

Twenty Second Annual Report
2015-2016



Arihant's Securities Limited

Arihant's Securities Limited



- Board of Directors** : 1. Ravikant Choudhry, Chairman
2. Nishikanth Mohanlal Choudhary, Managing Director
3. Ajitkumar Chordia, Independent Director
4. Narendra B Bhatt, Independent Director
5. Mohana, Independent Women Director
- Audit Committee** : 1. Ajitkumar Chordia, Member - Chairman
2. Ravikant Choudhry, Member
3. Mohana, Member
- Statutory Auditors** : N.R. Krishnamoorthy & Co.,
Chartered Accountants
No.11, 1st Floor, Balaji Apartments,,
1, Pinjala Subramania Street, T. Nagar, Chennai 600 017.
Tamil Nadu. India
- Secretarial Auditors** : ASJ & Associates,
Practising Company Secretaries
1D, Middle Block, Saptamallika Apartments,
188, Poonamalle High Road, Kilpauk, Chennai 600 010.
- Bankers** : Oriental Bank of Commerce Limited
HDFC Bank Limited
Axis Bank Limited
- Registered Office** : 138, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600 004.
Ph. : (044) 28444555, 43434000 Fax : (044) 43434030
E-mail id : arihantsecurities@gmail.com
CIN No. : L65993TN1994PLC027783
- Share Transfer Agents** : Cameo Corporate Services limited,
#1, Subramaniam Building,
Club House Road, Mount Road, Chennai - 600 002
Ph.: (044) 28460390 Fax: (044) 28640129
Website : www.cameoindia.com
Email id : investor1@cameoindia.com



Arihant's Securities Limited

NOTICE

NOTICE is hereby given that the Twenty-Second Annual General Meeting of the members of the Company will be held at the Registered Office of the Company at No. 138, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600004 on Saturday the 10th September, 2016 at 9.30AM to transact the following business.

ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Balance sheet as at 31.03.2016, the Profit & Loss account for the period from 01.04.2015 to 31.03.2016 and to consider the reports of the Directors and Auditors thereon
2. To appoint a director in place of Mr. Ravikant Choudhry (DIN: 00831721), Director who retires by rotation and being eligible offers himself for reappointment.
3. Ratification of Appointment of N.R.Krishnamoorthy & Co, (FRN : 001492S) Chartered Accountants, Chennai, the Statutory Auditors of the company.

BY ORDER OF THE BOARD
For ARIHANT'S SECURITIES LIMITED

Sd/-
Ravikant Choudhry
(Chairman)
(DIN: 00831721)

Date : 28.05.2016

Place : Chennai

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY OR PROXIES NEED NOT BE A MEMBER OF THE COMPANY.
A PERSON SHALL NOT ACT AS A PROXY FOR MORE THAN 50 MEMBERS AND HOLDING IN AGREGATE NOT MORE THAN 10% OF THE TOTAL VOTING SHARE CAPITAL OF THE COMPANY. HOWEVER, A SINGLE PERSON MAY ACT AS A PROXY FOR A MEMBER HOLDING MORE THAN 10% OF THE TOTAL VOTING SHARE CAPITAL OF THE COMPANY PROVIDED THAT SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON.
The Instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
2. The Register of Members and Share Transfer Books of the Company will be closed from 6th September, 2016 to 10th September, 2016 (both days inclusive) in connection with the Annual General Meeting.
3. Members are requested to:
 - (a) Intimate to the Company's Registrar and Transfer Agents, Cameo Corporate Services Limited, #1, Subramaniam Building, Club House Road, Mount Road, Chennai - 600 002 changes, if any, in their Registered Addresses at an early date, in case of shares held in physical form;
 - (b) Intimate to the respective Depository Participants, changes, if any, in their Registered Addresses at an early date, in case of shares held in electronic mode; and
 - (c) Quote their folio Numbers/Client ID/DP ID in all Correspondence.
4. Members/ Proxies should carry the Attendance Slip duly filled in while coming to attend the meeting as also copy of their Annual Report.
5. Members are requested to convert their shareholdings in the company into Demat form.
6. Members holding the Equity Shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio.
7. The listing fee to Bombay Stock Exchange has been paid up to 2016-2017.
8. Details under SEBI (Listing Obligation and Disclosure Requirement Regulations, 2015 with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite Declarations for their appointment/re-appointment.



Arihant's Securities Limited

9. Electronic copy of the Notice of the 22nd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent to all the members whose email ids are registered with the company/depository participants(s) for communication purposes unless any member has requested for a hard copy of the same. For Members who have not registered their mail address, physical copies of the Notice of the 22nd Annual General Meeting of the company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent in the permitted mode. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode.

10. VOTING THROUGH ELECTRONIC MEANS

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members with a facility to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means and the business may be transacted through Electronic Voting (e-Voting) Services provided by Central Depository Services (India) Limited (CDSL):

The voting period begins on Wednesday, 7th September, 2016 (09.00 a.m. IST) and ends on Friday, 9th September, 2016 (05.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date 3rd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The instructions for members for voting electronically are as under:-

A. In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "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. Then enter the Captcha Code as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)
DOB#	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.
Dividend Bank#	Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio.

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of your name and the sequence number in the PAN field. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

(Sl. No. mentioned in your address label can be used as Sequence No. for this purpose)

Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the DP or Company please enter the number of shares held as on the cutoff date in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.



- (viii) 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.
 - (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (x) Click on EVSNARIHANT'S SECURITIES LIMITED on which you choose to vote.
 - (xi) 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.
 - (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
 - (xiii) 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.
 - (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- B. Please follow all steps from Sr. No. [i.] to Sr. No. [xiv] herein above to cast vote, in case of members receiving the physical copy of Notice of Annual General Meeting [for members whose e-mail IDs are not registered with the Company / Depository Participant [s] or requesting physical copy].
- C. For Institutional Shareholders:
- (I) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - (II) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - (III) After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote.
 - (IV) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - (V) 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.
- D. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the company as on 3rd September, 2016.
- E. Mr. R. ABISHEK S JAIN Practicing Company Secretary (Membership No.41678) has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- F. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- G. The results will be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL.
- H. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com



DIRECTORS REPORT

Your Directors have great pleasure in presenting the TWENTY SECOND Annual Report together with the Audited Accounts of your Company for the Financial Year ended 31.03.2016.

FINANCIAL HIGHLIGHTS:

The financial results of the company compared to the previous year are summarized as under: (₹ in Lakhs)

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Revenue from Operations	42.90	65.68
Other Income	-	-
Gross Income	42.90	65.68
Profit / (Loss) before Financial cost, Depreciation and Tax	19.47	42.10
Less: Financial Cost	-	-
Profit / (Loss) before Depreciation and Tax	19.47	42.10
Less: Depreciation	-	-
Profit / (Loss) before Tax & Extraordinary /	19.47	42.10
Extraordinary Items		
Less: Exceptional and Extraordinary Items	-	-
Profit / (Loss) before Tax	19.47	42.10
Less: Tax Expense	2.64	4.76
Profit/ (Loss) After Tax for the year	16.83	37.34
EPS	0.34	0.75

MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes & Commitments, which have occurred between the end of the financial year of the company to which the balance sheet relates and the date of the report affecting the financial position of the company.

RESERVES:

The company does not propose to carry any amount to reserves during the financial year.

DIVIDEND:

In order to conserve the financial resources of the company for growth and expansion plans, the Board of Directors do not recommend any dividend for the financial year under review.

PARTICULARS OF SUBSIDIARY COMPANY, ASSOCIATE COMPANY AND JOINT VENTURE COMPANY

The Company is neither a holding company nor it is a subsidiary of any other company as at March 31, 2016. The Company has no associate company or joint venture company as on March 31, 2016.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Ravikant Choudhry, Director of the company retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for reappointment.

Current Board Composition:

Name	Designation
Ravikant Choudhry	Non-Executive Chairman
Nishikanth Mohanlal Choudhary	Managing Director
Ajit Kumar Chordia	Independent Director
Narendra Balvantrai Bhatt	Independent Director
Mohana	Independent Director



Your Board recommends the above appointment/reappointment of Directors in the best interest of the Company.

The company is making consistent efforts for appointment of whole time Company Secretary and CFO. The company has been availing services of practicing company secretary from time to time to ensure compliance of the provisions of the applicable acts and statutes. Also the Annual Return of the Company is being certified by practicing company secretary from year to year and the company is also taking certifications from them for Stock Exchange Compliances.

1. Board of Directors : Composition and Category

As on 31 March, 2016, the Board of the Company consists of Five (5) directors. The Board has an optimum combination of Executive and Non-Executive Directors. The composition of the Board is in conformity with SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 with reference to number of Executive and Non-Executive Directors.

The Executive Director is involved in the day to day management of the Company and Non-Executive Directors including the Independent Director bring external and wider perspective and independence to the decision making.

Mr. Nishikanth Mohanlal Choudhary, Managing Director of the Company works under the direction, control and supervision of the Board of Directors. The Board of Directors meet regularly to discuss, appraise and approve matters relating to company's strategy, plans, budgets, financials and operations.

The details of the composition, nature of Directorship and the directorships held in companies by the Directors of the Company as on 31 March, 2016 are detailed below:

Name	Nature of Directorship	Directorships in other Public Companies	Chairmanship / Membership in the Committees by Board of Directors of the Company	
			Committee Chairman	Committee Member
Mr. Ravikant Choudhry	Non - Executive Chairman	1	1	2
Mr. Nishikanth Mohanlal Choudhary	Managing Director	Nil	Nil	Nil
Mr. Ajit Kumar Chordia	Non-Executive Independent Director	2	2	1
Mr. Narendra B Bhatt	Non-Executive Independent Director	Nil	2	Nil
Ms. Mohana	Non-Executive Independent Director	Nil	Nil	2

Board Agenda :

Meetings are governed by a structured Agenda and a Board member may bring up any matter for consideration of the meeting in consultation with the Chairman. The detailed agenda and relevant information is sent to every director at least 7 working days in advance for each meeting, facilitating effective discussion and decision making. An indicative list of the information usually placed before the Board is as under:

- Annual Budgets and updates thereon.
- Capital expenditure proposals if any and review of their implementation.



- Quarterly, Half yearly and Annual Results.
- Business performance and steps for improvement.
- Legal proceedings involving the Company.
- Minutes of meetings of Audit Committee, Remuneration Committee and Shareholders Committee.
- Materially important show cause notices, non-compliances, if any, etc.

Board Meeting:

During the financial year ended 31st March 2016 Five (5) Board Meetings were held. The dates on which the Board Meetings were held are 30.05.2015, 10.07.2015, 10.08.2015, 14.11.2015, 13.02.2016.

Details of attendance at the Board meetings and the last Annual General Meeting:

<i>Name of the Director</i>	<i>Board Meetings Attended</i>	<i>Attendance in Last AGM</i>
Mr. Ravikant Choudhry	5	Yes
Mr. Nishikanth Mohanlal Choudhary	5	Yes
Mr. Ajit Kumar Chordia	5	Yes
Mr. Narendra B Bhatt	5	Yes
Mrs. Mohana*	3	Yes

*Mrs. Mohana was appointed with effect from 10.07.2015.

BOARD COMMITTEES

In compliance to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has various Committees of the Board. Details of scope, constitution, terms of reference, number of meetings held during the year under review along with attendance of Committee Members therein are as mentioned below.

(A) AUDIT COMMITTEE:

(i) Composition

The Audit Committee of the Board comprises three directors, namely Mr. Ajit Kumar Chordia, the Chairman, Mr. Ravikanth Chudhry and Ms. Mohana, members. The composition of Audit Committee meets the requirement of Section 177 of the Companies Act, 2013

Members of the Audit Committee have requisite financial and management expertise.

(ii) Terms of reference

- Recommendation for appointment, remuneration and term of appointment of the auditors of the Company.
- Discussion and review of periodic audit reports and discussion with external Auditors about the scope of audit including the observations of Auditors.
- Review and monitor the auditor's independence and performance
- Overseeing Financial Reporting Process
- Reviewing periodic financial results, financial statements and auditors' report thereon.
- Evaluation of internal financial controls and risk management systems.
- Valuation of undertakings or assets of the Company.



(iii) Attendance

The committee met 4 times during the period on the following dates: 30.05.2015, 10.08.2015, 14.11.2015 and 13.02.2016.

(B) SHAREHOLDERS RELATIONSHIP COMMITTEE

Shareholders Relationship Committee in line with Section 178 (5) of the Companies Act, 2013 is headed by Mr. Narendra B Bhatt Independent Director, Mr. Ravikanth Choudhry, Non-executive Director, and Mohana, as members.

The Committee monitors redressal of complaints received from shareholders/investors with respect to transfer of shares, non-receipt of dividend, non-receipt of Annual Report etc. The Committee also takenote on number of transfers processed, issue of fresh share certificates, dematerialization of share certificates, report about top shareholders, share holding pattern etc.

There was only one Compliant received for this financial year and it is resolved, No instrument of transfers was pending on 31st March, 2016.

During the year the Committee was met 2 times 30.05.2015, and 13.02.2016 and all members attended the meeting.

(C) NOMINATION AND REMUNERATION COMMITTEE

The Company has a Remuneration Committee consists of Chairman Mr. Narendra B Bhatt Independent Director, Mr. Ajit Kumar Chordia, Independent Director, and , Mr. Ravikanth Chudhry, Director as members.

The Nomination and Remuneration Committee met once during the year on 28th May 2015 and all the members have attended the meeting.

The company has a Managing Director and there was no payment to him as he has foregone his remuneration for the year in view of low profits made by the company. No remuneration has been paid to any directors of the company.

REMUNERATION POLICY OF THE COMPANY:

1. INTRODUCTION

At all levels and all times monetary compensation has been if not the sole but the most important motivational aspect for getting the job fulfilled under any given business scenario.

It is the endeavor of Arihant's Securities Limited ("Company") that its Nomination & Remuneration Policy should represent the mode in which the Company carries out its business practices i.e. Fair, transparent, inclusive and flexible.

The Company strives that its Remuneration Policy should attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits.

This Nomination and Remuneration Policy applies to Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company.



In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel and Employees of the company, to harmonize the aspirations of human resources consistent with the goals of the company and in terms of the provisions of the Companies Act, 2013, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management has been formulated by the Nomination and Remuneration/Compensation Committee ("NRC") and approved by the Board of Directors of the Company

CONSTITUTION OF COMMITTEE:

The Board of Directors of the Company (the Board) shall constitute the committee to be known as the Nomination and Remuneration/Compensation Committee consisting of three or more non-executive directors out of which not less than one-half are independent directors. The Chairman of the Committee is an Independent Director. However, the chairperson of the company (whether executive or nonexecutive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee."

OBJECTIVE:

The Nomination and Remuneration/Compensation Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. The objective of this policy is to lay down a framework in relation to remuneration of Directors, KMP, Senior Management Personnel and other Employees. The Key Objectives of the Committee would be:

- 1.1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- 1.3. Formulation of criteria for evaluation of Independent Director and the Board.
- 1.4. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.5. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.6. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.7. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.8. To develop a succession plan for the Board and to regularly review the plan.
- 1.9. To assist the Board in fulfilling responsibilities.
- 1.10 To implement and monitor policies and processes regarding principles of corporate governance

APPLICABILITY:

- a) Directors (Executive and Non -Executive)
- b) Key Managerial Personnel
- c) Senior Management Personnel;
- d) Other Employees

DEFINITIONS:

"Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

"Board" means Board of Directors of the Company.

"Directors" mean Directors of the Company



"Key Managerial Personnel" means

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole time Director;
- ii. Chief Financial Officer;
- iii. Company Secretary ; and
- iv. such other officer as may be prescribed.

'Other employees' means all employees other than the Directors, KMPs and the Senior Management Personnel.

'Policy or This Policy' means, "Nomination and Remuneration Policy."

"Senior Management" means Senior Management means the personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

1. Appointment Criteria And Qualifications:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole- time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years

2. Term /Tenure:

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re- appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

3. Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval(yearly).

4. Removal:

Due to reasons for any disqualifications mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.



5. Retirement:

The Directors, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

BOARD DIVERSITY

The Board shall consist of such number of Directors, including at least one women Director and not less than fifty percent of the Board of Directors comprising non-executive directors, as is necessary to effectively manage the Company of its size.

When the Chairman of the Board is a non-executive director, at least one-third of the Board should comprise independent directors and in case the Company does not have a regular non-executive Chairman or in case the regular non-executive Chairman is a promoter of the Company, at least half of the Board comprise independent directors.

The Committee will lead the process for Board appointments. All Board appointments will be based on the skills, diverse experience, independence and knowledge which the Board as a whole requires to be effective. The Committee shall seek to address Board vacancies by actively considering candidates that bring a diversity of background and opinion from amongst those candidates with the appropriate background and industry or related expertise and experience. The candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board.

Additionally the Board may consider appointment of experts from various specialized fields such as finance, law, information technology, corporate strategy, marketing and business development, international business, operations management etc. so as to bring diversified skill sets on board or succeed any outgoing director with the same expertise.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL:

1. Remuneration to Managing/ Whole-Time / Executive / Managing Director, KMP and Senior Management Personnel:

The Remuneration/ Compensation/ Commission etc. to be paid to Director/Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

2. Remuneration to Non-Executive/Independent Director:

The Non-Executive Independent Director may receive remuneration/ compensation/commission as per the provisions of the Companies Act, 2013. The amount of sitting fees shall be subject to limits as provided under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

3. Remuneration to other Employees:

- Apart from the Directors, KMPs and Senior Management Personnel, the remuneration for rest of the employees is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and market conditions.
- The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package.
- The annual increments to the remuneration paid to the employees shall be determined based on the appraisal carried out by the HODs of various departments. Decision on Annual Increments shall be made on the basis of this appraisal.



Nomination Duties :

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act,2013;
- Identifying and recommending Directors who are to be put forward for retirement by rotation.
- Determining the appropriate size, diversity and composition of the Board;
- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Recommend any necessary changes to the Board.
- Considering any other matters as may be requested by the Board.

Remuneration Duties:

The duties of the Committee in relation to remuneration matters include:

- To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- To delegate any of its powers to one or more of its members or the Secretary of the Committee
- To consider any other matters as may be requested by the Board;

REVIEW AND AMENDMENT:

1. The NRC or the Board may review the Policy as and when it deems necessary.
2. This Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy. However, no such amendment or modification will be binding on the Directors and employees unless the same is communicated in the manner described as above.

(D) SHARE TRANSFER COMMITTEE

With an understanding to provide quick responses for request of transfer, transmission etc., from the shareholders, the Board of Directors of the Company constituted a sub-committee in the style of "Share Transfer Committee".



Share Transfer Committee is headed by Mr. Ravikant Choudhry Non-executive Director, Mrs. Mohana, Independent Director and Mr. Narendra Balvantrai Bhatt, Independent Director.

Terms of Reference in brief:

Transfer, Transmission and Transposition of shares.

Consolidation and Split of share certificates.

Issuances of duplicate share certificates, confirmation of demat/remat request and other connected matters.

Share Transfer Committee meeting met twice in the year 09.10.2015 and 07.01.2016.

VIGIL MECHANISM:

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 co employees and the Company.

RECOMMENDATION OF AUDIT COMMITTEE

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

DEPOSITS:

The Company has not accepted any deposits either from the shareholders or public within the meaning of the Companies (Acceptance of Deposits) Rules, 2014 during the year.

PARTICULARS OF LOANS, INVESTMENT, GUARANTEE AND SECURITY U/S 186(4) OF THE COMPANIES ACT, 2013

The Company has not given any loans or made investment or provided any guarantee/ security during the financial year under review. The Company has not given any guarantees other than bank guarantees in the normal course of business to meet contractual obligations.

LISTING:

The Equity Shares of the Company are listed at the Bombay Stock Exchange. The Annual Listing Fees for the financial year 2016-2017 has been paid to Bombay Stock Exchange.

DECLARATION OF INDEPENDENT DIRECTORS:

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of Companies Act, 2013 and the relevant rules.

AUDITORS:

M/S. N R Krishnamoorthy & Co, Chartered Accountants, Chennai (FRN: 001492S), Statutory Auditors of the company, hold office until the conclusion of the ensuing Annual General meeting of the Company and are eligible for ratification to hold office till conclusion of the ensuing next annual general meeting as per the provisions of Companies Act 2013 subject to ratification by shareholders in the annual general meeting every year. The company has received confirmation that their appointment will be within the limits prescribed under Section 139 read with section 141 of the Companies Act, 2013.

The Audit Committee in its meeting has recommended the reappointment of the Auditors. The necessary resolution is being placed before the shareholders for approval.



AUDITORS REPORT:

There are no reservations, qualifications or adverse remarks contained in the Auditors Report.

SECRETARIAL AUDIT REPORT:

Pursuant to provisions under Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s. ASJ & Associates, Practicing Company Secretaries to undertake Secretarial Audit for the financial year 2015 16. The Secretarial Audit Report is attached and forms part of this report.

REPLY TO SECRETARIAL AUDIT REPORT:

The Board has taken note of all the points mentioned in Secretarial Audit Report and assures to comply with the provisions at the earliest.

EXTRACT OF ANNUAL RETURN

An extract of Annual Return in Form MGT-9 as on March 31, 2016 is attached and forms part of this Report.

CORPORATE GOVERNANCE:

Regulation 15(2) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states that COMPLIANCE WITH THE CORPORATE GOVERNANCE PROVISIONS AS SPECIFIED IN REGULATION 27 SHALL NOT BE APPLICABLE IN RESPECT OF LISTED ENTITY:

- a) Having PAID UP EQUITY SHARE CAPITAL NOT EXCEEDING Rupees TEN CRORE AND
- b) NET-WORTH NOT EXCEEDING Rupees TWENTY FIVE CRORES, as on the last day of previous financial year.

Since the Paid Up Equity Capital of the Company is only Rs. 5,00,00,000 (Rupees Five Crore only) and Net Worth is Rs. 4,74,72,213 (Four Crore Seventy Four Lakh Seventy Two Thousand Two Hundred and Thirteen only), the company is not required to submit Corporate Governance along with Directors' Report.

However your Board of Directors assure the members that the Company continues to maintain highest Standards of Integrity, transparency in operations, excellence in service to all shareholders and strong Corporate Governance Standards.

The Board of Directors assure that the Corporate Governance Standards as stipulated in the Companies Act, 2013 have been fully complied with.

CORPORATE SOCIAL RESPONSIBILITY:

The provisions of the Companies Act, 2013 on Corporate Social Responsibility are not applicable to the company.

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

The Company is a financial services company. Therefore, its operations do not account for energy consumptions. Accordingly, Rules 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 concerning conservation of energy and technology absorption respectively are not applicable to the Company. However, the Company is taking all possible measures to conserve energy. The management keeps itself abreast of the technological advancements in the industry.

There are no inflow and outflow of foreign exchange during the year under review.



MANAGEMENT DISCUSSION AND ANALYSIS:

a) Overview, Industry Structure, Development and Outlook

Our Company is concentrating mostly on Trading in Shares and also on Loan financing. The growth of the Industry had faced very critical times due to depreciation in the Indian rupee and partly due to political reasons. So the Stock markets and other financial sectors had gone through very tough times and had to content with the stagnation. The price rise and other national and International factors have also contributed to the stagnated growth of the Indian Capital Markets. Under the above circumstances, our Company's performance for the year ended was moderate.

The present outlook in the Capital Markets seems to be encouraging when compared to the previous year environment and the Company is expected to do well in the coming years.

b) Business performance and Segment Reporting

The company is presently operating in two identifiable business segments viz., Share Segment and Loan Segment. It operates in one geographical segment; services in India only. The particulars of segment wise revenue, results and capital employed are furnished separately.

c) Internal Control System and its adequacy

The system of internal control has been established to provide reasonable assurance of safeguarding assets and maintenance of proper Accounting records and its accuracy. The business risks and its control procedures are reviewed frequently. Systems audit is also conducted regularly to review the systems with respect to Security and its Adequacy. Reports are prepared and circulated to Senior Management and action taken to strengthen controls where necessary.

d) Risk Management

Risk evaluation and management is an ongoing process in the company

e) Human resources and Industrial relations

Your company continues to have cordial relations with its employees

f) Cautionary Statement ;

Statements in the Management discussion and analysis describing the company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demand/supply and prices conditions in the domestic and overseas markets in which the company operates/ going to operate, changes in government regulations, tax laws and other statutes and other incidental factors.

COMPLIANCE WITH RBI PRUDENTIAL NORMS:

The company has complied with the prudential norms on income recognition, accounting standards, assets classification, provisioning for bad and doubtful debts as applicable to it in in terms of Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 for the year ended on 31 March 2016.

Company's Vision and Philosophy on the Code of Governance:

The vision of Arihant's Securities Limited is to be a financially sound, profitable, growth oriented and technology friendly Company committed to building values and maximizing gains for all its stakeholders, for those doing business with it, and for others associated with it. In its pursuit to attain its goals, the Company is



Laying maximum emphasis on the effective system of Corporate Governance particularly with a view to improve its image, efficiency, effectiveness, and integrity in all its dealings. The Company's Corporate Governance philosophy is to be ethical in its conduct of its business, to constantly strive to grow with profits, and to enhance shareholders value to the maximum extent. The Corporate Governance policies of your Company recognize the accountability of the Board Of Directors vis-à-vis all its constituents viz. Borrowers, Shareholders, Employees, Government & other Regulatory Authorities, and others dealing with it and doing business with it.

DIRECTORS' RESPONSIBILITY STATEMENT:

As per Section 134(3)(c) of the Companies Act, 2013 the Board of Directors hereby confirm the following statement:

- (i) in the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2016 and of the profit and loss of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis; and
- (v) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and
- (vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT:

Your directors wish to place on record their deep appreciation of the dedication and commitment of employees to the growth of your company during the year. Your directors also express their sincere gratitude to the customers, bankers, consultants, Auditors and the shareholders for their continued patronage and cooperation.

Date: 28th May, 2016
Place: Chennai

For and on behalf of the Board
Sd/-
Chairman
(Ravikant Choudhry)
(DIN: 00831721)

Arihant's Securities Limited



FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Name of the Related Party and Nature of Relationship:
a). ASL Capital Holdings Private Limited, Common Director
2. Nature of Transaction:
Purchases Rs.58,09,824/-
Sales Rs.33,97,851/-
3. Duration of Transaction:
Purchase and sale is made under regular basis and they are transaction entered in the ordinary course of business.
4. Salient terms of transaction:
Purchase and sale is the ordinary course of business, there is no specific terms of transaction.
5. Date of approval by board:
As this is done under regular basis specific approval of Board is not required and the transaction is done under arm's length price.
6. Amount paid as advance, if any: NIL

For and on behalf of the Board

Date: 28th May, 2016
Place: Chennai

Chairman
(Ravikant Choudhry)
(DIN: 00831721)

Form No.MGT-9

EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED 31-03-2016
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

REGISTRATION AND OTHER DETAILS:

i.	CIN	L65993TN1994PLC027783
ii.	Registration Date	13/06/1994
iii.	Name of the Company	ARIHANT'S SECURITIES LIMITED
iv.	Category/Sub-Category of the Company	Company limited by shares/Indian Non-Government Company
v.	Address of the Registered office and contact details	138, DR. Radhakrishnan Salai, Mylapore, Chennai - 600 004.
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited #1, Subramaniam Building, Club House Road, Mount Road, Chennai 600002. Contact No 044-28460390

I. 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/ service	% to total turnover of the company
1	Dealing in Financial Markets, Leasing, Hire Purchase and related activities.	64910	100%

II. 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
NIL					



III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. Of Shares held at the beginning of the year (as on 1 st April 2015)				No. Of Shares held at the end of the year (as on 31 st March 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1)Indian									
a)Individual/ HUF	1625070	386700	2011770	40.24	1625071	386700	2011771	40.24	-
b)Central Govt	-	-	-	-	-	-	-	-	-
c)State Govt(s)	-	-	-	-	-	-	-	-	-
d)Bodies Corp	-	-	-	-	-	-	-	-	-
e)Banks / FI	-	-	-	-	-	-	-	-	-
f)Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	1652070	386700	2011770	40.24	1652071	386700	2011771	40.24	-
2)Foreign									
g)NRIs-Individuals	-	-	-	-	-	-	-	-	-
h)Other-Individuals	-	-	-	-	-	-	-	-	-
i)Bodies Corp.	-	-	-	-	-	-	-	-	-
j)Banks / FI	-	-	-	-	-	-	-	-	-
k)Any Other....	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-	-	-	-	-	-	-	-	-	-
B.Public Shareholding									
1.Institutions									
a)Mutual Funds	-	-	-	-	-	-	-	-	-
b)Banks / FI	-	-	-	-	-	-	-	-	-
c)Central Govt	-	-	-	-	-	-	-	-	-
d)State Govt(s)	-	-	-	-	-	-	-	-	-
e)Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)Insurance Companies	-	-	-	-	-	-	-	-	-
g)FIs	-	-	-	-	-	-	-	-	-
h)Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non Institutions									
a)Bodies Corp.	203349	729500	932849	18.66	196602	729500	926102	18.52	0.14
(i) Indian									
(ii) Overseas									
b)Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	343515	633562	977077	19.54	385738	641962	1027700	20.55	1.01
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	596058	443150	1039208	20.78	571785	423150	994935	19.90	0.88
c)Others	7846	-	7846	0.15	8242	-	8242	0.16	0.01
HUF	31250	-	31250	0.63	31250	-	31250	0.63	-
NRI									
Sub-total(B)(2)	1182018	1806212	2988230	59.76	1193617	1794612	2988229	59.76	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1182018	1806212	2988230	59.76	1193617	1794612	2988229	59.76	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2807088	2192912	5000000	100	2818688	2181312	5000000	100	-



ii. Share Holding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (1 st April 2015)			Shareholding at the end of the year (31 st March 2016)			% Change in share holding 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.	Ravikant Chowdhary	1596900	31.94	-	1596900	31.94	-	-
2.	ASL Capital Holdings Pvt Ltd	159100	3.18	-	159100	3.18	-	-
3.	Kavita Nahar	1500	0.03	-	1500	0.03	-	-
4.	Rajshri Choudhary	175577	3.51	-	175577	3.51	-	-
5.	Arihant Stock Brokers Ltd	78693	1.57	-	78694	1.57	-	-

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

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company

1. Ravikant Choudhry

	At the beginning of the year	1596900	31.94	1596900	31.94
	Date wise Increase / Decrease in Share holding during the year				
	At the End of the year			1596900	31.94

2. ASL Capital Holdings Pvt Ltd

	At the beginning of the year	159100	3.18	159100	3.18
	Date wise Increase / Decrease in Share holding during the year				
	At the End of the year			159100	3.18

3. Kavita Nahar

	At the beginning of the year	1500	0.03	1500	0.03
	Date wise Increase / Decrease in Share holding during the year				
	At the End of the year			1500	0.03

4. Rajshri Choudhary

	At the beginning of the year	175577	3.51	175577	3.51
	Date wise Increase / Decrease in Share holding during the year				
	At the End of the year			175577	3.51

5. Arihant Stock Brokers Ltd

	At the beginning of the year	78693	1.57	78694	1.57
	Date wise Increase / Decrease in Share holding during the year	Purchase of 1 share from market on 05/05/2015			
	At the End of the year			78694	1.57



iv. Shareholding pattern of Top 10 Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs.)

Sr. No	Share holders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	RAJESH J PATHAK	245000	4.9000	245000	4.9000
2	SHANTHI R PATHAK	220900	4.4180	220900	4.4180
3	M D KARUNANITHI	136400	2.7280	136400	2.7280
4	JEEVI BAI	117824	2.3564	117824	2.3564
5	RAJENDRA KUMAR CHORDIA P	100000	2.0000	100000	2.0000
6	RAJENDRA MODI	78150	1.5630	78150	1.5630
7	NAHAR GOUTAM CHAND	42095	0.8419	42095	0.8419
8	ANANT KUMAR RAMGARHIA	32466	0.6493	32466	0.6493
9	CHANDRAKAL GALADA	22100	0.4420	22100	0.4420
10	DIPAK GOLECHHA	20000	0.4000	20000	0.4000

v. Shareholding of Directors and Key Managerial Personnel

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Ravikant Choudhry	1596900	31.94	1596900	31.94

IV. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	UnSecured Loans	Deposits	Total Indebtness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
- Addition	-	-	-	-
- Reduction	-	-	-	-
Net Change	-	-	-	-
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)	-	-	-	-

V. 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
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	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
6.	Total(A)	-	-	-	-	-
-	Ceiling as per the Act	-	-	-	-	-



B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	<u>Independent Directors</u>					
	·Fee for attending board committee meetings	-	-	-	-	-
	·Commission	-	-	-	-	-
	·Others, please specify	-	-	-	-	-
	Total(1)	-	-	-	-	-
	<u>Other Non-Executive Directors</u>					
	·Fee for attending board committee meetings	-	-	-	-	-
	·Commission	-	-	-	-	-
	·Others, please specify	-	-	-	-	-
	Total(2)	-	-	-	-	-
	Total(B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Over all Ceiling as per the Act	-	-	-	-	-

C. Remuneration to Key Managerial Personnel Other Than MD / Manager /WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
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	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit -others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total	-	-	-	-

VI. 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)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers					
In Default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



Arihant's Securities Limited

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 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
ARIHANT'S SECURITIES LIMITED
138, Dr.RAdhakrishnan Salai , Mylapore, Chennai 600004

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Arihant's Securities Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of M/s Arihant's Securities Limited 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. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st 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 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 ('SEBI Act'):
 - 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, 1992;¹
 - c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - d) The securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;²
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;³
 - 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;⁴ and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;⁵

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (made mandatory with effect from 1st July 2015)
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange(s), if applicable

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation as noticed by us:

¹ The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, with effect from 15th May 2015

² Not applicable to the Company, as it does not have any such Scheme.

³ Not applicable to the Company, as the Company does not have any debts listed.

⁴ Not applicable to the Company, as there was no delisting done during the year.

⁵ Not applicable to the Company, as there was no buy-back by the Company during the year.



1. *Appointment of Woman director as required by the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and erstwhile Listing Agreement has been complied with effect from 10th July, 2015.*
2. *The optimum composition of independent & non independent directors is in accordance with Companies Act 2013 and Reg. 17 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and erstwhile Listing Agreement with effect from 10th July 2016 after appointment of Women Director.*
3. *Constitution of Audit Committee & Nomination and Remuneration Committee in accordance with Section 177 and 178 of the Companies Act, 2013 along with Listing Agreement has been complied with effect from 1st October, 2015.*
4. *The Company has defaulted in appointment of Chief Financial officer and Company Secretary as required under Section 203 of the Companies Act, 2013.*
5. *The Company has defaulted in appointment of Internal Auditor as required under Section 138 of the Companies Act, 2013.*
6. *The Company has defaulted in filing forms for reappointment of Managing Director and Independent director appointed at the 20th Annual General meeting of the company.*
7. *Out of their total holding, the Promoter Group is yet to convert 7.73% of the total share capital into dematerialised form as required under Regulation 31 (2) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.*

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except for Point 1 and 2 above for the year under review. 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 directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent, at least seven days before the meeting, 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.

Majority decision is carried through while the dissenting members' views, wherever there is any, are captured and recorded as part of the minutes.

We 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.

We further report that during the audit period there were no events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above were undertaken/done by the Company.

This Report is to be read along with Annexure A of even date which forms integral part of this Report.

For ASJ & Associates, Company Secretaries

Place : Chennai
Date : 28th May 2016

Abishek S Jain
Practicing Company Secretary
ACS 41678; CP 15508



Annexure A

To,

The Members

ARIHANT'S SECURITIES LIMITED

138, Dr.RAdhakrishnan Salai

Mylapore, Chennai 600004

Our secretarial audit report of even date is to be read along with this letter.

- a. Maintenance of secretarial and other records is the responsibility of the management of the Company. Our responsibility is to express an opinion on the relevant records based on our audit.
- b. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the relevant records and compliances. The verification was done on test basis to verify that correct facts are reflected in secretarial and other relevant records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- c. We have not verified the correctness and appropriateness of financial and tax records and books of accounts of the Company.
- d. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
- e. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of the procedures on test/sample basis.
- f. 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 ASJ & Associates, Company Secretaries

Place : Chennai
Date : 28th May 2016

Abishek S Jain
Practicing Company Secretary
ACS 41678; CP 15508



AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

REGISTRATION NO. OF THE COMPANY : 18-27783
NOMINAL CAPITAL : RS. 6,00,00,000/-

TO
THE MEMBERS OF ARIHANT'S SECURITIES LIMITED
CHENNAI

We have examined all the relevant records of M/s. **ARIHANT'S SECURITIES LIMITED** for the purpose of certifying compliance of the conditions of Corporate Governance for the year ended March 31, 2016, as stipulated in Clause 49 of the Listing Agreement of the company with stock exchange and as per relevant provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate 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.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the company has generally complied with the applicable mandatory conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that the Registrar and Share Transfer Agents of the Company have maintained records to show Investors' Grievances against the Company and have certified that as on 31st March, 2016 there were no investor grievances remaining unattended / pending for a period exceeding one month.

Place : Chennai
Date : 28.05.2016

For **N.R. KRISHNAMOORTHY & CO.**,
Chartered Accountants

Sd/-

N.R. KRISHNAMOORTHY

Partner

Membership No. : 020638

FRN : 001492S



INDEPENDENT AUDITORS' REPORT – TO THE SHAREHOLDERS OF ARIHANT'S SECURITIES LIMITED

We have audited the accompanying financial statements of **M/s. Arihant's Securities Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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

Our responsibility is to express an opinion on these financial statements based on our 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement

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

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

Opinion

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

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2016;
- ii. in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the aforesaid 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 written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 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"; and
 - g. With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses

For N.R. KRISHNAMOORTHY & CO.,
Chartered Accountants
FRN : 001492S.
Sd/-
N.R. KRISHNAMOORTHY
Partner
Membership No. : 020638

Place: Chennai
Date: 28.05.2016



ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 7 of our report of even date under the caption "Report on Other Legal and Regulatory Requirements")

The Annexure referred to in our report to the members of Arihant Securities Limited ("the Company") for the year ended 31st March, 2016. We report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories (shares). No material discrepancy was noticed on physical verification of stocks by the management as compared to book records
3. The Company has not granted any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 189 of the act.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.
6. The Company is not required to maintain cost records under section 148(1) of the Companies Act, 2013.
7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, wherever necessary the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Tax deducted at source, Excise Duty, Customs Duty, Employees State Insurance Fund, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of above were in arrears, as at 31st March 2016 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no dues of Provident Fund, Tax deducted at source, Excise Duty, Service Tax, Customs Duty, Employees State Insurance Fund and Cess which have not been deposited with appropriate authorities on account of any dispute.
8. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
10. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
11. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
12. The Company has not taken any Term Loan during the year. Hence the provision of clause 3 (xi) of the Order is not applicable to the Company.
13. Based on the audit procedures performed and the information and explanations given to us and during the course of our examination of the books and records of the company, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management

For N.R. KRISHNAMOORTHY & CO.,
Chartered Accountants
FRN : 001492S.
Sd/-
N.R. KRISHNAMOORTHY
Partner
Membership No. : 020638

Place: Chennai
Date: 28.05.2016



Annexure B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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 Companies Act, 2013.

Auditors' Responsibility

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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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.

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.

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

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) 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
- (3) 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

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

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 31 March 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 N.R. KRISHNAMOORTHY & CO.,

Chartered Accountants

FRN : 001492S

Sd/-

N.R. KRISHNAMOORTHY

Partner

Membership No. : 020638

Place: Chennai
Date: 28.05.2016

Arihant's Securities Limited



To
The Board of Directors,
Arihant 's Securities Ltd

1. We have audited the accompanying financial statements of **M/s. Arihant's Securities Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information and issued our Audit opinion dated 28th May, 2016 thereon. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit. Our Audit was conducted in the manner specified in paragraph 2 of the Audit Report.
2. As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008", issued by the Reserve Bank of India ("the Bank" or RBI) and amended from time to time ("the Directions"), and based on our audit referred to in paragraph 1 above and based on the information and explanations given to us which to the best of our knowledge and belief were necessary for this purpose, we report hereunder on the matters specified in paragraph 3 of the Directions:
 - a. The Company is engaged in the business of Non-Banking Financial Institution ('NBF') as defined in section 45-I(a) of the Reserve Bank of India Act, 1934 ('the Act') during the year ended 31st March, 2015 and it has obtained Certificate of Registration No. : 07.00211 dated 1st April, 1998 from Reserve Bank of India;
 - b. Based on the asset/income pattern as on March 31, 2016 determined by the Management in accordance with the audited financial statements for the year ended as on that date, and with reference to paragraph 15 of the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, the Company is entitled to continue to hold such Certificate of Registration;
 - c. Based on the criteria set forth by the Bank in Circular No. DNBS.PD. CC No. 85 / 03.02.089 /2006-07 dated December 6, 2006 for classification of NBFCs, the Company has been correctly classified as Investment Company as defined in Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998 with reference to the business carried on by it during the financial year ended March 31, 2016;
 - d. The Board of Directors in their meeting held on May 30,2015 has passed a resolution for non-acceptance of any public deposits without prior approval of Reserve Bank of India in writing.
 - e. The Company has not accepted any public deposits during the year ended March 31, 2016;
 - f. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 for the year ended March 31, 2016;

For N.R. KRISHNAMOORTHY & CO.,
Chartered Accountants

Sd/-
N.R. KRISHNAMOORTHY
Partner
Membership No. : 020638
FRN : 001492S

Place : Chennai
Date : 28.05.2016

Arihant's Securities Limited



BALANCE SHEET AS AT 31ST MARCH 2016

Particulars	Note No.	As at March 31, 2016 ₹	As at March 31, 2015 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	50,000,000	50,000,000
(b) Reserves and Surplus	2	(2,527,787)	(4,210,455)
(2) Current Liabilities			
(a) Trade payables	3	15,000	6,900,000
(b) Short-term provisions	4	3,288,317	3,576,329
Total		50,775,530	56,265,873
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
Tangible assets	5	1,556,690	1,556,690
(b) Non-current investments	6	900,000	900,000
(c) Deferred tax assets (net)	7	6,212	6,306
(d) Long term loans and advances	8	9,372,448	19,575,305
(2) Current assets			
(a) Current investments	9	39,856,302	33,702,313
(b) Trade receivables	10	-	94,173
(c) Cash and cash equivalents	11	(979,398)	360,253
(d) Short-term loans and advances	12	63,276	70,834
Total		50,775,530	56,265,873

Significant Accounting Policies and Notes on Accounts forming part of financial statements vide our report of even date

For N.R. KRISHNAMOORTHY & CO.,
Chartered Accountants
FRN : 001492S

Sd/-
N.R. KRISHNAMOORTHY, Partner
Membership No. : 020638
Place: Chennai
Date: 28.05.2016

For and on behalf of the Board of Directors
Sd/-
Chairman & Director
(RAVIKANT CHOUDHRY)
(DIN : 00831721)

Sd/-
Managing Director
(NISHIKANTH CHOUDHARY)
(DIN : 02142746)

Arihant's Securities Limited



PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

Particulars	Note No.	As at March 31, 2016 ₹	As at March 31, 2015 ₹
I. Revenue from operations	13	3,296,342	6,567,736
II. Other Income	14	993,199	-
III. Total Revenue (I + II)		4,289,541	6,567,736
<i>IV. Expenses:</i>			
Employee benefit expense	15	1,093,058	1,267,253
Financial costs	16	10,395	760
Other operating expenses	17	1,239,239	1,088,642
Depreciation and amortization expense	5	-	1,362
Total Expenses		2,342,692	2,358,017
V. Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)		1,946,850	4,209,719
VI. Exceptional Items		-	-
VII. Profit/(Loss) before extraordinary items and tax (V - VI)		1,946,850	4,209,719
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		1,946,850	4,209,719
X. Tax expense:			
(1) Current tax		264,087	475,604
(2) Deferred tax		94	(310)
XI. Profit(Loss) for the period from continuing operations (IX - X)		1,682,668	3,734,425
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		1,682,668	3,734,425
XVI. Earning per equity share:			
(1) Basic		0.34	0.75
(2) Diluted		0.34	0.75

Significant Accounting Policies and Notes on Accounts forming part of financial statements vide our report of even date

For N.R. KRISHNAMOORTHY & CO.,
Chartered Accountants

FRN : 001492S

Sd/-

N.R. KRISHNAMOORTHY, Partner

Membership No. : 020638

Place: Chennai

Date: 28.05.2016

For and on behalf of the Board of Directors

Sd/-

Chairman & Director
(RAVIKANT CHOUDHRY)
(DIN : 00831721)

Sd/-

Managing Director
(NISHIKANTH CHOUDHARY)
(DIN : 02142746)



CASH FLOW STATEMENT

	2015-16 ₹	2014-15 ₹
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extraordinary items		
Adjustments for :		
Add : Provisions	1,946,850	4,209,719
Add : Depreciation	912,650	1,364,000
	-	1,362
	2,859,500	5,575,081
Less : Other Income	-	-
Operating Profit before working capital changes	2,859,500	5,575,081
Adjustments for :		
Add : Decrease in Current Assets	101,731	9,164,684
	2,961,230	14,739,765
Add : Increase in Current Liabilities	-	200,000
	2,961,230	14,939,765
Less : Increase in Current Assets	6,153,989	11,120,033
	(3,192,758)	3,819,732
Less : Decrease in Current Liabilities	8,349,749	-
Cash generated from Operations	(11,542,507)	3,819,732
Add : Other Income	-	-
Net Cash from Operating Activities	(11,542,507)	3,819,732
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase/Sale of Fixed Assets	-	-
Purchase/Sale of Investments	10,202,856	(3,567,404)
Net Cash used for Investing Activities	10,202,856	(3,567,404)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	-	-
Secured or Unsecured Loans taken	-	-
Net Cash from Financing Activities	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(1,339,651)	252,328
Cash & Cash Equivalents as at 01.04.2015	360,253	107,925
Cash & Cash Equivalents as at 31.03.2016	(979,398)	360,253

"As per our Report Attached"

For **N.R. KRISHNAMOORTHY & CO.**,
Chartered Accountants
FRN : 001492S

Sd/-
N.R. KRISHNAMOORTHY,
Partner
Membership No. : 020638
Chennai, 28.05.2016

For and on behalf of the Board of Directors

Sd/-
Chairman & Director
(RAVIKANT CHOUDHRY)
(DIN : 00831721)
Sd/-
Managing Director
(NISHIKANTH CHOUDHARY)
(DIN : 02142746)

**Significant Accounting Policies:****1. Basis of Preparation of Financial Statements:**

The financial statements are prepared under the historical cost convention from the books of accounts maintained on accrual basis, in conformity with the accounting principles generally accepted in India, and comply with the accounting standards issued by the council of the Institute of Chartered Accountants of India and referred to in section 133 of the Companies Act, 2013.

2. Fixed Assets:

Fixed Assets are stated at their historical cost less depreciation. All costs related to the acquisition and installation of Fixed Assets is capitalized including directly attributable financing costs relating to borrowed funds and costs of bringing the asset to working condition for its intended use.

3. Depreciation:

Depreciation is provided as Schedule II of Companies Act, 2013.

4. Investments:

Long term investments are stated at cost, Provision for diminution in value of long term investments is made only if there is a decline other than temporary in the opinion of the management.

5. Shares & Securities:

Shares & Securities are stated at Cost or Market Price whichever is less.

6. Financial Statements are prepared based on Indian Accounting Standards.**7. Taxes on Income:**

Current income tax expense represents the tax on income payable determined according to the provisions of the Income Tax Act, 1961.

Deferred Tax Expense / Benefit is recognized on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets consisting of unabsorbed depreciation and carry forward of losses are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available to realize these assets.

8. Earnings per Share:

The Basic earnings per share is computed by dividing the net profit after tax for the period by the weighted average number of Equity Shares outstanding during the period. Diluted earnings per share, if any is computed using the weighted average number of equity number of equity shares and dilutive potential equity shares outstanding during the period except when the results are anti-dilutive.

9. Impairment of Assets:

Except otherwise than the Financial Assets, Inventories and Deferred Tax Asset, the Carrying Amounts of all the Assets are reviewed at each balance sheet date to determine any indications of impairment. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The Impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

10. Provision, Contingent Liabilities and Contingent Assets:

Contingent Liabilities, if any, are disclosed by way of Notes to accounts. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end, till the approval of accounts by the Board of Directors and which have material effect on the position stated in the balance sheet.

11. Prior Period Items and Changes in Accounting Policies:

According to the information and explanations given to us and in the opinion of the management there are no prior period items significantly affecting the Net Profit or Loss for the current period or later periods. And also there is no change in the Accounting Policies used by the management in the preparation of Financial Statements.

Arihant's Securities Limited



Notes to and forming part of Balance Sheet as at 31st March 2016

Note 1 : Share Capital

(Amount in ₹)

Particulars	31.03.2016	31.03.2015
Authorised Capital		
60,00,000 Equity Shares of ₹ 10/- each	60,000,000	60,000,000
	60,000,000	60,000,000
Issued, Subscribed & Paid Up Capital		
50,00,000 Equity Shares of ₹ 10/- each, Fully Paid up	50,000,000	50,000,000
Total	50,000,000	50,000,000
1(a) Reconciliation of Nos. Of Shares		
Number of Equity Shares at the beginning	5,000,000	5,000,000
Add : Number of Shares Issued	-	-
Number of Equity Shares at the end	5,000,000	5,000,000

1(b) Below are the name of the shareholders holding more than 5% of Shares

Name of Shareholder	No. of Share Holding	Percentage of Holding
Ravikant Choudhry	1,596,900	31.94
Khivraj Auto & Investments Private Limited	372,500	7.45

1(c) There is no Shares allotted as fully paid up without payment being received in cash during proceeding five years.

Note 2 : Reserve and Surplus

(Amount in ₹)

Particulars	31.03.2016	31.03.2015
General Reserve	2,500,000	2,500,000
Special Reserve	3,149,169	3,149,169
Surplus (Profit & Loss Account) :		
As per last Balance sheet	(9,859,624)	(13,594,049)
Add : Profit/ (loss) during the year	1,682,668	3,734,425
Amount transferred to Reserve	(8,176,956)	(9,859,624)
Total	(2,527,787)	(4,210,455)

Arihant's Securities Limited



Notes to and forming part of Balance Sheet as at 31st March 2016

Note 3 : Trade Payables

(Amount in ₹)

Particulars	31.03.2016	31.03.2015
Trade Creditors	-	6,900,000
Others	15,000	-
Total	15,000	6,900,000

Note 4 : Short Term Provisions

(Amount in ₹)

Particulars	31.03.2016	31.03.2015
Provision From Expenses		
Provision for expenses	912,917	1,465,016
Others		
Provision for tax	2,285,400	2,021,313
Provision for Audit Fees	90,000	90,000
Total	3,288,317	3,576,329

Note 5 : Fixed Assets

(Amount in ₹)

Description	Gross Block at cost			Depreciation			Net Block		
	As on 1.4.2015 ₹	Additions ₹	Deductions ₹	As on 31.03.2016 ₹	As on 1.4.2015 ₹	For the year ₹	As on 31.03.2016 ₹	As on 31.03.2016 ₹	As on 31.03.2015 ₹
Land	1,556,690	-	-	1,556,690	-	-	-	1,556,690	1,556,690
Computer	16,150	-	-	16,150	16,150	-	16,150	-	-
Motor Cycle	39,138	-	-	39,138	39,138	-	39,138	-	-
Office Equipments	7,438	-	-	7,438	7,438	-	7,438	-	-
Total	1,619,416	-	-	1,619,416	62,726	-	62,726	1,556,690	1,556,690
Previous Year	1,619,416	-	-	1,619,416	61,364	1362	62,726	1,556,690	1,558,052

Note 6 : Non Current Investment

(Amount in ₹)

Particulars	31.03.2016	31.03.2015
Investment in Property *	900,000	900,000
Total	900,000	900,000

* Investments ₹ 9,00,000/- represents Land at Sriperumbudur

Arihant's Securities Limited



Notes to and forming part of Balance Sheet as at 31st March 2016

Note 7 : Deferred Tax Assets (Net)

(Amount in ₹)

Particulars	31.03.2016	31.03.2015
Deferred Tax Asset	6,212	6,306
Total	6,212	6,306

The major components of deferred tax assets and deferred tax liabilities arising out of timing differences are as under

Particulars	31.03.2016	31.03.2015
Deferred Tax Asset :		
a. Provision for Investments / Non Performing Assets, etc.,	-	-
b. Income deferment on Non Performing Assets	-	-
c. Depreciation	(94)	310
d. Other Timing Differences	-	-
Deferred Tax Liability		
a. Depreciation	-	-
b. Others	-	-
Total	(94)	310

Note 8 : Long Term Loans and Advances

(Amount in ₹)

Particulars	31.03.2016	31.03.2015
Financing Activity		
a) Secured Loan :	-	5,800,000
i) Considered Good	-	5,800,000
Other Loans & Advances :		
i) Advances	5,535,250	10,409,250
ii) Tax Deducted at Source	3,837,198	3,366,055
	9,372,448	13,775,305
Total	9,372,448	19,575,305

1. Loans and Advances are unsecured and those considered doubtful have been fully provided for.

2. Advances include ₹ 54,09,250/- towards Property.

Note 9 : Current Investment

(Amount in ₹)

Particulars	31.03.2016	31.03.2015
Investment in Equity	39,856,302	33,702,313
Others	-	-
Total	39,856,302	33,702,313

Arihant's Securities Limited



Notes to and forming part of Balance Sheet as at 31st March 2016

Note 10 : Trade Receivables (Amount in ₹)

Particulars	31.03.2016	31.03.2015
Unsecured, Considered Good	-	94,173
Total	-	94,173

Note 11 : Cash & Cash Equivalent (Amount in ₹)

Particulars	31.03.2016	31.03.2015
Bank Balance	(979,398)	360,253
Total	(979,398)	360,253

The Company maintains Nil Cash balance

Note 12 : Short Term Loans and Advances (Amount in ₹)

Particulars	31.03.2016	31.03.2015
Others *	63,276	70,834
Total	63,276	70,834

* Others represents current year Tax deducted at Source

Note 13 : Revenue from Operation (Amount in ₹)

Particulars	31.03.2016	31.03.2015
Interest Income	632,756	708,337
Income from Long Term Capital Gain	1,851,659	4,181,137
Income from Short Term Capital Gain	221,145	38,454
Dividend Income	590,782	1,638,888
Income from Futures, Options	-	920
Total	3,296,342	6,567,736

1. Interest income earned by the Loan Segment is recorded on accrual basis.

2. Revenue from purchase and sale of shares by the Share Segment of the company are recorded on cash basis.

3. Dividends are recorded when the right to receive payment is established.

Note 14 : Other Income (Amount in ₹)

Particulars	31.03.2016	31.03.2015
Bad Debts Recovered	993,199	-
Total	993,199	-

Note 15 : Employment Benefit Expenses (Amount in ₹)

Particulars	31.03.2016	31.03.2015
Salaries Paid	1,093,058	1,267,253
Total	1,093,058	1,267,253

Note 16 : Financial Cost (Amount in ₹)

Particulars	31.03.2016	31.03.2015
Bank Charges	10,395	760
Total	10,395	760

Arihant's Securities Limited



Notes to and forming part of Profit and Loss Account as at 31st March 2016

Note 17 : Other Operating Expenses

(Amount in ₹)

Particulars	31.03.2016	31.03.2015
Advertisement Expense	69,238	30,375
Audit Fees	35,000	35,000
Printing and Stationery	156,695	150,710
Share Segment Expenses	17,254	129,224
Subscription	250,615	122,360
Miscellaneous Expense	710,437	620,973
Total (A + B)	1,239,239	1,088,642
Auditor Remuneration		
Auditor's Fees	30,000	30,000
Out of Pocket Expense	5,000	5,000
Total	35,000	35,000

18. There is no Earning and Expenditure in Foreign Currency during the year

19. Contingencies and Events after the Balance Sheet Date :

According to the information and explanations given to us, there are no Contingencies and Events after the Balance sheet date that require disclosure according to the Accounting Standard 4 on "Contingencies and Events Occurring after the Balance Sheet Date"

20. According to the information and explanations given to us, no impairment of assets is necessary.

21. Related Party Disclosure

According to Accounting Standard 18 on "Related Parties Disclosures", their names, relationship and transactions are as follows;

Name of Party	Nature of Relationship
ASL Capital Holdings Private Limited	Common Director
Ravikant Choudhry	Chairman - Key Management Personnel
Nishikant Choudhary	Managing Director - Key Management Personnel

List of related party transactions during the year

(Amount in ₹)

Transactions	Common Director	KMP
1. Purchases	5,809,824	-
2. Sales	3,397,851	-
3. Balance as on 31.03.2016 (Dr.)	-	-
4. Bad Debts	-	-

22. Earnings per Share

(Amount in ₹)

Particulars	31.03.2016	31.03.2015
a. Profit / (Loss) for the year	1,682,668	3,734,425
b. No. Of Equity Shares of Face Value of ₹10/- Outstanding	5,000,000	5,000,000
c. Basic and Diluted Earnings per share (a/b)(₹)	0.34	0.75

23. There are no loans and advances / Investments in its own shares by the company , their subsidiaries , associates, etc.,

There are no loans and advances in the nature of loans where there is no repayment schedule or repayment beyond seven years.

Arihant's Securities Limited



Notes to and forming part of Balance Sheet as at 31st March 2016

Note 24 : REPORTING OF SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Amount in ₹)

Sl. No.	Particulars	Audited	
		Year ended 31.03.16	Year ended 31.03.15
1	Segment Revenue		
	a. Loans	-	-
	b. Trading of Shares	4,289,541	4,170,210
	c. Others	-	-
	Total	4,289,541	4,170,210
	Less: Intersegment revenue	-	-
	Net Sales / Income from Operations	4,289,541	4,170,210
2	Segment Results		
	Profit(+)/Loss(-) before Tax and Interest from each segment		
	a. Loans	-	-
	b. Trading of Shares	4,289,541	4,170,210
	c. Others	-	-
	Total	4,289,541	4,170,210
	Less:(i) Interest	-	-
	(ii) Other Unallocable expenditure net of Unallocable Income	2,342,692	1,516,457
	Total Profit before Tax	1,946,849	2,653,753
3	Capital Employed		
	(Segment Assets - Segment Liabilities)		
	a. Loans	-	5,800,000
	b. Trading of Shares	39,856,302	33,702,000
	c. Others	-	-
	Total	39,856,302	39,502,000

NOTES:

1. The above audited financial results were taken on record at the Board Meeting of the Company held on 28th may 2016.
2. Status of Investor Compliants for the quarter ended 31.03.2016

Particulars	3 months ended 31/03/2016
Pending As At 01.01.2016	NIL
Received during the quarter	1
Disposed of during the quarter	1
Pending As At 31.03.2016	NIL

Note 25 : Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Arihant's Securities Limited



Notes to and forming part of Balance Sheet as at 31st March 2016

Note 24 : As required in terms of paragraph 13 of Non Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

SNo. Particulars	Amount outstanding	Amount overdue
<u>Liabilities :</u>	₹	₹
I Loans and Advances availed by the Non-banking financial company inclusive of interest accrued thereon but not paid		
a) Debentures : Secured	-	-
Unsecured	-	-
(Other than falling within the meaning of public deposit)		
b) Deferred Credits	-	-
c) Term Loans	-	-
d) Inter-Corporate loans and borrowings	-	-
e) Commercial Paper	-	-
f) Other loans (specify nature)	-	-
Assets :		
II Break-up of Loans and Advances including bills receivables [Other than those included in (4) below]	Amount outstanding	
	₹	
a) Secured	-	
b) Unsecured	-	
III Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
i. Lease assets including lease rentals under Debtors:		
(a) Financial Lease	-	
(b) Operating Lease	-	
ii. Stock on hire including hire charges under Debtors:		
(a) Assets on hire	-	
(b) Repossessed Assets	-	
iii. Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	
(b) Loans other than (a) above	-	
IV Break-up of Investments:		
Current Investments		
1. Quoted		
i. Shares (a) Equity	32,484,302	
(b) Preference	-	
ii. Debentures and Bonds	-	
iii. Units of Mutual Fund	-	
iv. Government Securities	-	
v. Others	-	
2. Unquoted		
i. Shares (a) Equity	7,372,000	
(b) Preference	-	
ii. Debentures and Bonds	-	
iii. Units of Mutual Fund	-	
iv. Government Securities	-	
v. Others	-	
Long term investments:		
1. Quoted		
i. Shares (a) Equity	-	
(b) Preference	-	
ii. Debentures and Bonds	-	
iii. Units of Mutual Fund	-	
iv. Government Securities	-	
v. Others	-	

Arihant's Securities Limited



2. Unquoted	
i. Shares (a) Equity	-
(b) Preference	-
ii. Debentures and Bonds	-
iii. Units of Mutual Fund	-
iv. Government Securities	-
v. Others - Land at Sriperumbudur	900,000

V Borrower group-wise classification of assets financed as in (2) and (3) above :

Category	Secured	Amount net of provisions unsecured	Total
1. Related Parties**			
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other related parties	-	-	-
2. Other than related parties	-	-	-
Total	-	-	-

VI Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Market Value / Fair Value / NAV	Book Value (Net of Prov)
1. Related Parties**		
a) Subsidiaries	-	-
b) Companies in the same group	-	-
c) Other related parties*	5,372,000	5,372,000
2. Other than related parties	88,799,753	34,484,302
Total	94,171,753	39,856,302

* Other Related parties represent the unquoted shares, market value of unquoted share not predicted.

** As per Accounting Standard of ICAI

VII Other Information

	Amount
i) Gross Non-Performing Assets :	
a) Related Parties	-
b) Other than Related Parties	-
ii) Net-Non Performing Assets :	
a) Related Parties	-
b) Other than Related Parties	-
iii. Assets acquired in satisfaction of debt	-

Notes

- As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / Net Asset Value in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (4) above.

"As per our Report Attached"

For N.R. KRISHNAMOORTHY & CO.,

Chartered Accountants

FRN : 001492S

Sd/-

N.R. KRISHNAMOORTHY,

Partner

Membership No. : 020638

Chennai, 28.05.2016

For and on behalf of the Board of Directors

Sd/-

Chairman & Director

(RAVIKANT CHOUDHRY)

(DIN : 00831721)

Sd/-

Managing Director

(NISHIKANTH CHOUDHARY)

(DIN : 02142746)



ARIHANT'S SECURITIES LIMITED

Regd. Office: No. 138, Dr. Radhakrishnan Salai, Mylapore, Chennai 600 004. Tel : (044) 28444555, 43434000
 Fax : (044) 43434030 Email : arihantssecurities@gmail.com CIN No. : L65993TN1994PLC027783

Form No. MGT-11

Proxy form

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

Name of the Member(s): _____

Registered address: _____

E-mail Id: _____

Folio No./Client Id & DP. Id: _____

I/We, being the Member(s) holding _____ shares of the above named Company, hereby appoint

1. Name : _____ Address : _____

Email Id: _____ Signature : _____, or failing him

2. Name : _____ Address : _____

Email Id: _____ Signature : _____, or failing him

3. Name : _____ Address : _____

Email Id: _____ Signature : _____,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the company, to be held on Saturday, 10th day of September, 2016 at 9.30 A.M. at No.138, Dr. Radhakrishnan Salai, Mylapore, Chennai 600004 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
1	To receive, consider and adopt the Audited Balance sheet as at 31 st March 2016 and Statement of Profit and Loss Account for the year ended 31 st March 2016 and the reports of the Directors and Auditors thereon.
2	To appoint a Director in the place of Mr. Ravikant Choudhry, (DIN: 00831721), Director who retires by rotation and being eligible, offers himself for re-appointment.
3	Ratification of Appointment of N.R.Krishnamoorthy & Co, (FRN: 001492S) Chartered Accountants, Chennai, the Statutory Auditors of the company.

Signed this _____ day of September 2016

Signature of shareholder

Signature of Proxy holder(s)

1 Rupee
Revenue
Stamp

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



ARIHANT'S SECURITIES LIMITED

Regd. Office : No. 138, Dr. Radhakrishnan Salai, Mylapore, Chennai 600 004.

Tel : (044) 28444555, 43434000 Fax : (044) 43434030

Email : arihantssecurities@gmail.com CIN No. : L65993TN1994PLC027783

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

* DP ID :	Folio No. :
* Client Id :	No. of Shares :

Tear Here

Name and Address of the Shareholder : _____

I hereby record my presence at the 22nd Annual General Meeting of the company held on Saturday, the 10th day of September, 2016 at 9.30 A.M. at No. 138, Dr. Radhakrishnan Salai, Mylapore, Chennai 600004.

Signature of Shareholder / Proxy

***Applicable for investors holding shares in electronic form**

Registered - Post

If undelivered Please return to :

Arihant's Securities Limited

138, Dr. Radhakrishnan Salai,

Mylapore, Chennai - 600 004.

Ph. : (044) 28444555, 43434000