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/sweat equity etc) 10 Apr 2015-44121 17 Apr 2015-12215 24 Apr 2015-35055 01 May 2015-20117 08 May 2015-9270 15 May 2015-15496 22 May 2015-7146 05 Jun 2015-24680 12 Jun 2015-4500 19 Jun 2015-4723 26 Jun 2015-3610 30 Jun 2015-15800 03 Jul 2015-6150 10 Jul 2015-10289				



	17 Jul 2015-1201 24 Jul 2015-962 07 Aug 2015-7269 21 Aug 2015-68843 28 Aug 2015-38121 04 Sep 2015-3907 11 Sep 2015-2194 18 Sep 2015-1345 25 Sep 2015-9557 30 Sep 2015-4027 09 Oct 2015-10266 16 Oct 2015-6771 23 Oct 2015-5512 30 Oct 2015-7860 06 Nov 2015-5555 20 Nov 2015-13278 27 Nov 2015-13678 04 Dec 2015-5053 11 Dec 2015-7479				
		426050	0.5072	426050	0.5072
	At the end of the year (or on the date of separation, if separated during the year)	869950	1.0357	869950	1.0357
10	Ramesh Jethalal Gala Shah At the beginning of the year	867200	1.03	867200	1.03
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	867200	1.03	867200	1.03

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.		Share holding at the end of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total share of the company
1	Nagji Keshavji Rita At the beginning of the year Date wise increase/decrease in Promoters Share holding	11500000	13.6905	11500000	13.6905

	during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-4000000	4.76	-4000000	4.76
	At the end of the year (or on the date of separation, if separated during the year)	7500000	8.9286	7500000	8.9286
2	Virendra Dudhnath Singh At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00
3	Ajay Khera At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00
4	Kanji B. Rita At the beginning of the year	10664327	12.6956	10664327	12.6956
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) Transfer 4000000 on 1st January 2016	4000000	4.76	4000000	4.76
	At the end of the year (or on the date of separation, if separated during the year)	14664327	17.4575	14664327	17.4575
5	Bharat Popatlal Shah At the beginning of the year Date wise increase/decrease	0	0.00	0	0.00

	in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00
6	Harilal Bhachubhai Rita At the beginning of the year	1282489	1.5268	1282489	1.5268
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc) 10.04.2015- 717511 17.04.2015-520000 31.03.2016- 980000	2217511	2.6399	2217511	2.6399
	At the end of the year (or on the date of separation, if separated during the year)	3500000	4.1667	3500000	4.1667
7	Kamleshkumar Shankarlal Limbachiya At the beginning of the year	424763	0.51	424763	0.51
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	424763	0.51	424763	0.51
8	Deepak Manikant Vaishnav At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if				

	separated during the year)	0	0.00	0	0.00
9	Dilip Champshi Shah At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00
10	Shilpa Vishal Solanki At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00
11	Arvind Jethalal Gala At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	0	0.00	0	0.00
12	Bhavi Rahul Gandhi At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if				

separated during the year)	0	0.00	0	0.00
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**V. INDEBTEDNESS**
**Indebtedness of the company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	14,277,420	-	-	14,277,420
Total(i+ii+iii)	14,277,420	-	-	14,277,420
Change in Indebtedness during the financial year				
• Addition				
• Reduction	14,277,420	-	-	14,277,420
Net Change	14,277,420	-	-	14,277,420
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	-	-	-	-
Total(i+ii+iii)	-	-	-	-

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. no.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Kanji B. Rita	Kamlesh Limbachiya	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	40,50,000	27,00,000	67,50,000
2	Stock Option	Nil		Nil
3	Sweat Equity	Nil		Nil
4	Commission -as % of profit -others, specify...	Nil		Nil
5	Others, please specify	Nil		Nil
	Total(A)			6750000
	Ceiling as per the Act			

**B. Remuneration to other Directors**

Sr. no.	Particulars of Remuneration	Name of Directors					Total Amount
		Ajay Khera	Deepak M. Vaishnav	DilipC. Shah	Bharat P. Shah	Shilpa Solanki	
	3. Independent Directors	225000	225000	75000	200000	100000	
	• Fee for attending board /committee meetings						
	• Commission	-	-	-	-	-	
	• Others, please specify	-	-	-	-	-	
	Total(1)						825000
	4. Other Non-Executive Directors	Nagji K. Rita		Virendra D. Singh	Harilal B. Rita		
	• Fee for attending board/ committee meetings	150000		125000	100000		
	• Commission	-		-	-		
	• Others, please specify	-		-	-		
	Total(2)						375000
	Total(B)=(1+2)						1200000
	Total Managerial Remuneration						7950000

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD**

Sr. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Bhavi R. Gandhi (Company Secretary)	Arvind Gala (CFO)	Total
	Gross salary				
	(a) Salary as per provisions contained inspection 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	6,33,235	10,63,307	16,96,542
	Stock Option	0	0	0	0
	Sweat Equity	0	0	0	0
	Commission				
	- as % of profit				
	- others, specify...	0	0	0	0
	Others, please Specify	0	0	0	0
	Total	0	6,33,235	10,63,307	16,96,542

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

**Place: Mumbai**  
**Date: 11.08.2016**

**For Inventure Growth & Securities Limited**

**Kanji B. Rita      Kamlesh S Limbachiya**  
**(Managing Director)(Whole -Time Director)**



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**Annexure – D****Policy regarding Appointment of Directors and payment of remuneration to Managerial Personnel****REMUNERATION POLICY:**

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee recommended the following remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel, Non-Executive Directors and other employees, which was approved and adopted by the Board.

**I. PREAMBLE:**

This Remuneration Policy is formulated in compliance with Section 178 of the Companies Act, 2013, read with the applicable Rules thereto and Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy has been formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors based on the recommendations of the NRC.

**II. OBJECTIVE:**

The objective of the Policy is to ensure that:

- (i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

**III. COMPLIANCE WITH APPLICABLE LAWS:**

The procedure and limits for payment of remuneration under this policy shall be in accordance with provisions of (a) the Companies Act, 2013 read with Rules framed there under, (b) Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (c) Articles of Association of the Company and (d) any other applicable law or regulations. In the absence of any of the above provisions, the procedure and limits shall be governed by the prevailing HR Policy of the Company.

**IV. REMUNERATION OF MANAGING DIRECTOR/WHOLE TIME DIRECTOR:**

The Board, on the recommendation of the Nomination and Remuneration Committee approves the remuneration payable to the Managing Director/Whole Time Director of the Company. The remuneration payable to the Managing Director/Whole Time Director shall be in accordance with the

conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules framed there under. The remuneration payable to the Managing Director/Whole Time Director shall comprise of fixed pay, perquisites and a variable salary determined as a percentage of fixed salary & payable annually, linked to achievement against pre-agreed annual performance parameters. The Managing Director/Whole Time Director will not be eligible for any bonus/commission linked to profits of the Company. Notwithstanding that in any financial year the Company has no profits or its profits are inadequate, the Company shall pay remuneration as aforesaid to its Managing Director/Whole Time Director in accordance with the provisions of Schedule V of the Companies Act, 2013, and with the prior approval of the Central Government, wherever necessary.

**V. REMUNERATION TO NON-EXECUTIVE DIRECTORS:**

Sitting fees within the limits prescribed under the Companies Act, 2013 and rules framed there under for attending meetings of the Board and Committees thereof (ii) Commission up to limit prescribed under the act of net profit as may be decided by the Board (iii) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

**VI. REMUNERATION TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

The Board, on the recommendation of the Nomination and Remuneration Committee approves the remuneration payable to the Key Managerial Personnel and Senior Management. The structure of remuneration payable to Key Managerial personnel and Senior Management Personnel will be in accordance with the compensation framework adopted for employees generally by the Human Resource department of the Company. Such compensation framework adopted for the employees by the Human Resource department will be framed taking into account factors it deems relevant, including but not limited to market conditions, job description, business needs and practices in comparable companies and having regard to financial position of the Company as well as prevailing laws and government/other guidelines.

**VII. REMUNERATION TO OTHER EMPLOYEES**

Basic Salary, allowances, Retirement Benefits, such other perquisites and/or incentives and/or bonus and/or variable Pay based on factors as above, as may be decided by the Management from time to time as per HR Policy.

**CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS DIRECTORS AND IN SENIOR MANAGEMENT:**

In accordance with the provisions of Section 178(3) of the Act read with Clause 49 of the Listing Agreement, the Nomination and Remuneration Committee is required to formulate the criteria for determining qualifications, positive attributes and independence of a Director. The criteria adopted by the Nomination and Remuneration Committee for the aforesaid purposes are as under:

**Criteria for determining qualifications, positive attributes and independence of a director:****I. QUALIFICATIONS:**

- (a) He / She should possess appropriate skills, experience and knowledge in one or more fields of

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finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.

- (b) Such qualifications as may be prescribed under the Companies Act, 2013 read with rules framed there under and the Listing Agreement with Stock Exchanges.

**II. POSITIVE ATTRIBUTES:**

- (a) He / She should be a person of integrity, with high ethical standard.  
(b) He / She should be able to commit to his/her responsibilities and devote sufficient time and attention to his/her professional obligation as a director.  
(c) He / She should be having courtesy, humility and positive thinking.  
(d) He / She should be knowledgeable and diligent in updating his/her knowledge.  
(e) He / She should have skills, experience and expertise by which the Company can benefit.  
(f) In respect of Executive/Whole time Director/ Managing Director, in addition to I (a) & (b) and II (a) to (e) above, he/she should have strong quality of leadership and team mentoring, recognition, management skills, vision, ability to steer the organization even in adverse conditions, innovative thinking, result oriented and ability to enhance reputation of the organization.

**III. INDEPENDENCE:**

In respect of an Independent director, in addition to I (a) & (b) and II (a) to (e) above, he/she should fulfill the criteria for being appointed as an Independent Director prescribed under Section 149 of the Companies Act, 2013 read with Schedule IV to the said Act and the provisions of Clause 49 of the Listing Agreement as amended from time to time.

**ANNEXURE – E**

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is as under:

Sr. No	Disclosure Requirement	Disclosure Details		
1	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	Director/ Employee Kanji B. Rita Kamlesh S. Limbachiya	Title Managing Director Whole Time Director	Ratio 15.05 10.34
2	Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Directors/KMP's  Mr. Arvind J. Gala Mr. Bhavi R. Gandhi	Title  Chief Financial Officer Company Secretary	% increase in remuneration - -
3	The Percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year was increased by 9 %. The actual average increase for employees eligible for increment was around 9 %. The calculation of % increase in median remuneration is done based on the Company performance and employee's individual performance.		
4	The Number of permanent employees on the rolls of the Company	122 employees as on 31st March, 2016		
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstance for increase in the managerial remuneration	There was/ was no exceptional circumstance or increase for managerial personnel in the last financial year. The percentile increase process and policy was same for them and all the other employees.		
6	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, the remuneration is as per the remuneration policy of the Company.		

Sr. No.	Requirements	Disclosures
1	The Percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year was increased by 7.5 %.The actual average increase for employees eligible for increment was around 7.5 %. The calculation of % increase in median remuneration is done based on the Company performance and employee's individual performance.
2	The Number of permanent employees on the rolls of the Company	123 employees as on 31st March, 2016
3	The explanation on the relationship between average increase in remuneration and the Company Performance	The PBT for the financial year ended 31.03.2016 increased from Rs. 93,036 to Rs. 41,045,987 and whereas average increase in remuneration of employees is 7% which is in line with the current year's performance, market dynamics and as a measure to motivate the employees for better future performance to achieve organization's growth expectations.
4	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exception circumstance for increase in the managerial remuneration	There was/ was no exceptional circumstance or increase for managerial personnel in the last financial year. The percentile increase process and policy was same for them and all the other employees.
5.	Comparison of the remuneration of the Key Managerial Personnel's against the performance of the Company	For the Financial year 2015-16, Key Managerial Personnel's were paid remuneration of approximately 12.59% of Net Profit of the Company
6	The key parameters for any variable component of remuneration availed by the directors	The Company does not have any variable component. Only Fixed Component paid by the Company to all employees.
7	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	No employee received remuneration in excess of the highest paid director.
8	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, the remuneration is as per the remuneration policy of the Company.
9		2015-2016
	Variation in Market Capitalisation	11,928,000
	Variation in Price Earning Ration	(0.04)
	Variation in Percentage Increase/(decrease) of market quotations of the shares of the Company in comparison to the rate at which the Company came out with last Public Offer	0
	Variation in Net worth of the Company	3304713

For Inventure Growth & Securities Limited

Place: Mumbai  
Date: 11.08.2016

Kanji B. Rita Kamlesh S Limbachiya  
(Managing Director)(Whole -Time Director)

**CORPORATE GOVERNANCE REPORT**

[Pursuant to Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Inventure Growth & Securities Limited strive to follow the best corporate governance practices, develop best policies/guidelines, communicate and train its entire employees in order to foster a culture of compliance and obligation at every level of the organization. The company is in compliance with the provision of Corporate Governance specified in the Listing Agreement with the Bombay Stock Exchange Ltd., National Stock Exchange of India Ltd, and Metropolitan Stock Exchange of India Ltd. The Company is committed to meet the expectations of stakeholders as a responsible corporate citizen. The Inventure Growth & Securities Limited's code of conduct contains the fundamentals principles and rules concerning ethical business conduct.

**2. BOARD OF DIRECTORS**

As on 31<sup>st</sup> March, 2016, the Board of the Company comprised of Ten (10) Directors, out of which One (1) is Chairman, One(1)Managing Director, One (1) is Whole Time Directors, Two (2) Non-Executive Directors, five(5) are Independent Directors. Mr. Kanji B. Rita, Managing Director and Mr. Harilal B. Rita, Non- Executive Director are real brother none of the non-excecutive/Independent Directors hold any shares in the company. All the directors have vast experience not only in Securities Market but also in other varied industries. The Independent Directors have no other pecuniary interest or business relation with the Company, other than just receiving sitting fees.

Mr. Nagji K. Rita is the Chairman of the Company.

The Board of Directors of the Company has an optimum mix of Executive and Non-Executive Directors and is in conformity with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sr. No.	Category	Full Name	Designation	Date of Appointment
1	Promoter	NagjiKeshavji Rita	Chairman	22-06-95
2	Executive	Kanji Bhachubhai Rita	Managing director	12-11-14
3	Executive	KamleshkumarShankarlalLimbachiya	Whole-time director	12-02-14
4	Non -Executive	Harilal Bhachubhai Rita	Director	29-02-12
5	Independent Director	Ajay Khera	Independent Director	24-12-09
6	Independent Director	Bharat Popatlal Shah	Independent Director	28-05-14
7	Independent Director	Deepak Manikant Vaishnav	Independent Director	24-12-09
8	Independent Director	DilipChampshi Shah	Independent Director	29-02-12
9	Independent Director	Shilpa Vishal Solanki	Independent Director	23-03-15
10	Non -Executive	Virendra D. Singh (resigned w.e.f 10.08.2016)	Director	22-06-95

Share Holding of Directors in the Company:

Sr. No.	Category	Full Name	Designation	No. of shares held
1	Promoter	NagjiKeshavji Rita	Chairman	75,00,000
2	Executive	Kanji Bhachubhai Rita	Managing director	1,46,64,32
3	Executive	KamleshkumarShankarlalLimbachiya	Whole-time director	4,24,763
4	Non -Executive	HarilalBhachubhai Rita	Director	6,00,000

Attendance Records of Directors at Board Meetings, Last Annual General Meeting (AGM) and number of their Directorship / Committee Membership / Chairmanships is given below:

Name of Director	Category	Number 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 24th September 2015	No. of Positions held in Other Companies.		
					Board*	Committee membership#	Committee Chairmanship
Mr. Nagji K. Rita	Chairman	4	4	No	9	-	-
Mr. Virendra D. Singh	Non Executive Director	4	4	No	3	-	-
Mr. Harilal B. Rita	Non Executive Director	4	4	Yes	3	-	-
Mr. Kamlesh S Limbachiya	Whole Time Director	4	4	Yes	3	-	-
Mr. Ajay Khera	Independent Director	4	4	No	10	-	-
Mr. Deepak Manikant Vaishnav	Independent Director	4	4	Yes	1	-	-
Mr. Dilip C. Shah	Independent Director	4	3	No	-	-	-
Mr. Bharat P. Shah	Independent Director	4	4	Yes	-	-	-
Mr. Kanji B. Rita	Whole Time Director	4	4	Yes	8	-	-
Mrs. Shilpa Vishal Solanki	Independent Director	4	4	Yes	-	-	-

#Only Audit Committee & Stakeholder's Relationship Committee is considered for the Committee Positions.

#### Board Meetings held during the Financial Year 2015-16:

April-June	July-September	October-December	January-March
30.05.2015	13.08.2015	07.11.2015	12.02.2016

#### Evaluation of the Board's Performance:

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the



Company.

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (as per Regulation 26(1)) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 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.

**1. COMMITTEES:**

**1. AUDIT COMMITTEE**

The audit committee comprises of 5 members, wherein Mr. Deepak M. Vaishnav holds chairmanship, who has sound financial knowledge. The other members in the audit committee are Mr. Ajay Khera, Mr. Nagji K. Rita, Mr. Kamlesh Limbachiya and Mr. Bharat P. Shah. Mrs. Bhavi R. Gandhi Company Secretary of the Company was also the Secretary to the audit committee.

The audit committee has adequate powers and plays such role as required and prescribed under the provisions of Companies Act, 2013 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 signed with the Stock Exchanges. The members of the committee met 4 times during the financial year.

The Composition, Meetings & Attendance as on 31<sup>st</sup> March, 2016 are as follows:

Name of Directors	Category	Category Attendance			
		30.05.2015	13.08.2015	07.11.2015	12.02.2016
Deepak M. Vaishnav	Chairman	Yes	Yes	Yes	Yes
Ajay Khera	Member	Yes	Yes	Yes	Yes
Nagji K. Rita	Member	Yes	Yes	Yes	Yes
Kamlesh S. Limbachiya	Member	Yes	Yes	Yes	Yes
Bharat P. Shah	Member	Yes	Yes	Yes	Yes

(l) The terms of reference of the audit committee:

- (a) 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.
- (b) Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- (c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- (d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.

- Qualifications in the draft audit report.
- (e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- (f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- (g) Review and monitor the auditor's independence and performance, and effectiveness of the audit process.
- (h) Approval or any subsequent modification of transactions of the Company with related parties.
- (i) Scrutiny of inter-corporate loans and investments.
- (j) Valuation of undertakings or assets of the company, wherever it is necessary.
- (k) Evaluation of internal financial controls and risk management systems;
- (l) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- (m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- (n) Discussion with internal auditors of any significant findings and follow up there on.
- (o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- (p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- (q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- (r) To review the functioning of the Whistle Blower mechanism.
- (s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- (t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- (ii) The representatives of statutory auditors and internal auditors have attended all the Audit Committee meetings held during the year. The Chief Executive Officer, Chief Financial Officer, Head of Treasury and Operations, and Principal Officer are permanent invitees to the Meeting. The Company Secretary acts as the secretary to the audit Committee.
- (iii) The Chairman of the Audit Committee was present at the last Annual General Meeting held on September 24, 2015.
- (iv) The audit committee of the Company is constituted in line with the provisions of Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the Bombay Stock Exchange Limited read with Section 177 of the Companies Act, 2013.

In addition to the members of the Audit Committee, these meetings are attended by the heads of accounts & finance, 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.

## 1. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Shareholders'/ Investors' Grievance Committee consists of 3 members, a Chairman, Mr. Ajay Khara and another is the member, Mr. Nagji K. Rita & Mr. Deepak M. Vaishnav Both/all the members are eminent in resolving the complaints, if any received from investors. Mrs. Bhavi R. Gandhi, Company Secretary acted as a company Secretary to the committee.

(i) In order to ensure quick redressal of the complaints of the stakeholders, the Company has, in due compliance with Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013.

(ii) The terms of reference of the Committee:

- (a) The Committee looks into redressal of shareholders' complaints such as transfer or credit of shares, Non-receipt of dividend, Non-receipt of Annual Reports etc.
- (b) Oversee and review all matters connected with transfer of the Company's Securities
- (c) Approve issue of Company's duplicate share / debenture certificate
- (d) Monitor redressal of investors' / shareholders' grievances
- (e) Oversee the performance of the Company's Registrars and Share Transfer Agents
- (f) Monitors implementation and compliance with the Company's code of conduct for prohibition of insider trading
- (g) Perform such other functions as may be necessary or appropriate for the performance of its duties

(iii) Meeting, Attendance and composition:

Stakeholders Relationship Committee comprises of 3 (three) Directors, of which 2 (two) are Independent Directors; Mr. Ajay Khara-Independent Director is the Chairperson of the Committee.

The composition of Stakeholder Relationship Committee is in the Compliance with the provisions of the Companies Act, 2013 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There was no Stake holder meeting was held during the year

The Company has specifically designated an email id i.e. for the purpose of registering complaints of investors electronically: [investorgrievance@inventuregrowth.com](mailto:investorgrievance@inventuregrowth.com) to Compliance Officer- Bhavi Gandhi (Company Secretary)

However, the committee has delegated its power to approve transfer & transmission of shares & issue of duplicate share certificates to the Registrar & share transfer agent of the Company.

During the financial year 2015-2016, the Company has/has not received any complaints from its shareholders. Therefore, the committee members did not meet during the year.

**3. NOMINATION & REMUNERATION COMMITTEE**

The Company has Nomination & Remuneration Committee which comprises of 3 directors, Chairman Mr. Ajay Khera & Mr. Virendra D. Singh, Mr. Deepak M. Vaishnav other members. The remuneration committee met 3 times during given period.

The composition of the Committee is in the Compliance with the provisions of the Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(ii) Meeting, Attendance and Composition

The Committee met three (3) times during the year ended March 31, 2016 Dated: 30.05.2015, 13.08.2015, 12.02.2016 and attendances of members of the Committee at the meetings are given below:

Sr. No.	Name of the Member	Category	Status	No. of Meetings Held during his/her tenure and Attended*	
				Held	Attended
1.	Ajay Khera	Independent Director	Chairman	3	3
2.	Virendra D. Singh	Non-Executive Director	Member	3	2
3.	Deepak M. Vaishnav	Independent Director	Member	3	3

(iii) The terms of reference of the Committee inter-alia includes the followings :

- (a) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- (b) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and senior employees.
- (c) Formulate the policy to ensure that:  
The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully  
Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.
- (d) Evaluate case by case before finalizing issue of Equity Shares to employees under ESOP, formulate and evaluate policies and procedures of ESOP, administer and supervise the ESOP scheme and other related activities.
- (e) To perform such other functions as may be necessary and appropriate for the performance of its duties

**4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

- (I) Pursuant to provisions of Section 135 of the Companies Act, 2013, the Board had constituted a Corporate Social Responsibility Committee.



The Corporate Social Responsibility Committee comprising of three (3) members, including two Non-Executive independent Director and one Non-Executive Director as under :

Sr. No.	Name of the Director(s)	Category
1	Mr. Bharat P. Shah	Chairman
2	Mr. Nagji K. Rita	Member
3	Mr. Kamlesh S. Limbachiya	Member

During the year no meeting was held of the CSR committee.

(ii) The terms of reference of the Committee inter-alia includes the followings :

- (a) Formulate and recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and rules framed thereunder.
- (b) Recommend the amount of expenditure to be incurred on the activities referred in Clause (a)
- (c) Monitor the Corporate Social Responsibility Policy of the Company from the time to time.
- (d) Prepare a transparent monitoring mechanism for ensuring implementation of the projects/programmers/activities proposed to be undertaken by the Company.

(iii) Since the CSR norms are still not applicable to the Company. Hence, the disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not required to be made.

#### **5. COMPANY POLICIES:**

During the year under review, the Company has adopted the following policies in line with Regulation 30(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 (wherever applicable). The same are also displayed on the website of the Company i.e. [www.inventuregrowth.com](http://www.inventuregrowth.com)

- Policy regarding Preservation of Documents and Archival Policy
- Policy for determination of material information and Appointment of Key Managerial Personnel for the purpose of determining materiality of an event or information and for the purpose of making disclosure to Stock Exchange under SEBI (Listing obligations and Disclosures Requirements) Regulations, 2015

#### **6. Independent Directors Meeting:**

During the year under review, the Independent Directors met and inter alia conducted following

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management

and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the independent Directors were present at the meeting.

**Subsidiary Companies**

The Company as on 31<sup>st</sup> March, 2016 has 5 subsidiary companies, which are enumerated below:

1. Inventure Finance Private Limited.
2. Inventure Commodities Limited
3. Inventure Merchant Banker Services Private Limited.
4. Inventure Wealth Management Ltd.
5. Inventure Insurance Broking Private Limited.

The requirements of Regulation 24 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Subsidiary Companies have been complied with.

The Company monitors performance of Subsidiary companies, inter alia by following means:

- Financial Statements, in particular investments made by the unlisted Subsidiary Companies are reviewed by the Company's Audit Committee.
- Minutes of the Board Meetings of Unlisted Subsidiary Companies are placed before the Company's Board.
- A Statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board.

**6. GENERAL BODY MEETINGS**

- a. No Extra Ordinary General of shareholders was held during the period from 01<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016
- b. **The last three Annual General Meetings were held as under:**

Year	Venue	Day/Date	Time	No. of Special Resolutions passed
2014-15	3rd Floor, Sterling Banquet Hall, Topiwala Center, Off S.V. Road, Near Station Road, Goregaon (West) Mumbai – 400 062	Thursday /24.09.2015	11.00 A.M	5
2013-14	4th Floor, Sterling, Banquet Hall, Station Road, Goregaon West, Mumbai	Thursday /25.09.2014	3.00 P.M.	8
2012-13	Koshish Hall, Behind Dena Bank, Off Daftary Road, Malad (East), Mumbai – 400 097.	Monday /26.09.2013	10.30 A.M.	1

For the year ended March 31, 2016 there have been no ordinary or special resolutions passed by the Company's Shareholders through general meeting

- a. **Postal Ballot:** For the year ended March 31, 2016 there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot

**DISCLOSURES****a. Materially Significant Related Party Transactions:**

There have been no materially significant related party transactions, pecuniary transactions or relationship between the Company and its Directors for the year ended 31.03.2016 that may have a potential conflict with the interest of the Company at large.

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 31.03.2016.

**b. Statutory Compliance, Penalties and Strictures:**

The Company has complied with the requirements of regulatory authorities and no instances with regards to non-compliance, penalty or otherwise occurred or was imposed on the Company by Stock Exchange or SEBI or any other statutory authority.

**c. Accounting Standards:**

The Company has applied the mandatory Accounting Standards as prescribed by the ICAI, and that there is no deviation in the accounting treatments which requires any specific disclosure.

**d. Code of Conduct for Prevention/Prohibition of Insider Trading**

The company has adopted Code of Conduct for Prevention/Prohibition of Insider Trading on 30<sup>th</sup> May 2015 in lines with the Prohibition of Insider Trading Regulations, 2015. The same is available on company's portal [www.inventuregrowth.com](http://www.inventuregrowth.com)

**e. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Compliances:**

The company has complied with all the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 compliances within time.

**f. Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification:**

In terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulation 17(8) the Managing Director and the Chief Financial Officer & Compliance Officer (CFO & CO) have furnished the required certificates to the Board of Directors.

**g. Whistle Blower Policy:**

Whistle Blower Policy has been implemented and displayed on website, however, no personnel has been denied access to Audit Committee/ the Board of the Company during the year.

**h. Code of Conduct:**

The Code of Conduct has been adopted by our Board of Directors and Senior Management Personnel's, which is also displayed on the website of the Company. Declaration pursuant to



Regulation 26(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Code of Conduct is given by the Managing Director of the Company.

**Means of Communication**

- a. Quarterly Results: The quarterly unaudited and audited results of the Company were published in the Newspaper as under during the FY 15-16:

Date of Meeting	Date of Publishing results in Newspapers		Purpose of Meeting
	Name of the Newspaper (Marathi) Navshakti Express	Name of the Newspaper (English)Free Press Journal	
30.05.2015	21.05.2015	21.05.2015	Audited Financial Results & Accounts of the Company for the Quarter & Year ended 31st March, 2015
13.08.2015	14.08.2015	14.08.2015	Unaudited Financial Results of the Company for the Quarter ended 30th June , 2015
07.11.2015	09.11.2015	09.11.2015	Unaudited Financial Results of the Company for the Quarter ended 30th September, 2015
12.02.2016	15.02.2016	15.02.2016	Unaudited Financial Results of the Company for the Quarter & Nine Months ended 31st December 2015.

The results are also available on the Company’s website [www.inventuregrowth.com](http://www.inventuregrowth.com)

Annual results: The copy of annual report containing the annual results of the Company along with the notes, auditor’s report, director’s report etc., are yearly sent to the shareholders at their registered addresses and which are also available on the Company’s website [www.inventuregrowth.com](http://www.inventuregrowth.com)

**General Shareholders’ Information**

- a. Annual General Meeting

Day and Date : Thursday, 29th September 2016  
 Time : 11.00 AM  
 Venue : 3rd Floor, Sterling Banquet Hall, Topiwala Center, Off S.V. Road, Near Station Road, Goregaon (West), Mumbai – 400 062

Financial Year : 01st April, 2015 - 31st March, 2016

Date of Book Closure : 23rd September, 2016 to 29th September, 2016 (both days inclusive)

- b. Dividend Payment : Nil
- c. Listing of Shares : BSE Limited  
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
- Metropolitan Stock Exchange of India Limited  
2nd Floor, Exchange Square,  
Suren Road, Andheri (East),  
Mumbai – 400 093
- d. Scrip Id/Code : 533506 - BSE  
Inventure - NSE  
Inventure - MSEI

Corporate Identity No : L65990MH1995PLC089838

e. Registrar and Share Transfer Agents:

Name : Linkintime India Pvt Ltd.  
Address : C-13, Pannalal Silk Mills Compounds, L.B.S. Marg,  
Bhandup (West), Mumbai – 400 078  
Tel. No : 022- 25963838  
Fax.No : 022- 25946969

**I) Share Price Data**

Market Price Data: Stock Market price data for the financial year 2015-16. High/Low of daily closing market price of the company’s shares traded at BSE, NSE & MCX-SX during each month in the financial year ended 2015-16 are as under:

Month	BSE			NSE		
	High	Low	Closing Price	High	Low	Closing Price
Apr, 15	11.73	10.75	11.00	11.60	10.75	10.95
May, 15	11.70	10.75	11.24	11.50	10.75	11.35
Jun, 15	12.40	10.47	11.15	11.50	10.50	10.95
Jul, 15	12.50	10.52	11.45	12.25	10.60	11.25
Aug, 15	11.99	10.50	11.21	11.90	10.20	11.05
Sept, 15	11.80	10.75	11.19	11.90	10.50	11.20
Oct, 15	12.00	10.20	11.01	11.95	10.35	11.05
Nov, 15	12.15	10.05	11.16	12.00	10.50	11.10

Dec, 15	14.40	10.70	13.03	14.75	10.70	13.05
Jan, 16	13.94	12.25	12.58	13.95	12.50	12.50
Feb, 16	14.00	11.01	12.84	13.50	11.05	12.90
Mar, 16	13.50	10.80	11.25	13.50	11.00	11.05

**Metropolitan Stock Exchange of India Limited**

During the period from 1.04.2015 to 31.03.2016 details of trade are not available on portal of MSEI since no trade is executed during this period.

**j) Distribution of shareholding**

No. of Equity Shares	No of Shareholders	% of Share Holder	Total No. of Shares held	% of shares held
1-5000	1766	63.99	2984240	0.3553
5001-10000	321	11.63	2709650	0.3226
10001-20000	212	7.68	3484970	0.4149
20001-30000	79	2.86	2048030	0.2438
30001-40000	52	1.88	1890170	0.2250
40001-50000	44	1.59	2110830	0.2513
50001-100000	73	2.64	5478110	0.6522
100001 and above	213	7.72	819294000	97.5350
TOTAL	2760		84000000	100

**Shareholding pattern as on 31 March, 2016**

Category	No of Shares	Percentage
Promoters & Persons acting in concert	2,46,75,439.00	29.38
Mutual Funds/FIs/Banks/Insurance Companies	-	-
FII's	-	-
Bodies Corporate	47,50,507.00	5.66
NRI/Foreign Nationals /Foreign Bodies Corporate	2,07,215.00	0.25
Public and others	5,93,24,561.00	70.62
Total	8,40,00,000	100

**a. Reconciliation of Share Capital Audit Report as on 31<sup>st</sup> March, 2016**

The Company, pursuant to the provisions of the SEBI (Depositories & Participants) Regulations, 1996, at every quarter has to submit a Certificate of Reconciliation of Share Capital Audit taken from a Practicing Company Secretary to the Stock Exchanges where the shares of the Company are listed. The report certifies that the total shares held with NSDL, CDSL and those in physical, tally with the share capital issued and paid up of the Company and that the Register of Members is duly updated.

**b. Share Transfer System:**

The Company's shares held in dematerialized form are transferrable through depositories whereas those in physical form are transferred by the Registrar & Transfer Agent and placed before the Share Transfer Committee for its approval. The power to issue share certificates on rematerialisation or transfer of physical share has been delegated to Mrs. Bhavi R. Gandhi

The Investor Grievance Committee meets at a regular interval to consider and approve the transfer, transmission, issuance of duplicate / consolidated / sub-divided share certificates and requests for dematerialization / rematerialisation of Company's shares. The Company on half yearly basis submits to the Stock Exchanges a Certificate under Regulation 40(9) & (10) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 giving details with regards to share transfer forms received and approved during the period.

**c. Dematerialisation of Shares:**

The shares of the Company are compulsorily traded in electronic mode with National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL). Out of the total share capital of the Company equity shares in Demat form, which includes the shares held by the promoter and promoter group, and remaining shares are held in physical mode.

**d. The Company has/has not issued any GDR/ ADR Warrants or any other convertible instruments**

**ADDRESS OF CORRESPONDENCE**

<b><u>REGISTRAR AND SHARE TRANSFER AGENTS</u></b>	<b><u>REGISTERED OFFICE</u></b>
<b>LINK INTIME PRIVATE LIMITED</b> C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai-78 Tel: +91 22 2594 6970 FAX: +91 22 2594 6969 E-mail: <a href="mailto:rnt.helpdesk@linktime.co.in">rnt.helpdesk@linktime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>	<b>INVENTURE GROWTH &amp; SECURITIES LIMITED</b> 201, Viraj Tower, Near Landmark, W.E. Highway, Andheri (E), M-69, Tel: +91 22 3954 8503 FAX: +91 22 3954 8510 Email: <a href="mailto:cs@inventuregrowth.com">cs@inventuregrowth.com</a> Website: <a href="http://www.inventuregrowth.com">www.inventuregrowth.com</a>

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**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF INVENTURE GROWTH & SECURITIES LIMITED  
REPORT ON THE STANDALONE FINANCIAL STATEMENTS**

1. We have audited the accompanying standalone financial statements of Inventure Growth & Securities Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS**

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

**AUDITORS' RESPONSIBILITY**

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the ICAI. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.
6. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**OPINION**

8. In our opinion and to the best of our information and according to the explanations given to us, the

aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its loss and its cash flows for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

9. As required by 'The Companies (Auditor's Report) Order, 2016' issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we consider appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as referred to in Note 26 to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For PHD & Associates**

Chartered Accountants

Firm Registration No.111236W

**Dhiren Vakharia**

Partner

Membership No.: 46115

Mumbai

30 May 2016

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**Annexure A****Referred to in paragraph 9 of Independent Auditors' Report of even date to the members of Inventure Growth & Securities Limited on the standalone financial statements for the year ended 31 March 2016:**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the title deeds of immovable property, as disclosed in Note 11 to standalone financial statements, are held in the name of the Company.
- (ii) The inventory being stock-in-trade of securities held in dematerialized form has been verified during the year by the management with the holding certificates from the respective depository. In our opinion, the frequency of verification is reasonable. No discrepancies were noticed on verification between the depository certificates and the book records.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraphs 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has not provided any loans, or any guarantees or security to the parties covered under Section 186 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of making investments.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of Cost records under Section 148(1) of the Act for any of the products manufactured/ services rendered by the Company.
- (vii) In respect of statutory dues:
  - (a) According to the records of the Company, undisputed statutory dues including Income Tax, Service Tax, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2016, for a period of more than six months from the date of becoming payable.
  - (b) There are no dues of Income Tax, Service Tax, Cess which have not been deposited as on March 31, 2016, on account of disputes.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to the banks. The Company does not have any



loans or borrowings from financial institutions or government and has not issued any debentures.

- (ix) The Company did not have any term loans outstanding during the year. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanation given to us, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with sections 177 and 188 of the Act, where applicable, for all transactions with the related parties and details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

**For PHD & Associates**

Chartered Accountants

Firm Registration No.111236W

**Dhiren Vakharia**

Partner

Membership No.:46115

Mumbai

30 May 2016

**Annexure B**

**Referred to in paragraph 10(f) of our report of even date to the members of Inventure Growth & Securities Limited on the standalone financial statements for the year ended March 31, 2016.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("The Act")**

1. We have audited the internal financial controls over financial reporting of Inventure Growth & Securities Limited ("the Company") as at March 31, 2016, in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

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

that:

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting.**

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

**Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For PHD & Associates**

Chartered Accountants

Firm Registration No.111236W

**Dhiren Vakharia**

Partner

Membership No.: 46115

Mumbai

30 May 2016

**Balance Sheet as at 31 March 2016**

Particulars	Note No.	As at 31 March 2016 ₹	As at 31 March 2015 ₹
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share Capital	3	840,000,000	840,000,000
(b) Reserves and Surplus	4	638,998,188	724,413,348
		<b>1,478,998,188</b>	<b>1,564,413,348</b>
<b>Non-Current Liabilities</b>			
(a) Deferred Tax Liabilities (Net)	5	-	16,578,984
(b) Long-Term Provisions	6	3,523,301	4,810,227
		<b>3,523,301</b>	<b>21,389,211</b>
<b>Current Liabilities</b>			
(a) Short-Term Borrowings	7	89,958,023	146,204,282
(b) Trade Payables	8		
(i) Total outstanding dues of Micro and Small enterprises		-	-
(ii) Total outstanding dues of creditors other than Micro and Small enterprises		172,541,347	124,338,010
(c) Other Current Liabilities	9	117,726,512	128,375,566
(d) Short-Term Provisions	10	408,496	1,644,612
		380,634,378	400,562,470
<b>Total</b>		<b>1,863,155,867</b>	<b>1,986,365,029</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Fixed Assets	11		
(I) Tangible Assets		88,102,765	95,745,510
(ii) Intangible Assets		150,000	667,740
		88,252,765	96,413,250
(b) Non-Current Investments	12	665,822,948	680,961,908
(c) Deferred Tax Assets (net)	5	20,128,467	-
(d) Long-Term Loans and Advances	13	156,649,644	177,268,447
(e) Other Non-Current Assets	14	168,000,000	176,250,000
		<b>1,098,853,824</b>	<b>1,130,893,605</b>
<b>Current Assets</b>			
(a) Inventories	15	1,356,578	23,928,127
(b) Trade Receivables	16	416,567,766	423,690,413
(c) Cash and Bank Balances	17	326,182,231	388,098,552
(d) Short-Term Loans and Advances	18	15,445,389	8,301,597
(e) Other Current Assets	19	4,750,079	11,452,735
		<b>764,302,043</b>	<b>855,471,424</b>
<b>Total</b>		<b>1,863,155,867</b>	<b>1,986,365,029</b>
Significant Accounting Policies	2	-	-
The accompanying notes are an integral part of the financial statements			

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

Kanji B. Rita  
DIN 00727470

Managing Director

Dhiren Vakharia  
Partner  
Membership No. 46115

Kamlesh S. Limbachiya  
DIN 02774663

Director

Arvind J. Gala

Chief Financial Officer

Place : Mumbai  
Date : 30 May 2016

Bhavi R. Gandhi

Company Secretary

**Statement of Profit and Loss for the year ended 31 March 2016**

Particulars	Note No.	"For the period ended 31 March 2016" ₹	" For the year ended 31 March 2015" ₹
Revenue from Operations	20	41,367,800	178,453,171
Other Income	21	32,040,732	21,824,772
<b>Total Revenue</b>		<b>73,408,532</b>	<b>200,277,943</b>
<b>Expenses</b>			
(a) Employee Benefit Expenses	22	47,488,791	47,752,671
(b) Finance Costs	23	33,543,027	20,893,736
(c) Depreciation and Amortisation Expense	11	9,290,590	11,920,250
(d) Other Expenses	24	90,291,114	102,960,763
<b>Total Expenses</b>		<b>180,613,522</b>	<b>183,527,420</b>
<b>Profit/(Loss) Before Exceptional Item and Tax</b>		<b>(107,204,990)</b>	<b>16,750,523</b>
<b>Exceptional Item:</b>			
Profit on Sale of Office Premises		-	24,295,464
Provision for diminution in value of Non-Current Investment	36	(15,145,067)	-
<b>Profit/(Loss) Before Tax</b>		<b>(122,350,057)</b>	<b>41,045,987</b>
(a) Current Tax		-	9,200,000
Less: MAT Credit Entitlement		-	(1,000,000)
Net Current Tax		-	8,200,000
(b) Deferred Tax		(36,707,451)	4,442,942
(c) Tax adjustment for earlier years		(227,446)	-
		(36,934,897)	12,642,942
<b>Profit/(Loss) for the Year</b>		<b>(85,415,160)</b>	<b>28,403,045</b>
<b>Earnings per equity share of Nominal Value of ₹10/- each</b>	27		
(a) Basic		(1.02)	0.34
(b) Diluted		(1.02)	0.34
<b>Significant Accounting Policies</b>	2		
<b>The accompanying notes are an intergral part of the financial statements</b>			

As per our attached report of even date

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

Dhiren Vakharia  
Partner  
Membership No. 46115

Place : Mumbai  
Date : 30 May 2016

For and on behalf of the Board of Directors

Kanji B. Rita  
DIN 00727470

Kamlesh S. Limbachiya  
DIN 02774663

Arvind J. Gala

Bhavi R. Gandhi

Managing Director

Director

Chief Financial Officer

Company Secretary

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**Notes forming part of the Consolidated financial statements****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 and Companies Act 2013, 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 as per useful life prescribed in schedule II of the Companies Act, 2013.

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) 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.

(l) 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.

(m) Equity Index/Stock – Options :

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

(n) 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.

Minimum Alternate Tax

Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the guidance note issued by Institute of Chartered Accountants of India ('ICAI'), the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

(o) 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.

(p) 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 Financial Statements**
**Note 3 Share Capital**

Particulars	As at 31 March 2016 ₹	As at 31 March 2015 ₹
<b>Authorised</b> 100,000,000 (100,000,000) Equity Shares of ₹ 10/- each	1,000,000,000	1,000,000,000
<b>Issued</b> 84,000,000 (84,000,000) Equity Shares of ₹ 10/- each	840,000,000	840,000,000
<b>Subscribed and fully paid up</b> 84,000,000 (84,000,000) Equity Shares of ₹ 10/- each	840,000,000	840,000,000
<b>Total</b>	<b>840,000,000</b>	<b>840,000,000</b>

(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 2016		As at 31 March 2015	
	No. of Shares	₹	No. of Shares	₹
At the beginning of the year	84,000,000	840,000,000	84,000,000	840,000,000
Outstanding at the end of the year	84,000,000	840,000,000	84,000,000	840,000,000

(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.

© Details of shareholders holding more than 5% shares in the company:

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	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	7,500,000	8.93	11,500,000	13.69
Kanji B. Rita	14,664,327	17.46	10,664,327	12.70
Usha Atul Shah	4,444,440	5.29	4,444,440	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.

**Note 4 Reserves and Surplus**

Particulars	"As at 31 March 2016" ₹	"As at 31 March 2015" ₹
Capital Reserve		
Opening Balance	2,025,000	2,025,000
Closing Balance	2,025,000	2,025,000
Securities Premium Account		
Opening Balance	71,510,581	71,510,581
Closing Balance	71,510,581	71,510,581
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	564,821,877
Closing Balance	564,821,877	564,821,877
Surplus balance in Statement of Profit and Loss		
Opening balance	73,555,890	45,152,845
Add: Profit/(Loss) for the year	(85,415,160)	28,403,045
Closing Balance	(11,859,270)	73,555,890
<b>Total</b>	<b>638,998,188</b>	<b>724,413,348</b>

**Note 5 Deferred Tax Liabilities (Net)**

Particulars	"As at 31 March 2016" ₹	"As at 31 March 2015" ₹
<b>Tax effect of items constituting deferred tax liability:</b>		
On difference between book balance and tax balance of fixed assets	17,019,208	19,261,165
<b>Tax effect of items constituting deferred tax assets:</b>		
Provision for gratuity and other employee benefits(1,214,925)	(2,094,273)	
Provision for Doubtful Debts	(559,912)	(587,908)
Carried forward Business loss	(35,372,838)	-
<b>Total</b>	<b>(20,128,467)</b>	<b>16,578,984</b>

**Note 6 Long-Term Provisions**

Particulars	"As at 31 March 2016" ₹	"As at 31 March 2015" ₹
Provision for employee benefits Gratuity (Non funded)	3,523,301	4,810,227
<b>Total</b>	<b>3,523,301</b>	<b>4,810,227</b>

**Note 7 Short-Term Borrowings**

Particulars	"As at 31 March 2016" ₹	"As at 31 March 2015" ₹
Secured (Refer Particulars given below)		
Loans repayable on demand		
From banks	89,958,023	146,204,282
<b>Total</b>	<b>89,958,023</b>	<b>146,204,282</b>

Particulars of security for the secured short-term borrowings:

Particulars	Security and terms of repayment	"As at" 31 March 2016" ₹	As at 31 March 2015" ₹
Loans repayable on demand			
From banks:			
Bank overdraft	Secured against Term Deposits	89,958,023 1	46,204,282

**Note 8 Trade Payables**

Particulars	"As at 31 March 2016" ₹	As at 31 March 2015 ₹
Trade Payables : (Refer Note No. 35)		
(i) Total outstanding dues of Micro and Small enterprises	-	-
"(ii) Total outstanding dues of creditors other than Micro and Small enterprises"	172,541,347	124,338,010
<b>Total</b>	<b>172,541,347</b>	<b>124,338,010</b>

**Note 9 Other Current Liabilities**

Particulars	"As at 31 March 2016" ₹	As at 31 March 2015 ₹
Current maturities of long term debt	-	14,277,420
Security Deposit /Margin Money from clients	95,352,470	91,148,614
Statutory dues	484,236	415,831
Other payables	21,889,806	22,533,701
<b>Total</b>	<b>117,726,512</b>	<b>128,375,566</b>

There is no amount due and outstanding to be paid to Investor Education and Protection fund as at 31 March 2016

**Note 10 Short Term Provisions**

Particulars	"As at 31 March 2016" ₹	"As at 31 March 2015" ₹
Provision for employee benefits		
Gratuity (Non Funded)	408,496	1,644,612
<b>Total</b>	<b>408,496</b>	<b>1,644,612</b>

**Note 11 Fixed Assets**

Fixed Assets	Gross Block		Accumulated Depreciation / Amortisation			(Amount in ₹)	
	As at 1 April 2015	Gross Block Additions	Deductions	As at 31 March 2016	As at 31 March 2016	As at 31 March 2015	Net Block
<b>Tangible Assets Own Assets:</b>							
Office Premises	77,671,209	-	-	77,671,209	1,294,520	-	66,724,036
Furniture and Fixtures	34,123,789	-	-	34,123,789	3,277,032	-	14,341,104
Vehicles	8,986,476	-	-	8,986,476	1,026,112	-	1,417,129
Office Equipment	9,778,972	39,187	19,250	9,798,909	1,798,707	11,887	2,815,654
Air Conditioners	4,018,127	-	-	4,018,127	765,660	-	1,453,280
Computers	18,409,734	1,098,281	-	19,508,015	610,819	-	1,351,562
<b>Total</b>	<b>152,988,307</b>	<b>1,137,468</b>	<b>19,250</b>	<b>154,106,525</b>	<b>8,772,850</b>	<b>11,887</b>	<b>88,102,765</b>
<b>Previous Year</b>	<b>171,277,041</b>	<b>1,704,939</b>	<b>19,993,673</b>	<b>152,988,307</b>	<b>11,217,724</b>	<b>19,539,137</b>	<b>95,745,510</b>
<b>Intangible Assets Own Assets:</b>							
Computer Software	10,073,201	-	-	10,073,201	252,740	-	150,000
Membership of Bombay Stock Exchange Limited	18,100,000	-	-	18,100,000	-	-	-
Membership of Multi Commodity Exchange Limited	1,060,000	-	-	1,060,000	265,000	-	-
<b>Total</b>	<b>29,233,201</b>	<b>-</b>	<b>-</b>	<b>29,233,201</b>	<b>517,740</b>	<b>-</b>	<b>150,000</b>
							<b>667,740</b>

**Note 12 Non-Current Investments**

Particulars	As at 31 March 2016	As at 31 March 2015
Investments (At cost less provision for other than temporary diminution, if any):		
Trade (unquoted)		
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
6,49,994 (6,49,994) Equity Shares of Inventure Wealth Management Limited of ₹ 10/- each	5,727,740	5,727,740
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:		
1682 (1,682) Equity Shares of Bombay Stock Exchange Limited ₹ 1/- each	129	129
	642,857,869	642,857,869
Other Investments (Quoted/Unquoted) : (Refer Note No. 36)		
Investment in equity shares, fully paid up:		
749,010 (749,010) Equity Shares of Gujarat Narmada Flyash Company Limited of ₹ 5/- each	15,145,067	15,145,067
Less: Provision for diminution in value of Investment	(15,145,067)	-
	-	15,145,067
Other Investments (Unquoted) :		
Investment Property	22,965,079	22,958,972
Total	665,822,948	680,961,908
Aggregate amount of quoted investments	-	15,145,067
Aggregate market value of quoted investments	-	3,100,901
Aggregate amount of unquoted investments	665,822,948	665,816,841



**Note 13 Long Term Loans And Advances**

Particulars	As at 31 March 2016 ₹	As at 31 March 2015 ₹
<b>Unsecured, considered good :</b>		
Deposits :		
(a) With Stock Exchanges / Depository	27,074,469	26,924,469
(b) With others	2,462,970	2,362,800
Advances recoverable in cash or in kind	98,000,000	118,000,000
Advance Income Tax (Net of Provisions)	28,112,205	28,981,178
MAT credit entitlement	1,000,000	1,000,000
<b>Total</b>	<b>156,649,644</b>	<b>177,268,447</b>

**Note 14 Other Non-Current Assets**

Particulars	As at 31 March 2016 ₹	As at 31 March 2015 ₹
Balances with banks:		
Term deposits with banks with more than twelve months maturity	168,000,000	176,250,000
<b>Total</b>	<b>168,000,000</b>	<b>176,250,000</b>

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

**Note 15 Inventories**

Particulars	As at 31 March 2016 ₹	As at 31 March 2015 ₹
(At lower of cost and net realisable value)		
Stock-in-trade :		
Shares and Securities	1,356,578	23,928,127
<b>Total</b>	<b>1,356,578</b>	<b>23,928,127</b>

**Note 16 Trade Receivables**

Particulars	As at 31 March 2016 ₹	As at 31 March 2015 ₹
<b>Unsecured, considered good</b>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	294,225,500	297,195,101
Less: Provision for Bad debts	(1,812,014)	(1,812,014)
	292,413,486	295,383,087
Other Trade receivables	124,154,280	128,307,326
<b>Total</b>	<b>416,567,766</b>	<b>423,690,413</b>

**Note 17 Cash and Bank Balances**

<b>Particulars</b>	<b>As at 31 March 2016</b> ₹	<b>As at 31 March 2015</b> ₹
Cash and cash equivalents		
Balances with banks in current accounts	16,892,621	22,326,739
Cash on hand	12,110	11,212
<b>Total</b>	<b>16,904,731</b>	<b>22,337,951</b>
Other bank balances		
Term deposits with more than three months maturity but due within one year from the reporting date	309,277,500	365,760,601
<b>Total</b>	<b>309,277,500</b>	<b>365,760,601</b>
The above Term deposits are held as margin for guarantees/security for bank overdraft facility		

**Note 18 Short-Term Loans And Advances**

<b>Particulars</b>	<b>As at 31 March 2016</b> ₹	<b>As at 31 March 2015</b> ₹
Deposits with Stock Exchanges	11,668,344	5,600,344
Prepaid expenses	3,002,316	2,229,253
Advances recoverable in cash or in kind	774,729	472,000
<b>Total</b>	<b>15,445,389</b>	<b>8,301,597</b>

**Note 19 Other Current Assets**

<b>Particulars</b>	<b>As at 31 March 2016</b> ₹	<b>As at 31 March 2015</b> ₹
Interest accrued on Term deposits with banks	3,016,435	6,881,071
Others	1,733,644	4,571,664
<b>Total</b>	<b>4,750,079</b>	<b>11,452,735</b>

**Note 20 Revenue From Operations**

<b>Particulars</b>	<b>As at 31 March 2016</b> ₹	<b>As at 31 March 2015</b> ₹
ISale of services:		
(a) Brokerage Income:		
Secondary Market	92,897,230	117,819,803
Primary Market	14,013,178	6,235
Others	5,968	3,507
(b) Income from Depository Operations	6,497,712	7,961,009
	113,414,088	125,790,554
<b>Other operating revenues:</b>		
(a) Loss from Arbitrage/Securities Trading	(153,783,307)	(21,968)
(b) Interest Income	81,737,019	52,684,585
	(72,046,288)	52,662,617

**Note 21 Other Income**

<b>Particulars</b>	<b>For the year ended 31 March 2016</b> ₹	<b>For the year ended 31 March 2015”</b> ₹
Dividend income : from current investments/stock-in-trade	846,729	488,028
Net loss on sale of non current investments	-	(229,729)
Other non-operating income : (a) Delayed payment charges	24,486,696	14,681,870
(b) Keyman Insurance Policy	-	6,218,675
(c) Miscellaneous income	6,707,307	665,928
<b>Total</b>	<b>32,040,732</b>	<b>21,824,772.00</b>

**Note 22 Employee Benefit Expenses**

<b>Particulars</b>	<b>For the year ended 31 March 2016</b> ₹	<b>For the year ended 31 March 2015”</b> ₹
Salaries and other benefits	42,293,411	39,623,528
Contributions to Provident and Other Funds	2,546,474	5,217,542
Staff welfare expenses	2,648,906	2,911,601
<b>Total</b>	<b>47,488,791</b>	<b>47,752,671</b>

**Note 23 Finance Costs**

<b>Particulars</b>	<b>For the year ended 31 March 2016</b> ₹	<b>For the year ended 31 March 2015”</b> ₹
Interest expense	31,460,793	17,836,445
Other borrowing costs	2,082,234	3,057,291
<b>Total</b>	<b>33,543,027</b>	<b>20,893,736</b>

**Note 24 Other Expenses**

Particulars	For the year ended 31 March 2016 ₹	For the year ended 31 March 2015” ₹
Sub- Brokerage / Commission	52,441,203	63,660,066
Payment to Franchisees	1,103,085	2,224,232
Securities Transaction Tax on Shares/Derivatives	6,692,922	4,057,083
Stock Exchange expenses & Contribution to Stock Exchange funds	832,011	365,787
SEBI Turnover/Registration charges	563,701	507,102
Depository charges	1,839,838	1,672,145
Rent 1,522,248	1,115,144	
Electricity expenses	4,572,847	5,294,549
Repairs and Maintenance - Building	576,000	576,000
Repairs and Maintenance - Others	3,621,924	3,453,034
Printing & Stationery	795,368	861,955
Communication expenses	2,600,033	3,684,533
Computer & Software expenses	574,940	384,393
Legal and Stamping charges	108,430	112,043
Legal and Professional charges (Refer note 25)	4,199,111	4,813,738
Directors Sitting fees	1,225,000	359,830
Insurance	162,624	71,920
Travelling & Conveyance expenses	180,271	390,640
Rates and Taxes	923,210	67,541
Business promotion expenses	2,082,410	1,539,939
Membership & Subscription	1,820,314	1,622,401
Provision for Doubtful Debts	-	912,014
Bad Debts	581,368	3,154,329
Client Compensation	188,297	234,767
Donations	228,885	20,702
Miscellaneous expenses	855,074	1,804,876
<b>Total</b>	<b>90,291,114</b>	<b>102,960,763</b>

**Note 25 Remuneration to Auditors**

Particulars	For the year ended 31 March 2016 ₹	For the year ended 31 March 2015” ₹
Legal and Professional charges includes payments to the auditors towards:		
As Auditor*	175,000	160,000
For Taxation Matters*	17,500	52,500
For Other Services*	90,000	90,000
<b>Total</b>	<b>282,500</b>	<b>302,500</b>

\* Excluding Service Tax

**Note 26 Contingent Liabilities and Commitments**

Particulars	For the year ended 31 March 2016 ₹	For the year ended 31 March 2015” ₹
<b>Contingent Liabilities :</b>		
Income Tax matters in Appeal	5,855,601	5,855,601

**Note 27 : Earnings Per Share**

Particulars	For the year ended 31 March 2016 ₹	For the year ended 31 March 2015” ₹
Nominal Value of Equity shares	10	10
Net profit after tax available to the Equity shareholders	(85,415,160)	28,403,045
Weighted average number of Equity shares	84,000,000	84,000,000
Basic and Diluted Earnings per share	(1.02)	0.34

**Note 28 : Details of Leasing arrangements**

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 ₹ 15,22,248/- (Previous year ₹ 11,15,144/-) are included in rental expenditure in the Statement of Profit and Loss during the current year.

**Note 29 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 ` 16,97,214/- (Previous year ` 14,50,294/-).

(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. 22)

(Amount in ₹)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015"
	₹	₹
Components of employer expense		
Current Service cost	936,861	233,714
Interest cost	515,742	279,690
Expected return on plan assets	-	-
Curtailment cost/(credit)	-	-
Settlement cost/(credit)	-	-
Past Service Cost	-	-
Actuarial Losses/(Gains)	(3,856,569)	2,867,914
<b>Total expense recognised in the Statement of Profit &amp; Loss</b>	<b>(2,403,966)</b>	<b>3,381,318</b>

**Balance Sheet**
**Details of provision for gratuity**

(Amount in ₹)

Net asset/(liability) recognised in balance sheet	As at 31 March 2016	As at 31 March 2015"
	₹	₹
Present value of Defined Benefit Obligation	(3,931,797)	(6,454,839)
Fair value of plan assets	-	-
Funded status [Surplus/(Deficit)]	(3,931,797)	(6,454,839)
Unrecognised Past Service Costs	-	-
<b>Net asset/(liability) recognised in balance sheet</b>	<b>(3,931,797)</b>	<b>(6,454,839)</b>

(Amount in ₹)

Change in Defined Benefit Obligations (DBO) during the year ended	For the year ended 31 March 2016	For the year ended 31 March 2015"
	₹	₹
Present Value of DBO at beginning of period	6,454,839	3,073,521
Current Service cost	936,861	233,714
Interest cost	515,742	279,690
Curtailment cost/(credit)	-	-
Settlement cost/(credit)	-	-
Plan amendments	-	-
Acquisitions	-	-
Actuarial (gains)/ losses	(3,856,569)	2,867,914
Past Service Cost	-	-
Benefits paid	(119,076)	-
<b>Present Value of DBO at the end of period</b>	<b>3,931,797</b>	<b>6,454,839</b>

**Principal actuarial assumptions as at the balance sheet date:**

Particulars	As at 31 March 2016	As at 31 March 2015
Discount Rate	7.79%	7.99%
Salary escalation	7%	7%
Attrition Rate	11%	11%

**Note 30 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
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
Kanji B. Rita	Director and Key Management Personnel
Kamlesh S Limbachiya	Director and Key Management Personnel
Virendra D. Singh	Director and Key Management Personnel
Arvind Jethalal Gala	Key Management Personnel
Meet K. Rita	Relative of Director
Neeta Mukesh Gada	Relative of Director
Jayshree Nagji Rita	Relative of Director
Vaibhav N. Rita	Relative of Director
Kalavati K. Limbachiya	Relative of Director
Manjulaben Shankarlal Limbachiya	Relative of Director
Sagar K. Limbachiya	Relative of Director
Kunjali A. Gala	Relative of Key Management Personnel
Arvind J. Gala HUF	Enterprises significantly influenced by the KMP
Shantilal B Rita HUF	Enterprises significantly influenced by the Director
Kamlesh S Limbachiya HUF	Enterprises significantly influenced by the Director
Synergy Moneycontrol Private Limited	Enterprises significantly influenced by the Director
Keshavji M. Rita HUF	Enterprises significantly influenced by the Director
Nagji K. Rita HUF	Enterprises significantly influenced by the Director
Keshvi Developers Private Limited	Enterprises significantly influenced by the Director
Kenorita Realty LLP	Enterprises significantly influenced by the Director
Pioneer Securities Private Limited	Enterprises significantly influenced by the Director

**(b) Details of Related Party transactions during the year ended 31 March 2016**

(Amount in ₹)

Particulars	Subsidiaries	Directors & Key Management Personnel	Relatives of Directors & Key Management Personnel by the Directors/Relatives	Enterprises significantly influenced	Total
Remuneration paid	-	6,750,000	-	-	6,750,000
	(-)	(4,050,000)	(-)	(-)	(4,050,000)
Loans & Advances given	-	-	-	-	-
	(110,350,000)	(-)	(-)	(-)	(110,350,000)
Loans & Advances received back	-	-	-	-	-
	(283,650,000)	(-)	(-)	(-)	(283,650,000)
Interest Received	-	-	-	-	-
	(4,844,779)	(-)	(-)	(-)	(4,844,779)



Rent Paid	-	-	-	1,400,000	1,400,000
	(-)	(-)	(-)	(1,000,000)	(1,000,000)
Deposit for Lease premises	-	-	-	-	-
	(-)	(-)	(-)	(200,000)	(200,000)
Brokerage Received	18,608	162,341	46,759	33,231	260,939
	(-)	(355,748)	(77,485)	(265,347)	(698,580)
Sub-brokerage Paid	-	-	64,457	-	64,457
	(-)	(-)	(61,454)	(-)	(61,454)
Outstanding Credit Balance	-	-	-	-	-

Figures in brackets relates to the previous year

**Note 31 Open Interest in Currency Futures as at 31 March 2016:**
**Short Position**

Sr No.	Name of Future	Series of Future	Number of Contracts	Number of Units involved
1	Currency Future USD INR	27-Apr-2016	750	750,000
2	Currency Future USD INR	27-May-2016	50	50,000
3	Currency Future USD INR	27-Jul-2016	72	72,000

**Note 32 :** The accounts of the Trade Receivables and Trade Payables who have not responded to the Company's request for confirmation of balances, are subject to reconciliation, if any, required.

**Note 33 :** In accordance with the Company Policy, the company has reviewed the outstanding Trade Receivables and is in continuous process of working out different modalities of recovery. The Company has written off a sum of ` 5,81,368/- (Previous year ` 31,54,329/-) as bad debts and has also made a provision for bad debts of ` Nil (Previous year ` 9,12,014/-) during the year, which in the opinion of the Management, is adequate.

**Note 34 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 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 :** The investment in the equity shares of "Gujarat Narmada Flyash Company Limited" were treated as quoted investment as on 31 March, 2015, in view of it being regularly quoted on BSE Limited then. However, quotation for the same are not available in view of suspension of the trading of the same on BSE Limited w.e.f 27 August 2015. Accordingly the investment has been reclassified as unquoted investment as on 31 March, 2016, and the investment cost has been fully written down by way of 'Provision for diminution in value of Non-Current Investment'. The said provision has been treated as an exceptional item in the Statement of Profit and Loss.

**Note 37 : Corporate Social Responsibility (CSR) Expenditure**

a) Amount spent till date on CSR Activities is NIL.

b) The Company is in the process of finalizing CSR Activities as approved by its CSR Committee to discharge its CSR obligation in respect of earlier period in the financial year 2016-17.

**As per our attached report of even date  
For PHD & Associates  
Chartered Accountants  
Firm Registration No. 111236W**

**Dhiren Vakharia  
Partner  
Membership No. 46115**

**Place : Mumbai  
Date : 30 May 2016**

**For and on behalf of the Board of Directors**

**Kanji B Rita  
DIN 00727470**

**Managing Director**

**Kamlesh Limbachiya  
DIN 02774663**

**Director**

**Arvind J Gala**

**Chief Financial Officer**

**Bhavi R Gandhi**

**Company Secretary**

**Cash Flow Statement for the year ended 31 March 2016**

Particulars	For the year ended 31 March 2016		For the year ended 31 March 2015	
	₹	₹	₹	₹
<b>A. Cash Flow from Operating Activities</b>				
Net Profit before exceptional item and tax		(107,204,990)		16,750,523
Adjustment for :				
Depreciation and amortisation	9,290,590		11,920,250	
Finance costs	16,368,845		20,893,736	
Interest income	(38,585,854)		(52,684,585)	
Dividend income	(846,729)		(488,028)	
Provision for defined employee benefits	(2,523,042)		3,381,318	
Provision for diminution in value of Non-Current Investment	15,145,067		-	
Loss on sale of Investment	-		229,729	
Provision for Bad Debts	-		912,014	
Bad debts	581,368		3,154,329	
Loss/(Profit) on Sale of Fixed assets	5,276		(24,295,464)	
		(564,479)		(36,976,701)
Operating profit before working capital changes		(107,769,469)		(20,226,178)
Adjustments for :				
Trade receivables	6,541,279		78,064,893	
Inventories	22,571,549		(18,418,613)	
Long term Loans and advances	19,749,830		49,732,794	
Short term Loans and advances	(7,143,792)		18,392,345	
Other Current assets	2,838,020		(357,973)	
Trade payables	48,203,337		(14,946,983)	
Other Current liabilities	3,628,366		(12,725,518)	
		96,388,589		99,740,945
Cash generated from operations		(11,380,880)		79,514,767
Direct Taxes paid (Net of refunds)		1,096,419		(11,810,119)
Net cash flow from/(used in) operating activities		(10,284,461)		67,704,648
Add/(Less): Exceptional Item (net)		(15,145,067)		24,295,464
Net cash flow from/(used in) operating activities after Exceptional Item (A)		(25,429,528)		92,000,112
<b>B. Cash Flow from Investing Activities</b>				
Purchase of fixed assets	(1,137,468)		(1,704,939)	
Proceeds from sale of fixed assets	2,087		24,750,000	
Fixed deposits with banks with original maturity of				

<i>more than three months - placed</i>	(301,027,500)		(527,010,601)	
<i>Fixed deposits with banks with original maturity of more than three months - matured</i>	365,760,601		209,742,817	
<i>Payment of VAT (property)</i>	(6,107)			
<i>Proceeds from sale of long-term investments</i>	-		12,458,528	
<i>Dividend income</i>	846,729		488,028	
<i>Interest Received</i>	42,450,490		48,603,532	
<i>Advances / (Repayment) to /from Subsidiaries (Net)</i>	-		175,451,744	
<i>Net cash flow from/(used in) investing activities (B)</i>		106,888,832		(57,220,891)
<b>C. Cash Flow from Financing Activities</b>				
<i>Repayment of long term borrowings</i>	(14,277,420)		(50,824,996)	
<i>Proceeds / (Repayment) of short term borrowings</i>	(56,246,259)		44,155,179	
<i>Finance costs</i>	(16,368,845)		(20,893,736)	
<i>Net cash flow from/(used in) financing activities (C)</i>		(86,892,524)		(27,563,553)
<i>Net increase/(decrease) in cash and cash equivalents (A+B+C)</i>		(5,433,220)		7,215,668
<i>Cash and cash equivalents at the beginning of the year</i>		22,337,951		15,122,283
<i>Cash and cash equivalents at the end of the year</i>		16,904,731		22,337,951

**Notes:**

1 Cash and Cash Equivalents are as under:

Particulars	As at 31 March 2016 ₹	As at 31 March 2015 ₹
Cash on hand	12,110	11,212
Balance in Current Accounts	16,892,621	22,326,739
	16,904,731	22,337,951

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**

**Dhiren Vakharia**

**Partner**

**Membership No. 46115**

Place : Mumbai

Date : 30 May 2016

**For and on behalf of the Board of Directors**

**Kanji B Rita**

**DIN 00727470**

**Kamlesh Limbachiya**

**DIN 02774663**

**Arvind J Gala**

**Bhavi R Gandhi**

**Managing Director**

**Director**

**Chief Financial Officer**

**Company Secretary**

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**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF INVENTURE GROWTH & SECURITIES LIMITED**

**REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

1. We have audited the accompanying consolidated financial statements of Inventure Growth & Securities Limited (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flows Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared (hereinafter referred to as “the consolidated financial statements”).

**MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, as applicable. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**AUDITORS' RESPONSIBILITY**

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the ICAI. Those Standards and pronouncements 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.
5. 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 financial control relevant to the Holding Company's preparation 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 the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

6. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## **OPINION**

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2016, and its consolidated loss and its consolidated cash flows for the year ended on that date.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

8. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.
  - (e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary Companies as on March 31, 2016 taken on record by the Board of Directors of the respective companies, none of the directors of the Group companies is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of

our information and according to the explanations given to us:

- i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements as referred to in Note No. 27 to the said financial statements.
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.

**For PHD & Associates**

Chartered Accountants

Firm Registration No.111236W

**Dhiren Vakharia**

Partner

Membership No.:46115

Mumbai

30 May 2016



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**Annexure A****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“The Act”)**

1. In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Inventure Growth & Securities Limited (hereinafter referred to as “the Holding Company”) and its subsidiary companies which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis

for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :
- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
  - (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
  - (c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting.**

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

**Opinion**

8. In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For PHD & Associates**

Chartered Accountants

Firm Registration No.111236W

**Dhiren Vakharia**

Partner

Membership No.: 46115

Mumbai

30 May 2016

**Consolidated Balance Sheet as at 31st March 2016**

Particulars	Note No.	"As at 31 March 2016" ₹	"As at 31 March 2015" ₹
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share Capital	3	840,000,000	840,000,000
(b) Reserves and Surplus	4	915,849,853	964,890,129
		<b>1,755,849,853</b>	<b>1,804,890,129</b>
<b>Minority Interest</b>			
		27,790	27,377
<b>Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	2,007,973	-
(b) Deferred Tax Liabilities (Net)	6	17,331,563	16,578,984
(c) Long-Term Provisions	7	53,805,678	37,260,841
		<b>73,145,214</b>	<b>53,839,825</b>
<b>Current Liabilities</b>			
(a) Short-Term Borrowings	8	310,273,495	357,109,772
(b) Trade Payables	9		
(i) Total outstanding dues of Micro and Small enterprises	-	-	-
(ii) Total outstanding dues of creditors other than Micro and Small		179,419,111	131,424,074
(c) Other Current Liabilities	10	124,706,626	135,497,199
(d) Short-Term Provisions	11	2,148,242	3,127,252
		<b>616,547,474</b>	<b>627,158,297</b>
<b>Total</b>		<b>2,445,570,331</b>	<b>2,485,915,628</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Fixed Assets	12		
(i) Tangible Assets		95,849,950	100,616,454
(ii) Intangible Assets		288,809	1,139,874
		96,138,759	101,756,328
(b) Goodwill on Consolidation		14,915,864	14,915,864
(c) Non-Current Investments	13	135,811,925	155,792,358
(d) Deferred Tax Asset (Net)	6	54,450,082	10,826,970
(e) Long-Term Loans and Advances	14	171,277,787	189,515,300
(f) Other Non-Current Assets	15	168,000,000	181,250,000
		<b>640,594,417</b>	<b>654,056,820</b>
<b>Current Assets</b>			
(a) Inventories	16	53,463,249	29,697,976
(b) Trade Receivables	17	428,453,349	442,714,889
(c) Cash and Cash Equivalents	18	487,279,510	481,418,957
(d) Short-Term Loans and Advances	19	830,100,024	865,635,912
(e) Other Current Assets	20	12,391,074	
	5,679,782		
		<b>1,804,975,914</b>	<b>1,831,858,808</b>
<b>Total</b>		<b>2,445,570,331</b>	<b>2,485,915,628</b>
Significant Accounting Policies	2		
The accompanying notes are an integral part of the financial statements			

As per our attached report of even date

**For PHD & Associates**  
**Chartered Accountants**  
 Firm Registration No. 111236W

**Dhiren Vakharia**  
**Partner**  
 Membership No. 46115

 Place : Mumbai  
 Date : 30 May 2016

**For and on behalf of the Board of Directors**
**Kanji B. Rita**  
 DIN 00727470

**Kamlesh S. Limbachiya**  
 DIN 02774663

**Arvind J. Gala**
**Bhavi R. Gandhi**
**Managing Director**
**Director**
**Chief Financial Officer**
**Company Secretary**

**Consolidated Statement of Profit and Loss for the year ended 31st March 2016**

Particulars	Note No.	"For the period ended 31 March 2016" ₹	" For the year ended 31 March 2015" ₹
Revenue From Operations	21	160,155,385	268,259,455
Other Income	22	32,474,072	76,538,614
<b>Total Revenue</b>		<b>192,629,457</b>	<b>344,798,069</b>
<b>Expenses</b>			
(a) Employee Benefit Expenses	23	55,316,124	54,422,206
(b) Finance Costs	24	58,487,258	47,371,567
(c) Depreciation and Amortisation Expense	12	10,292,975	13,062,873
(d) Other Expenses	25	117,638,703	121,788,769
<b>Total Expenses</b>		<b>241,735,060</b>	<b>236,645,415</b>
<b>Profit/(Loss) Before Exceptional Item and Tax</b>		<b>(49,105,603)</b>	<b>108,152,654</b>
Exceptional Items:			
Profit on Sale of Office Premises		-	24,295,464
Provision for diminution in value of Non-Current Investment	38	(17,645,067)	(5,530,560)
<b>Profit/(Loss) Before Tax</b>		<b>(66,750,670)</b>	<b>126,917,558</b>
<b>Tax Expenses</b>			
(a) Current Tax		25,430,490	30,398,730
Less: MAT Credit Entitlement		(54,490)	(5,855,730)
Net Current Tax		25,376,000	24,543,000
(b) Deferred Tax		(42,870,533)	110,641
(c) Income Tax for Earlier years		(216,274)	48,374
		(17,710,807)	24,702,015
<b>Profit/(Loss) for the Year before Minority Interest</b>		<b>(49,039,863)</b>	<b>102,215,543</b>
<b>Less: Share of Profit transferred to Minority Interest</b>		413	194
<b>Net Profit/(Loss) for the Year after Minority Interest</b>		<b>(49,040,276)</b>	<b>102,215,349</b>
<b>Earnings per equity share of Nominal Value of ₹ 10/- each</b>	28		
(a) Basic		(0.58)	1.22
(b) Diluted		(0.58)	1.22
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

For and on behalf of the Board of Directors

Kanji B. Rita  
DIN 00727470

Managing Director

Dhiren Vakharia  
Partner  
Membership No. 46115

Kamlesh S. Limbachiya  
DIN 02774663

Director

Arvind J. Gala

Chief Financial Officer

Place : Mumbai  
Date : 30 May 2016

Bhavi R. Gandhi

Company Secretary

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

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 and Companies Act 2013, 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 2016.
- 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 % of ownership interest as	India	India	India	India	India
at 31 March 2016	99.97%	99.99%	100.00%	100.00%	100.00%
Period included in consolidation	01/04/2015 to 31/03/2016	01/04/2015 to 31/03/2016	01/04/2015 to 31/03/2016	01/04/2015 to 31/03/2016	01/04/2015 to 31/03/2016

**(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 as per useful life prescribed in schedule II of the Companies Act, 2013.

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) 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.

**(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.

**Minimum Alternate Tax**

Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the guidance note issued by Institute of Chartered Accountants of India ('ICAI'), the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

**(p) 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.

**(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.

**Note 3 Share Capital**

Particulars	As at 31 March 2016 ₹	As at 31 March 2015 ₹
<b>Authorised</b> 100,000,000 (100,000,000) Equity Shares of ₹ 10/- each	1,000,000,000	1,000,000,000
<b>Issued</b> 84,000,000 (84,000,000) Equity Shares of ₹ 10/- each	840,000,000	840,000,000
<b>Subscribed and fully paid up</b> 84,000,000 (84,000,000) Equity Shares of ₹ 10/- each	840,000,000	840,000,000
<b>Total</b>	<b>840,000,000</b>	<b>840,000,000</b>

(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 2016		As at 31 March 2015	
	No. of Shares	₹	No. of Shares	₹
At the beginning of the year	84,000,000	840,000,000	84,000,000	840,000,000
Outstanding at the end of the year	84,000,000	840,000,000	84,000,000	840,000,000

(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 2016		As at 31 March 2015	
	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	7,500,000	8.93	11,500,000	13.69
Kanji B. Rita	14,664,327	17.46	10,664,327	12.70
Usha Atul Shah	4,444,440	5.29	4,444,440	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 `

#### Note 4 Reserves and Surplus

Particulars	"As at 31 March 2016" ₹	"As at 31 March 2015" ₹
Capital Reserve		
Opening Balance	2,025,000	2,025,000
Closing Balance	2,025,000	2,025,000
Securities Premium Account		
Opening Balance	81,163,081	81,163,081
Closing Balance	81,163,081	81,163,081
Statutory Reserve		
Opening Balance	32,192,625	17,692,625
Add: Transfer from surplus balance in Statement of Profit & Loss	7,000,000	14,500,000
Closing Balance	39,192,625	32,192,625
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	574,821,877
Closing Balance	574,821,877	574,821,877
Surplus balance in Statement of Profit and Loss		
Opening balance	262,187,546	174,472,197
Add: Profit/(Loss) for the year	(49,040,276)	102,215,349
Less: Transfer to Statutory Reserve	7,000,000	14,500,000
Closing Balance	206,147,270	262,187,546
<b>Total</b>	<b>915,849,853</b>	<b>964,890,129</b>

**Note 5 Long-Term Borrowings**

Particulars	"As at 31 March 2016" ₹	"As at 31 March 2015" ₹
Secured Term loans From bank	2,007,973	-
<b>Total</b>	<b>2,007,973</b>	<b>-</b>

(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 2016" ₹	As at 31 March 2015" ₹
Term loan from Bank: HDFC Bank - Car Loan	(i) Secured against Car (ii) Repayable in 55 monthly installments, the last installment will be due in October 2020. (iii) Rate of interest : 9.70% p.a.	2,007,973	-

**Note 6 Deferred Tax Liabilities (Net)**

Particulars	"As at 31 March 2016" ₹	As at 31 March 2015 ₹
Tax effect of items constituting deferred tax liability: On difference between book balance and tax balance of fixed assets	17,331,563	19,261,165
Tax effect of items constituting deferred tax assets: Provision for gratuity	-	(2,094,273)
Provision for Doubtful Debts	-	(587,908)
<b>Deferred Tax Liability</b>	<b>17,331,563</b>	<b>16,578,984</b>
Tax effect of items constituting deferred tax liability: On difference between book balance and tax balance of fixed assets	(102,333)	182,675
Tax effect of items constituting deferred tax assets: Provision for gratuity	(1,214,925)	-
Provision for Doubtful Debts	(15,822,341)	(4,255,024)
Carried forward Business Loss	(35,372,838)	-
Provision for Non Performing Assets	(1,362,433)	(6,273,578)
Provision for Standard Assets	(575,212)	(481,043)
<b>Deferred Tax Assets</b>	<b>(54,450,082)</b>	<b>(10,826,970)</b>
<b>Deferred Tax Liability (Net)</b>	<b>(37,118,519)</b>	<b>5,752,014</b>

**Note 7 Long-Term Provisions**

Particulars	As at 31 March 2016 ₹	As at 31 March 2015 ₹
<b>Provision for employee benefits</b>		
Gratuity (Non funded)	3,523,301	4,810,227
Provision for Non Performing Loan Assets (Refer note 19)	4,120,719	19,336,039
Provision for Doubtful Loan Assets (Refer note 19)	46,161,658	13,114,575
<b>Total</b>	<b>53,805,678</b>	<b>37,260,841</b>

**Note 8 Short-Term Borrowings**

Particulars	As at 31 March 2016 ₹	As at 31 March 2015 ₹
<b>Secured (Refer particulars given below)</b>		
<b>Loans repayable on demand</b>		
From banks	303,874,968	357,109,772
	303,874,968	357,109,772
<b>Unsecured</b>		
<b>Loans repayable on demand</b>		
From other parties	6,398,527	-
	6,398,527	-
<b>Total</b>	<b>310,273,495</b>	<b>357,109,772</b>

**Particulars of security for the secured short-term borrowings:**

Particulars	Nature of security	As at 31 March 2016 ₹	As at 31 March 2015 ₹
<b>Loans repayable on demand</b>			
<b>From banks:</b>			
Bank overdraft	Secured against Term Deposits	303,874,968	357,109,772

**Note 9 Trade Payables**

Particulars	As at 31 March 2016 ₹	As at 31 March 2015 ₹
<b>Trade Payables</b>		
(I) Total outstanding dues of Micro and Small enterprises	-	-
(ii) Total outstanding dues of creditors other than Micro and Small enterprises	179,419,111	131,424,074
<b>Total</b>	<b>179,419,111</b>	<b>131,424,074</b>

Note 10 Other Current Liabilities

<b>Particulars</b>	<b>As at 31 March 2016</b> ₹	<b>As at 31 March 2015</b> ₹
Current maturities of long term debt (Refer Note 5)	467,027	15,098,717
Security Deposit /Margin Money from clients	101,132,135	92,944,290
Creditors for expenses	34,815	42,683
Statutory dues	759,580	541,093
Other payables	22,313,069	26,870,416
<b>Total</b>	<b>124,706,626</b>	<b>135,497,199</b>

There is no amount due and outstanding to be paid to Investor Education and Protection Fund as at 31 March 2016

**Note 11 Short Term Provisions**

<b>Particulars</b>	<b>As at 31 March 2016</b> ₹	<b>As at 31 March 2015</b> ₹
Gratuity (Non Funded)	408,496	1,644,612
Provision for Standard Assets	1,739,746	1,482,640
<b>Total</b>	<b>2,148,242</b>	<b>3,127,252</b>

**Note 12 Fixed Assets**

Fixed Assets	Gross Block		Accumulated Depreciation / Amortisation			Net Block	
	As at 1 April 2015	As at 31 March 2016	As at 1 April 2015	For the year	As at 31 March 2016	As at 31 March 2016	As at 31 March 2015
<b>Tangible Assets</b>							
<b>Own Assets:</b>							
Office Premises	77,671,209	77,671,209	9,652,653	1,294,520	10,947,173	66,724,036	68,018,556
Furniture and Fixtures	34,218,683	34,218,683	16,538,742	3,288,620	19,827,362	14,391,321	17,679,941
Vehicles	15,101,712	18,578,513	7,859,387	1,674,978	9,534,365	9,044,148	7,242,325
Office Equipments	9,949,723	9,969,660	5,357,131	1,805,410	7,150,654	2,819,006	4,697,772
Air Conditioners	4,018,127	4,018,127	1,799,187	765,660	2,564,847	1,453,280	2,218,940
Computers	19,343,133	20,509,914	18,479,033	612,722	19,091,755	1,418,159	758,920
<b>Total</b>	<b>160,302,587</b>	<b>164,966,106</b>	<b>59,686,133</b>	<b>9,441,910</b>	<b>69,116,156</b>	<b>95,849,950</b>	<b>100,616,454</b>
Previous year	178,591,321	160,302,587	67,255,030	11,970,240	59,686,133	100,616,454	111,336,291
<b>Intangible Assets</b>							
<b>Own Assets:</b>							
Computer Softwares	10,888,326	10,888,326	10,485,586	252,740	10,738,326	150,000	402,740
Membership of Bombay Stock Exchange Limited	18,100,000	18,100,000	18,100,000	-	18,100,000	-	-
Membership of Multi Commodity Exchange Limited Merchant Banking Licence	1,060,000	1,060,000	795,000	265,000	1,060,000	-	265,000
	1,333,300	1,333,300	861,166	333,325	1,194,491	138,809	472,134
<b>Total</b>	<b>31,381,626</b>	<b>31,381,626</b>	<b>30,241,752</b>	<b>851,065</b>	<b>31,092,817</b>	<b>288,809</b>	<b>1,139,874</b>



**Note 13 Non-Current Investments**

Particulars	As at 31 March 2016	As at 31 March 2015
Investments (At cost less provision for other than temporary diminution, if any):		
<b>Trade (unquoted)</b>		
Investment in equity shares, fully paid up		
1682 (1682) Equity Shares of Bombay Stock Exchange Limited ₹ 1/- each	129	129
	129	129
<b>Other than Trade Investments (Quoted)</b>		
Investment in equity shares, fully paid up		
Nil (3,229,500) Equity Shares of Sundaram Multipap Limited of ₹ 1/- each	-	49,124,985
500,000 (500,000) Equity Shares of K D Trend Wear Limited of ₹ 10/- each	5,000,000	5,000,000
1,60,000 (Nil) Equity Shares of Mandhana Industries Ltd of ₹10/- each	46,783,512	-
Other than Trade Investments (Quoted/Unquoted) (Refer Note No. 38)		
500,000 (500,000) Equity Shares of Greenvalue Agrofarms Limited of ₹10/- each	5,000,000	5,000,000
11,06,112 (12,00,000) Equity shares of Kelvin Fincap Limited of ₹ 5 each	5,530,560	5,530,560
Less: Provision for diminution in value of Investment	(5,530,560)	(5,530,560)
	-	-
17,49,010 (17,49,010) Equity Shares of Gujarat Narmada Flyash Company Limited of ₹ 5/- each	17,645,067	17,645,067
Less: Provision for diminution in value of Investment	(17,645,067)	-
	-	17,645,067
Other Investments (Unquoted)		
Investment Property	79,028,284	79,022,177
	135,811,796	173,437,296
<b>Total</b>	<b>135,811,925</b>	<b>173,437,425</b>
Aggregate amount of quoted investments	51,783,512	71,770,052
Aggregate market value of quoted investments	178,640,000	199,002,396
Aggregate amount of unquoted investments	84,028,413	84,022,306

**Note 14 Long Term Loans And Advances**

Particulars	As at 31 March 2016 ₹	As at 31 March 2015 ₹
<b>Unsecured, considered good</b>		
Deposits		
(a) With Stock/Commodity Exchanges / Depository	36,774,469	34,224,469
(b) With others	2,467,172	2,366,002
Advances recoverable in cash or in kind	98,000,000	118,000,000
Advance Income Tax (Net of Provisions)	28,130,397	29,069,099
MAT credit entitlement	5,905,749	5,855,730
<b>Total</b>	<b>171,277,787</b>	<b>189,515,300</b>

**Note 15 Other Non-Current Assets**

Particulars	As at 31 March 2016 ₹	As at 31 March 2015 ₹
Balances with banks		
Term deposits with banks with more than twelve months maturity	168,000,000	181,250,000
<b>Total</b>	<b>168,000,000</b>	<b>181,250,000</b>

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

**Note 16 Inventories**

Particulars	As at 31 March 2016 ₹	As at 31 March 2015 ₹
<b>(At lower of cost and net realisable value)</b>		
Stock-in-trade		
Shares and Securities	36,067,412	29,697,976
Gold	17,395,837	-
<b>Total</b>	<b>53,463,249</b>	<b>29,697,976</b>

**Note 17 Trade Receivables**

Particulars	As at 31 March 2016 ₹	As at 31 March 2015 ₹
<b>Unsecured, considered good :</b>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	302,767,068	315,218,043
Less: Provision for Bad debts	(1,812,014)	(1,812,014)
	300,955,054	313,406,029
Other Trade receivables	127,498,295	129,308,860
<b>Total</b>	<b>428,453,349</b>	<b>442,714,889</b>

**Note 18 Cash and Bank Balances**

<b>Particulars</b>	<b>As at 31 March 2016</b> ₹	<b>As at 31 March 2015</b> ₹
Cash and cash equivalents		
Balances with banks in current accounts	23,354,123	31,186,190
Cash on hand	27,887	22,166
<b>Total</b>	<b>23,382,010</b>	<b>31,208,356</b>
Other bank balances		
Term deposits with more than three months maturity but due within one year from the reporting date	463,897,500	450,210,601
<b>Total</b>	<b>463,897,500</b>	<b>450,210,601</b>

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**

<b>Particulars</b>	<b>As at 31 March 2016</b> ₹	<b>As at 31 March 2015</b> ₹
<b>Secured, considered good</b>		
Loans to others	135,020,818	12,399,468
<b>Unsecured, considered good</b>		
Loans and advances to corporates	25,827,006	55,065,917
Loans Given:		
Standard Assets	560,877,590	580,656,638
Others :		
(a) Non Performing Assets	41,207,194	193,360,393
(b) Doubtful Assets	46,161,658	13,114,575
Deposits with Stock Exchanges	11,668,344	5,600,344
Prepaid expenses	3,168,764	2,279,850
Advance Income Tax (Net of Provisions)	5,767	
Advance recoverable in Cash or in Kind	6,168,650	3,152,960
<b>Total</b>	<b>830,100,024</b>	<b>865,635,912</b>

**Note 20 Other Current Assets**

<b>Particulars</b>	<b>As at 31 March 2016</b> ₹	<b>As at 31 March 2015</b> ₹
Interest accrued on Term deposits with banks	3,946,138	7,715,214
Others	1,733,644	4,675,860
<b>Total</b>	<b>5,679,782</b>	<b>12,391,074</b>

**Note 21 Revenue From Operations**

Particulars	For the year ended 31 March 2016 ₹	For the year ended 31 March 2015” ₹
Sale of services :		
(a) Brokerage Income :		
Secondary Market	92,897,230	120,405,935
Primary Market	20,901,072	6,235
Others	33,548	44,984
(b) Advisory Fees	560,000	3,202,248
(c) Income from Depository Operations	6,497,712	7,955,189
<b>Interest :</b>		
(a) from Financing activities	103,919,718	87,610,824
(b) from Term deposits	921,442	1,348,361
Income from Loan Processing	15,763	117,035
	<b>225,746,485</b>	<b>220,690,811</b>
<b>Other operating revenues :</b>		
(a) Loss from Arbitrage/Securities/Commodity Trading	(157,939,016)	(7,970,178)
(b) Interest on Term Deposits with banks	92,347,916	55,538,822
	(65,591,100)	47,568,644
<b>Total</b>	<b>160,155,385</b>	<b>268,259,455</b>

**Note 22 Other Income**

Particulars	For the year ended 31 March 2016 ₹	For the year ended 31 March 2015” ₹
<b>Dividend income :</b>		
(a) from current investments/stock-in-trade	846,729	500,952
(b) from non-current investments	-	32,295
<b>Net gain/(Loss) on sale of investments :</b>		
from non-current investments	-	52,717,743
<b>Other non-operating income :</b>		
(a) Delayed payment charges	24,524,612	14,681,870
(b) Keyman Insurance Policy	-	6,218,675
(c) Miscellaneous income	7,102,731	2,387,079
<b>Total</b>	<b>32,474,072</b>	<b>76,538,614</b>

**Note 23 Employee Benefit Expenses**

Particulars	For the year ended 31 March 2016 ₹	For the year ended 31 March 2015” ₹
Salaries and other benefits	50,120,744	46,293,063
Contributions to Provident and other Funds	2,546,474	5,217,542
Staff welfare expenses	2,648,906	2,911,601
<b>Total</b>	<b>55,316,124</b>	<b>54,422,206</b>

**Note 24 Finance Cost**

Particulars	For the year ended 31 March 2016 ₹	For the year ended 31 March 2015” ₹
Interest expense	56,278,035	44,160,831
Other borrowing costs	2,209,223	3,210,736
<b>Total</b>	<b>58,487,258</b>	<b>47,371,567</b>

**Note 25 Other Expenses**

Particulars	For the year ended 31 March 2016 ₹	For the year ended 31 March 2015” ₹
Sub- Brokerage / Commission	56,229,312	65,099,058
Payment to Franchisees	1,103,085	2,224,232
Securities Transaction Tax on Shares/Derivatives	6,722,512	4,086,654
Securities Transaction Tax on Investment	46,772	53,423
Commodity Transaction Tax	59,686	-
Stock Exchange expenses & Contribution to Stock Exchange funds	1,272,425	595,683
SEBI Turnover/Registration charges	713,701	507,102
Depository charges	1,839,838	1,672,145
Rent	1,522,248	1,115,144
Electricity expenses	4,572,847	5,296,607
Repairs and Maintenance - Building	576,000	576,000
Repairs and Maintenance - Others	3,685,924	3,535,045
Printing & Stationery	797,048	868,255
Communication expenses	3,065,385	4,235,869
Software charges	574,940	384,393
Legal and Stamping charges	108,430	112,343
Legal and Professional charges (Refer Note 26)	7,532,269	7,514,348
Directors Sitting fees	1,287,500	372,948
Insurance	162,624	71,920
Travelling & Conveyance expenses	184,493	393,906
Rates and Taxes	923,210	67,541
Preliminary expenses written off	104,196	104,200
Business promotion expenses	2,132,410	1,789,939

Membership & Subscription	1,866,721	1,622,401
Client Compensation	188,297	234,767
Donation	228,885	20,702
Bad Debts	848,903	3,160,547
Provision for Doubtful Debts	-	912,014
Provision for Standard Loan Assets	257,106	282,334
Provision for Non Performing & Doubtful Loan Assets	17,831,763	11,689,357
Loss on sale of Assets	-	872,550
Loss on sale of Investment	-	285,166
Miscellaneous expenses	1,200,173	2,032,176
<b>Total</b>	<b>117,638,703</b>	<b>121,788,769</b>

**Note 26 Remuneration to Auditors**

Particulars	For the year ended 31 March 2016 ₹	For the year ended 31 March 2015” ₹
<b>Legal and Professional charges includes payments to the auditors towards:</b>		
As Auditor*	315,000	285,000
For Taxation Matters*	55,000	90,000
For Other Services*	90,000	90,000
<b>Total</b>	<b>460,000</b>	<b>465,000</b>

**Note 27 : Contingent Liabilities and Commitments**

Particulars	For the year ended 31 March 2016 ₹	For the year ended 31 March 2015” ₹
<b>Contingent Liabilities :</b>		
<b>Income Tax matters in Appeal</b>	<b>5,855,601</b>	<b>5,855,601</b>
* Excluding Service Tax		

**Note 28 : Earnings Per Share**

Particulars	For the year ended 31 March 2016 ₹	For the year ended 31 March 2015” ₹
Nominal Value of Equity shares	10	10
Net profit after tax available to the Equity shareholders	(49,040,276)	102,215,349
Weighted average number of Equity shares	84,000,000	84,000,000
Basic and Diluted Earnings per share	(0.58)	1.22

**Note 29 :** Out of current year's profit, a sum of ` 70,00,000/- ( Previous year ` 1,45,00,000/-) 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 ₹ 15,22,248/- (Previous year ₹ 11,15,144/-) are included in rental expenditure in the Statement of Profit and Loss during the current year.

**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 ₹ 16,97,214/- (Previous year ₹ 14,50,294/-).

(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	31 March 2016	For the year ended	For the year ended
	₹	31 March 2015"	
		₹	
Components of employer expense			
Current Service cost		936,861	233,714
Interest cost		515,742	279,690
Expected return on plan assets		-	-
Curtailement cost/(credit)		-	-
Settlement cost/(credit)		-	-
Past Service Cost		-	-
Actuarial Losses/(Gains)		(3,856,569)	2,867,914
<b>Total expense recognised in the Statement of Profit &amp; Loss</b>		<b>(2,403,966)</b>	<b>3,381,318</b>



**Balance Sheet**

Details of provision for gratuity

(Amount in ₹)

<b>Net asset/(liability) recognised in balance sheet 31 March 2016</b>	<b>As at 31 March 2015"</b>	<b>As at</b>
₹	₹	
Present value of Defined Benefit Obligation	(3,931,797)	(6,454,839)
Fair value of plan assets	-	-
Funded status [Surplus/(Deficit)]	(3,931,797)	(6,454,839)
Unrecognised Past Service Costs	-	-
<b>Net asset/(liability) recognised in balance sheet</b>	<b>(3,931,797)</b>	<b>(6,454,839)</b>

(Amount in ₹)

<b>Change in Defined Benefit Obligations (DBO) during the year ended</b>	<b>For the year ended 31 March 2016</b>	<b>For the year ended 31 March 2015"</b>
₹	₹	
Present Value of DBO at beginning of period	6,454,839	3,073,521
Current Service cost	936,861	233,714
Interest cost	515,742	279,690
Curtailment cost/(credit)	-	-
Settlement cost/(credit)	-	-
Plan amendments	-	-
Acquisitions	-	-
Actuarial (gains)/ losses	(3,856,569)	2,867,914
Past Service Cost	-	-
Benefits paid	(119,076)	-
<b>Present Value of DBO at the end of period</b>	<b>3,931,797</b>	<b>6,454,839</b>

**Principal actuarial assumptions as at the balance sheet date:**

<b>Particulars</b>	<b>As at 31 March 2016</b>	<b>As at 31 March 2015</b>
Discount Rate	7.79%	7.99%
Salary escalation	7%	7%
Attrition Rate	11%	11%

**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**

<b>Name of the Related Parties</b>	<b>Nature of Relationship</b>
Nagji Keshavji Rita	Director and Key Management Personnel
Kanji B. Rita	Director and Key Management Personnel
Kamlesh S Limbachiya	Director and Key Management Personnel
Virendra D. Singh	Director and Key Management Personnel
Arvind Jethalal Gala	Key Management Personnel
Meet K. Rita	Relative of Director
Neeta Mukesh Gada	Relative of Director
Jayshree Nagji Rita	Relative of Director
Vaibhav N. Rita	Relative of Director
Kalavati K. Limbachiya	Relative of Director

Manjulaben Shankarlal Limbachiya	Relative of Director
Sagar K. Limbachiya	Relative of Director
Kunjal A. Gala	Relative of Key Management Personnel
Arvind J. Gala HUF	Enterprises significantly influenced by the KMP
Shantilal B Rita HUF	Enterprises significantly influenced by the Director
Kamlesh S Limbachiya HUF	Enterprises significantly influenced by the Director
Synergy Moneycontrol Pvt. Ltd.	Enterprises significantly influenced by the Director
Keshavji M. Rita HUF	Enterprises significantly influenced by the Director
Nagji K. Rita HUF	Enterprises significantly influenced by the Director
Keshvi Developers Private Limited	Enterprises significantly influenced by the Director
Pioneer Securities Private Limited	Enterprises significantly influenced by the Director
Kenorita Realty LLP	Enterprises significantly influenced by the Director

**(b) Details of Related Party transactions during the year ended 31 March 2016**

(Amount in ₹)

Particulars	Directors & Key Management Personnel	Relatives of Directors & Key Management Personnel by the Directors/Relatives	Enterprises significantly influenced	Total
Salary/Remuneration paid	9,450,000	-	-	9,450,000
	(6,350,000)	(-)	(-)	(6,350,000)
Rent Paid	-	-	1,400,000	1,400,000
	(-)	(-)	(1,000,000)	(1,000,000)
Deposit for Lease premises	-	-	-	-
	(-)	(-)	(200,000)	(200,000)
Brokerage Received	162,341	46,759	33,231	242,331
	(355,748)	(77,485)	(265,347)	(698,580)
Sub-brokerage Paid	-	64,457	-	64,457
	(-)	(61,454)	(-)	(61,454)
Outstanding Credit Balance	-	-	-	-

Figures in brackets relates to the previous year

**Note 33 Disclosure of additional information pertaining to the parent company and subsidiaries**

(₹ in lakhs)

Name of the entity	Net assets i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated	Amount (₹ in lakhs) profit or loss
<b>Parent</b>				
Inventure Growth & Securities Ltd.	48.47%	8,510.29	174.18%	(854.15)
<b>Subsidiaries</b>				
Inventure Finance Private Ltd.	41.78%	7,336.53	-70.74%	346.89
Inventure Commodities Ltd.	5.74%	1,008.37	-3.08%	15.10
Inventure Wealth Management Ltd.	0.20%	34.38	-0.39%	1.92
Inventure Insurance and Broking Private Ltd.	0.26%	45.20	-0.57%	2.80
Inventure Merchant Banking Services Private Ltd.	3.55%	623.74	0.60%	(2.95)
<b>Minority Interests in Subsidiaries</b>				
Inventure Commodities Ltd.	0.00%	0.28	0.00%	0.00
<b>TOTAL</b>	<b>100%</b>	<b>17,558.78</b>	<b>100%</b>	<b>(490.39)</b>

**Note 34 Open Interest in Currency Futures as at 31 March 2016:**
**Short Position**

Sr No.	Name of Future	Series of Future	Number of Contracts	Number of Units involved
1	Currency Future USD INR	27-Apr-2016	750	750,000
2	Currency Future USD INR	27-May-2016	50	50,000
3	Currency Future USD INR	27-Jul-2016	72	72,000

**Note 35 Segments Reporting**

Particulars	For the year ended 31 March 2016 ₹	For the year ended 31 March 2015” ₹
<b>1. Segment Revenue</b>		
a) Equity/Commodity Broking & Other related activities	87,982,635	260,572,448
b) Financing & Other related activities	104,646,822	89,076,220
c) Others	-	-
<b>Total</b>	<b>192,629,457</b>	<b>349,648,668</b>
Less: Inter Segment Revenue	-	4,850,599
Income form Operations, Other Opertaing Income & Other Income	192,629,457	344,798,069
<b>2. Segment Results Profit before tax and interest from Each segment</b>		
a) Equity/Commodity Broking & Other related activities	(84,858,256)	111,510,976
b) Financing & Other related activities	55,699,361	40,634,372
c) Others	-	-
<b>Total</b>	<b>(29,158,895)</b>	<b>152,145,348</b>
Less: Interest	37,591,775	25,207,790
Profit from Ordinary Activities before tax	<b>(66,750,670)</b>	<b>126,937,558</b>
<b>3. Capital Employed (Segment Assets - Segment Liabilities)</b>		
a) Equity/Commodity Broking & Other related activities	1,022,196,593	1,105,925,583
b) Financing & Other related activities	733,653,260	698,974,546
c) Others	-	-
<b>Total</b>	<b>1,755,849,853</b>	<b>1,804,900,129</b>

**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 36 :** The accounts of the Trade Receivables and Trade Payables who have not responded to the Company's request for confirmation of balances, are subject to reconciliation, if any, required.

**Note 37 :** In accordance with the Company Policy, the company has reviewed the outstanding Trade Receivables and is in continuous process of working out different modalities of recovery. The Company has written off a sum of ₹ 5,81,368/- (Previous year ₹ 31,54,329/-) as bad debts and has also made a provision for bad debts of ` Nil (Previous year ₹ 9,12,014/-) during the year, which in the opinion of the Management, is adequate.

**Note 38 :** The investment in the equity shares of "Gujarat Narmada Flyash Company Limited" were treated as quoted investment as on 31 March, 2015, in view of it being regularly quoted on BSE Limited then. However, quotation for the same are not available in view of suspension of the trading of the same on BSE Limited w.e.f 27 August 2015. Accordingly the investment has been reclassified as unquoted investment as on 31 March, 2016, and the investment cost has been fully written down by way of 'Provision for diminution in value of Non-Current Investment'. The said provision has been treated as an exceptional item in the Statement of Profit and Loss.

**Note 39 : Corporate Social Responsibility (CSR) Expenditure**

- a) Amount spent till date on CSR Activities is NIL.  
b) The Group is in the process of finalizing CSR Activities as approved by its CSR Committee to discharge its CSR obligation in respect of earlier period in the financial year 2016-17.

**Note 40 :** 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 41 :** 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**

**Dhiren Vakharia**

**Partner**

**Membership No. 46115**

**Place : Mumbai**

**Date : 30 May 2016**

**For and on behalf of the Board of Directors**

**Kanji B Rita**  
**DIN 00727470**

**Managing Director**

**Kamlesh Limbachiya**  
**DIN 02774663**

**Director**

**Arvind J Gala**

**Chief Financial Officer**

**Bhavi R Gandhi**

**Company Secretary**

**Consolidated Cash Flow Statement for the year ended 31 March 2016**

Particulars	For the year ended 31 March 2016		For the year ended 31 March 2015	
	₹	₹	₹	₹
<i>A. Cash Flow from Operating Activities</i>				
Net Profit/(Loss) before Exceptional Items and tax		(49,105,603)		108,152,654
Adjustment for :				
Depreciation and amortisation	10,292,975		13,062,873	
Finance costs	20,417,593		20,363,011	
Interest income	(50,118,193)		(56,887,183)	
Dividend income	(846,729)		(533,247)	
(Profit)/Loss on Sale of Investments	-		(52,432,577)	
Provision for defined employee benefits	(2,523,042)		3,381,318	
Provision for Doubtful debts Debts	-		912,014	
Contingent Provisions against Standard Assets	257,106		282,334	
Contingent Provisions against Non Performing Assets	17,831,763		11,689,357	
Preliminary Expenses Written Off	104,196		104,200	
	104,196		104,200	
Bad debts	848,903		3,160,547	
Loss Assets written off	-		872,550	
Diminution in value of Non-Current Investment	17,645,067		5,530,560	
(Profit) /Loss on Sale of Fixed assets	5,276		(24,295,464)	
		13,914,915		(74,789,707)
<b>Operating profit before working capital changes</b>		<b>(35,190,688)</b>		<b>33,362,947</b>
<i>Adjustments for :</i>				
Trade receivables	13,412,637		125,996,896	
Inventories	(23,765,273)		17,015,583	
Long term Loans and advances	17,348,830		49,737,641	
Short term Loans and advances	35,535,888		(144,797,181)	
Other Current Assets	2,838,020		(389,410)	
Other Non-Current Assets	-		104,197	
Trade Payables	47,995,037		4,253,885	
Other Current Liabilities	3,841,117		(19,797,312)	
		97,206,256		32,124,299
<b>Cash generated from / (used in) operations</b>		<b>62,015,568</b>		<b>65,487,246</b>
Direct Taxes paid (Net of refunds)		(24,271,043)		(15,962,818)
<b>Net cash flow from / (used in) operating activities</b>		<b>37,744,525</b>		<b>49,524,428</b>
Add/(Less): Exceptional Items (net)		(17,645,067)		18,764,904
<b>Net cash flow from/(used in) operating activities after Exceptional Item (A)</b>		<b>20,099,458</b>		<b>68,289,332</b>

<b>B. Cash Flow from Investing Activities</b>			
Purchase of fixed assets	(4,680,682)		(1,704,939)
Proceeds from sale of fixed assets		-	24,750,000
Fixed deposits with banks with original maturity of more than three months - placed	(455,647,500)		(611,460,601)
Fixed deposits with banks with original maturity of more than three months - matured	455,210,601		282,742,817
Purchase of other investments	(46,789,619)		(714,995)
Proceeds from sale of investments	49,124,985		65,973,524
Dividend income	846,729		533,247
Interest Received	53,887,269		52,701,966
<b>Net cash flow from/(used in) investing activities (B)</b>		<b>51,951,783</b>	<b>(187,178,981)</b>
<b>C. Cash Flow from Financing Activities</b>			
Proceeds / (Repayment) of long term borrowings	(12,623,717)		(51,838,657)
Proceeds / (Repayment) of short term borrowings	(46,836,277)		195,160,096
Finance costs	(20,417,593)		(20,363,011)
<b>Net cash flow from/(used in) financing activities (C)</b>		<b>(79,877,587)</b>	<b>122,958,428</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>		<b>(7,826,346)</b>	<b>4,068,779</b>
Cash and cash equivalents at the beginning of the year		<b>31,208,356</b>	<b>27,139,577</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>23,382,010</b>	<b>31,208,356</b>

**Notes:**

- 1 Cash and Cash Equivalents are as under:

Particulars	As at 31 March 2016 ₹	As at 31 March 2015 ₹
Cash on hand	27,887	22,166
Balance in Current Accounts	23,354,123	31,186,190
	<b>23,382,010</b>	<b>31,208,356</b>

- 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

Dhiren Vakharia  
Partner  
Membership No. 46115  
Place : Mumbai  
Date : 30 May 2016

For and on behalf of the Board of Directors

Kanji B Rita  
DIN 00727470  
Kamlesh Limbachiya  
DIN 02774663

Managing Director

Director

Arvind J Gala  
Bhavi R Gandhi

Chief Financial Officer  
Company Secretary

**INVENTURE GROWTH AND SECURITIES LIMITED**

Registered office: Viraj Towers, 201, 2<sup>nd</sup> 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 21<sup>st</sup> ANNUAL GENERAL MEETING of the Company on Thursday, 29<sup>th</sup> September 2016 at 3<sup>rd</sup> Floor, Sterling Banquet Hall, Topiwala Center, Off S.V. Road, Near Station Road, Goregaon (West), Mumbai – 400 062. At 11.00 A.M.

\_\_\_\_\_  
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, 2<sup>nd</sup> 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  
\_\_\_\_\_ Affix Revenue Stamp As my/our proxy to vote for me/us  
on my behalf at the 20<sup>th</sup> ANNUAL GENERAL MEETING of the Company on Thursday,  
29<sup>th</sup> September 2016 at 3<sup>rd</sup> Floor, Sterling Banquet Hall, Topiwala Center, Off S.V. Road, Near  
Station Road, Goregaon (West), Mumbai – 400 062 at 11:00 A.M. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016  
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.