



# Swarna Securities Limited

## **24th ANNUAL REPORT**

### **2013 - 2014**

Registered Office :  
# 27-1-102, II Floor  
Governorpet  
VIJAYAWADA - 520 002.  
Phone : 2575928

**BOARD OF DIRECTORS**

Sri M. MURALI KRISHNA	..	Chairman & Managing Director
Smt. M.V.N.S. SUSHMA	..	Director
Sri PRADEEP KUMAR	..	Director
Sri K. SRIDHAR	..	Director
Sri T.V.S. Jawaharlal Nehru	..	Director

**REGISTERED OFFICE**

27-1-102, II Floor,  
Governorpet,  
VIJAYAWADA-520 002.

**AUDITORS**

M/s. SESHADRY & COMPANY  
Chartered Accountants  
UGF 1 & 2, Ammana Estates  
Prakasam Road, Governorpet,  
VIJAYAWADA - 520 002.

**BANKERS**

PUNJAB NATIONAL BANK  
VIJAYAWADA - 520 008

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**24th ANNUAL GENERAL MEETING**

Day, Date	:	Monday 7th July, 2014
Venue	:	D.No.54-15-3, Ring Road Vijayawada - 8
Time	:	10.00 A.M.

**NOTICE**

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the Members of the Company will be held on Monday, the 07th Day of July, 2014 at D.No.54-15-3, Srinagar Colony, Ring Road, Vijayawada-8 at 10.00 AM to transact the following business:

**AS ORDINARY BUSINESS :**

01. To receive and adopt the Audited Profit and Loss Account for the year ended 31st March, 2014 and the Audited Balance Sheet as at that date and the report of the Directors' and Auditors thereon.
02. To appoint a Director in place of Sri. Pradeep Kumar, who retires by rotation and being eligible, offers himself for re-appointment.
04. To appoint M/s. Seshadry & Co. Chartered Accountants, who retire at the conclusion of this Annual General Meeting, as auditors of the company and for the purpose of the same, to pass, with or without modifications, the following resolution as an Ordinary Resolution.

"RESOLVED that M/s. Seshadry & Co., Chartered Accountants, Vijayawada be and are hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting on a remuneration that may be fixed by the Board of Directors."

BY ORDER OF THE BOARD

Regd. Office: 27-1-102, II Floor,  
Governorpet,  
Vijayawada-2.

(sd)

**M. MURALI KRISHNA**  
Chairman & Managing Director

Date : 09.06.2014

**NOTICE**

## NOTES :

01. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER. THE PROXY FORMS, IN ORDER TO BE EFFECTIVE, SHALL BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
02. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday the 3rd day of July, 2014 to Monday, the 7th day of July, 2014 (both days inclusive).
03. Shareholders desiring any information as regards accounts are requested to write to the Company seven days before the date of the Meeting so as to enable the Company to keep the information ready at the meeting.
04. As a measure of economy copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting.

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PARTICULARS OF DIRECTORS RE-APPOINTED IN PURSUANCE  
TO CLAUSE 49 OF THE LISTING AGREEMENT.

01. Sri. Pradeep Kumar is a Chartered Accountant and has more 12 years experience in the fields of hire purchase and administration. He is a Director of m/s. Sha Nathmal Yeswanth Raj Finance Ltd.,
02. Except Sri Pradeep Kumar, none of the directors are in any way concerned or interested in the resolution appointing him as director.

**DIRECTORS' REPORT**

Your Directors take pleasure in presenting their 24th Annual Report and the Audited Financial Statements of the Company for the year ending 31st March, 2014

(Rupees in Lakhs)

<b>FINANCIAL RESULTS</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
Total Income	<b>28.98</b>	22.32
Less: Expenditure	<b>48.95</b>	15.89
	-----	-----
Profit before depreciation	<b>-19.97</b>	06.43
Less: Depreciation	<b>00.34</b>	00.45
	-----	-----
Profit before tax	<b>-20.31</b>	05.98
Less: Provision for Taxation	<b>05.98</b>	02.35
	-----	-----
Profit after tax	<b>-26.29</b>	03.63
Less: Reserve Fund	<b>0.00</b>	01.20
	-----	-----
	<b>-26.29</b>	02.43
Add: Surplus carried forward	<b>-39.39</b>	-41.49
	-----	-----
Balance Carried to Balance Sheet	<b>-65.68</b>	-39.06
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**DIVIDEND :**

Due to constraints of profit, the Board do not recommend any dividend for the year 2013-14.

**REVIEW OF OPERATIONS :**

The industry of hire purchase and lease finance is in a very bad shape with increased competition and lack of support. Even the segment of

mortgage and real estate loans has become non-profitable with difficulty in the collection of the installments. With great difficulty the company could collect the installments which are utilized for reduction of secured liabilities. Concentration has been made in collection of hire purchase and loan instalments which are classified as NPAs and there has been satisfactory result of the same.

**PUBLIC DEPOSITS :**

The Company had neither accepted nor held any public deposits during the year under review. In pursuance to Clause 5 (Part III) of the Non-Banking Finance Companies (Reserve Bank) Directions, 1998, your Directors wish to state that as on 31st March, 2014 there are no depositors who have not claimed or to whom the amount was not paid by the Company after the date on which the deposits became due for repayment and as on date there are no deposits that are matured and remained unclaimed or deposits that are claimed and remained unpaid

**FINANCE :**

Your Company has issued Secured Redeemable Non-Convertible Debentures of Rs.100/- each on private placement basis to the tune of Rs.22.25 lakhs (Series-AG) and Rs.07.70 lakhs (Series-AH), while Series-AF is redeemed in full during the year under review. The Board of Directors have Resolved that all the out standing debentures shall be redeemed on their due dates; and shall not be re issued.

**FUTURE PROSPECTS :**

With the future Hire Purchase and Lease sectors appearing to be grim, the company is contemplating to diversify its activities towards the upcoming sectors of real estate, hospitality and tourism sectors. However, a final decision is yet to be taken in the matter which will be put before the members shortly.

**DIRECTORS :**

Sri. Pradeep Kumar retires by rotation in the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' responsibility statement, your Directors wish to confirm that :

- (i) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- (ii) Such accounting policies have been selected and applied consistently and judgements and estimates are made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- (iii) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting any fraud or other irregularities;
- (iv) Accounts for the financial year ended on 31st March, 2014 are prepared on a going-concern basis.

**AUDITORS :**

M/s.Seshadry & Company, the auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and they have intimated that their re-appointment, if made, would be within the limits prescribed under Section 141(3)(g) of the Companies Act, 2013.

**OBSERVATIONS OF AUDITORS :**

The Observations made in the audit report are self-explanatory as given in the notes of accounts attached thereto.

**LISTING:**

The shares of the Company were listed in Bombay Stock Exchange Limited, Mumbai and the listing fee has been paid upto financial year 2013-14.

**CORPORATE GOVERNANCE :**

A detailed report on Corporate Governance along with the certificate from the auditors of the Company regarding compliance of Corporate Governance as stipulated under Clause 49 of the listing agreement is attached to this report.

**HUMAN RESOURCES :**

There are no employees covered by Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended.

**ADDITIONAL INFORMATION:**

Your Company not being a Manufacturing Company is advised that Forms A & B of the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 requiring the disclosure of particulars regarding conservation of energy and technology absorption, are not applicable.

There has been no foreign exchange inflow or outgo in the current year.

**APPRECIATION :**

Your Directors wish to place on record their sincere appreciation to the Company's Customers, Bankers, Financial Institutions, Debenture Holders and Share Holders for their continued support and faith in the Company. A word of appreciation is also due to the employees of the Company for their hard work and commitment.

For and on behalf of the Board

Place: VIJAYAWADA

Date : 09.06.2014

(sd)

**M. MURALI KRISHNA**  
Chairman & Managing director



**REPORT ON CORPORATE GOVERNANCE**

I. Your Company has been practicing the principles of good corporate governance and lays a strong emphasis on transparency, accountability and integrity. All the matters of strategy, significant developments etc., are routinely placed before the Board. The Audit, Share Transfer and Investor Grievance Committees meet regularly to consider the aspects relevant to each committee.

**II. BOARD OF DIRECTORS :**

a) Composition and Category of Directors as on 31st March, 2014.

Category	No.of Directors
Promoter Directors	1
Executive Directors	1
Non-Executive, Independent Directors	3
<b>Total</b>	<b>5</b>

b) Attendance of each Director at the Board Meetings and the last AGM.

Director	No.of Board Meetings held	No.of Board Meetings Attendance	Last AGM Attendance (Yes/No)
Sri M. Murali Krishna	8	8	Yes
Smt. M.V.N.S. Sushma	8	8	Yes
Sri Pradeep Kumar	8	8	Yes
Sri K. Sridhar	8	8	Yes
Sri T.V.S. Jawaharlal Nehru	8	8	Yes

c) Number of Other Directorships or Board Committees in which he/she is a member or Chairperson of

Name of Director	Number of Directorships	No.of Member ships in Board Committees Other than SSL	Whether Member or Chairman
Sri M. Murali Krishna	5	1	Chairman
Smt. M.V.N.S. Sushma	3	--	
Sri Pradeep Kumar	1	--	
Sri K. Sridhar	0	--	
Sri TVS Jawaharlal Nehru	0	--	

d) Number of Board Meetings held and dates on which held

Eight Board Meetings were held during the financial year from 01.04.2013 to 31.03.2014. The dates on which the meetings were held are as follows:

02.04.2013, 27.04.2013, 06.06.2013, 10.07.2013, 25.07.2013, 29.10.2013, 09.12.2013 and 27.01.2014.

**III. AUDIT COMMITTEE :**

a) Terms of Reference :

The responsibilities of the Audit Committee include the overseeing of the financial reporting process to ensure a proper disclosure of the financial statements; recommending appointment / removal of the external auditors and fixing their remuneration; reviewing the quarterly, half yearly and annual financial results before submission to the Board; reviewing the adequacy of internal control systems; structure and staffing of the internal audit function, reviewing findings of the internal investigations and to make recommendations to the Board on any matter relating to the financial management of the Company including the Audit Report.

b) Composition

The Audit Committee consists of the following non-executive Directors

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1. Sri Pradeep Kumar	Chairman
2. Sri K. Sridhar	Member
3. Sri T.V.S. Jawaharlal Nehru	Member

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c) Meetings and Attendance of the Audit Committee during the year

A total of 4 meetings were held during the financial year from 01.04.2013 to 31.03.2014 on 27.04.2013, 25.07.2013, 29.10.2013 and 27.01.2014

All the Members and the Chairman attended all the meetings.

**IV. SHAREHOLDERS COMMITTEE :**

The Board has constituted the Shareholders committee which looks into

shareholders and investors grievances. The following are the members of the Committee.

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1.	Sri Pradeep Kumar	-	Chairman
2.	Sri K. Sridhar	-	Member
3.	Sri T.V.S. Jawaharlal Nehru	-	Member

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During the year 2013-14, a total number of 2,000 Shares were transferred and as at 31st March, 2014 there are No Equity shares pending for transfer.

There are no complaints received during the year under review and as on 31st March, 2014, there are no complaints that are pending. Since the company has an in-house secretarial department, in addition to the common agency for transfers, the shareholders grievances, if any are promptly attended to.

Name of the compliance Officer : Ch. V. Narasimha Rao

#### V. GENERAL BODY MEETINGS :

The Location and Time of the Annual General Meetings held during the last 3 years are as follows:

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AGM	Date	Time	Venue	No.of Special Resolution
21 <sup>st</sup>	07.07.2011	10.00 A M	D.No.54-15-3, Ring Road, Vijayawada	Nil
22 <sup>nd</sup>	06.07.2012	10.00 A M	D.No.54-15-3, Ring Road, Vijayawada	Nil
23 <sup>rd</sup>	10.07.2013	10.00 A M	D.No.54-15-3, Ring Road, Vijayawada	Nil

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For the year ended 31st March, 2014 there have been no ordinary or special resolutions passed by the Company's shareholders through postal ballot.

#### VI. DISCLOSURES :

- There are no non-compliances by the Company, penalties strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- No personnel has been denied direct access to the Audit Committee.

- c) All the mandatory requirements with respect to Corporate Governance (Clause 49 of listing agreement) are complied with.

**VII. MEANS OF COMMUNICATION :**

The unaudited quarterly and annual financial results are sent to all the stock exchanges where the shares of the Company are listed. The results are also published in News Papers.

**VIII. MANAGEMENT DISCUSSION AND ANALYSIS :**

a) **INDUSTRY STRUCTURE AND DEVELOPMENT :**

With the entry of Banking Companies into Non-banking Sector and the strict controls imposed by the Apex Bank, the NBFC sector is struggling for existence. The future of these Companies seems to be grim except for a few who have strong investor confidence and support. There shall be no development unless these Companies diversify to other fund/non-fund based activities.

b) **OPPORTUNITIES AND THREATS :**

At present there seems to be no good opportunities for NBFCs in future.

c) **SEGMENT WISE PERFORMANCE :**

The Company is engaged in the Hire Purchase loans and advances segment, the performance of which was discussed earlier in the report.

d) **RISKS AND CONCERNS :**

RISK OF DELAYED RECEIPT OF INSTALLMENTS:

In case of delayed receipts of installment amounts of the hire purchase finance given, the funds of the Company get blocked resulting in high non-performing assets.

To mitigate this risk, the Company is trying to put pressure on the delayed payers for payment of installments and in inevitable cases legal action is also being initiated.

RISK OF INSOLVENCY OF THE BORROWERS:

Where the borrower becomes insolvent, and is unable to clear the loan, the same becomes a bad debt and the total loan amount and the interest accrued thereon becomes a charge on the income generated by other good transactions.

To mitigate this risk, the company follows a very conservative policy of lending.

e) **INTERNAL CONTROL SYSTEMS :**

The Company has an adequate system of internal control and management with respect to disbursement of loans and follow-up action for collection of installments.

f) **HUMAN RESOURCES :**

There are no significant developments in this front during the year under review.

**IX. GENERAL SHAREHOLDERS' INFORMATION :**

- i) AGM Date, time and Venue : 07<sup>th</sup> July, 2014 at 10.00 A.M.  
D.No. 54-15-3, Ring Road  
VIJAYAWADA – 8.
- ii) Financial Year : 2013-14
- iii) Date of Book Closure : 3rd July, 2014 to 07<sup>th</sup> July, 2014  
(Both days inclusive)
- iv) Dividend Payment Date : Not Applicable
- v) Listing on Stock Exchanges : Bombay Stock Exchange Limited
- vi) Stock Code : SWRNASE

vii) **Market Price Data**

	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
High	00.00	00.00	00.00	00.00	00.00	00.00	11.41	09.00	10.41	11.29	11.02	10.47
Low	00.00	00.00	00.00	00.00	00.00	00.00	09.00	8.00	09.00	10.10	09.98	09.50

viii) Performance in comparison to Broad based indices

- ix) Registrar & Transfer Agents : M/s Aarthi Consultants Private Limited,  
1-2-285, Domalguda, Hyderabad- 29
- x) Share transfer System : Transfers and dematerialization are  
handled by the Transfer Agents.
- xi) Distribution of shareholding :

Slab of share holding	Share holders	Percentage	No.of shares	Percentage
0-500	384	62	106145	4
501-1000	117	19	99835	3
1001-2000	56	9	85337	3
2001-3000	18	3	46500	2
3001-4000	10	2	35700	1
4001-5000	8	1	36000	1
5001-10000	8	1	64104	2
10001 and above	17	3	2526379	84
<b>TOTAL</b>	<b>618</b>	<b>100</b>	<b>3000000</b>	<b>100</b>

- xii) Dematerialisation of Shares : As on 31.03.2014 a total number of and liquidating 2307750 shares have been dematerialized.
- xiii) Outstanding GDRs/ADRs/ Warrants or any Convertible Debentures : The Company has not issued any GDRS/ADRs/ warrants or any convertible instruments.
- xiv) Plant Location : Not Applicable
- xv) Address for Correspondence : Swarna Securities Limited  
II Floor, Swarnalok Complex  
Governorpet, VIJAYAWADA - 520 002.

**AUDITOR'S REPORT ON CORPORATE GOVERNANCE**

To

**The Members**

**SWARNA SECURITIES LIMITED.**

We have examined the compliance of conditions of Corporate Governance by Swarna Securities Limited for the year ended 31<sup>st</sup> March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Bombay Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the Company as per records maintained by the Shareholders / Investor's Grievances Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

PLACE: Vijayawada

DATE : 09.06.2014

**For SESHADRY & COMPANY**

**Chartered Accountants**

**FRN: 004993S**

**(L.S.RAJENDRA)**

**Partner**

**M.No.216211**

**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
Swarna Securities Limited.

**Report on the Financial Statements :**

We have audited the accompanying financial statements of M/s Swarna Securities Limited, (the 'Company'), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements :**

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

**Auditor's Responsibility :**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



**Opinion :**

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 (the 'Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place: VIJAYAWADA

Date : 09.06.2014

for **SESHADRY & COMPANY**

Chartered Accountants

FRN : 004993S

(sd) **L.S. RAJENDRA**

Partner

M.No.216211

**ANNEXURE**

(Referred to in our Report of even date)

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verifications.
- (c) The Company has not disposed off any of its fixed assets so as to affect its going concern status.
- ii) (a) The nature of business of the Company does not involve holding inventories of finished goods, stores, spare parts or raw materials.
- (b) Not Applicable.
- (c) Not Applicable
- iii) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has neither taken nor granted any loans, secured or unsecured from or to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 or from companies under the same management as defined under sub-section (1B) of section 370 of the Companies Act, 1956.
- iv) In our opinion, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of consumables, plant and machinery, equipment and other assets; and there is no continuing failure to correct any weaknesses in the internal controls.
- v) (a) According to the information and explanations given to us and as per the records of the Company examined by us the Company has not entered into any transaction, that needs to be entered into the register in pursuance of section 301 of the Companies Act, 1956.
- (b) Not Applicable.
- vi) The Company has neither accepted nor held any public deposits during the year under audit. Therefore, the provisions of sections 58A and 58AA of the Companies Act, 1956, and the rules made thereunder are not applicable.

- vii) In our opinion the Company has an internal audit system commensurate with its size and the nature of its business.
- viii) The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the activities of the company.
- ix) As per the records of the Company examined by us and the information and explanations given to us, the Company has generally been regular in depositing statutory dues with the appropriate authorities and there are no undisputed amounts payable in respect of any statutory dues outstanding as at the date of the Balance Sheet for a period more than six months from the date they became payable.
- x) The accumulated losses of the Company as at the end of the financial year are less than fifty percent of the net worth of the Company and the Company has not incurred cash losses during the financial year under audit or the immediately preceding financial year.
- xi) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not defaulted in repayment of any dues either to its debenture holders.
- xii) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- xiii) According to the information and explanations given to us the provisions of any special statute applicable to chitfund, nidhi or mutual benefit society are not applicable to the Company during the year.
- xiv) In our opinion, the Company has maintained proper records of the transactions and contracts in respect of trading in shares, securities, debentures and other securities; and timely entries have been made therein. All shares, securities, debentures and other investments are held by the Company in its own name.
- xv) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not given any guarantee in respect of loans taken by others from banks or financial institutions.

- xvi) As per the records of the Company examined by us, the Company has not obtained any term loans during the year under audit.
- xvii) The amounts raised by the Company by the issue of secured redeemable debentures has been utilised for the purpose of lending moneys in the course of the business of the Company and not for the purpose of any long term investment.
- xviii) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not made any allotment of shares, preferential or otherwise, during the year.
- xix) The Company has created security in respect of the redeemable debentures issued, by way of a floating charge on stock on hire and lease receivables not specifically charged to the Company's Bankers; and other loans.
- xx) The Company has not raised any money by public issue during the year under audit.
- xxi) No fraud on or by the Company has been noticed or reported during the year in the course of our audit.

Place: VIJAYAWADA  
Date : 09.06.2014

**for SESHADRY & COMPANY**  
Chartered Accountants  
FRN : 004993S

(sd) **L.S. RAJENDRA**  
Partner  
M.No. 216211

**BALANCE SHEET AS AT 31st MARCH, 2014**

PARTICULARS	Note No	As at 31-03-2014	As at 31-03-2013
<b>A. EQUITY AND LIABILITIES</b>			
<b>1. SHAREHOLDERS' FUNDS</b>			
(a) Share Capital	1	3,00,00,000	3,00,00,000
(b) Reserves & Surplus	2	-38,15,955	-11,86,790
<b>2. NON - CURRENT LIABILITIES</b>			
(a) Long-Term provisions	3	71,67,084	31,93,802
<b>3. CURRENT LIABILITIES</b>			
(a) Short-term borrowings	4	2,99,5000	58,65,000
(b) Other current liabilities	5	2,68,318	3,60,180
(c) Short-term provisions	6	8,50,000	4,20,000
<b>TOTAL</b>		<b>3,74,64,447</b>	3,86,52,192
<b>B. ASSETS</b>			
<b>1. NON - CURRENT ASSETS</b>			
(a) Fixed Assets			
(i) Tangible Assets	7	1,34,17,414	1,39,62,435
(b) Deferred tax assets (net)	8	67,350	67,350
(c) Long-term loans and advances	9	15,22,493	15,72,493
<b>2. CURRENT ASSETS</b>			
(a) Current Investments	10	6,09,746	6,09,746
(b) Trade receivables	11	2,02,93,792	2,03,91,418
(c) Cash and cash equivalents	12	9,21,890	17,22,038
(d) Other current assets	13	6,31,762	3,26,712
<b>TOTAL</b>		<b>3,74,64,447</b>	3,86,52,192

as Per our Report of even date  
For SESHADRY & COMPANY  
Chartered Accountants  
FRN : 004993S

(sd) **L. S. RAJENDRA**  
Partner  
M.No. 216211

For and on behalf of the Board  
(sd) **M. MURALI KRISHNA**  
Managing Director

(sd) **M. V. N. S. SUSHMA**  
Director

Place: VIJAYAWADA  
Date : 09.06.2014

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2014

PARTICULARS	NOTE NO.	FOR THE Y.E. 31/03/14	FOR THE Y.E. 31/03/13
1. Revenue from operations	14	26,30,812	21,95,476
2. Other Income	15	2,67,172	36,894
3. Total revenue (1+2)		<b>28,97,984</b>	22,32,370
4. Expenses			
Changes in inventory of shares in trade	16	0	0
Employee benefits expense	17	1,86,000	1,86,000
Finance costs	18	5,30,988	6,85,412
Depreciation and amortisation expense	7	34,263	44,913
Administration and other expenses	19	2,04,390	1,87,311
Provisions and write-offs	20	39,73,282	5,30,891
Total Expenses		<b>49,28,923</b>	16,34,527
5. Profit / (Loss) before tax (3-4)		<b>-20,30,939</b>	5,97,843
6. Tax Expense			
a) Current tax expense for current year		6,00,000	2,50,000
b) Current tax expense relating to prior year		-1,774	-15,244
c) Net current tax expense		5,98,226	2,34,756
d) Deferred tax		0	0
7. Profit / (Loss) for the year		<b>-26,29,165</b>	3,63,087
8. Earnings per equity share of Rs.10/- each			
1) Basic		0	0.12
2) Diluted		0	0.12

as Per our Report of even date  
For SESHADRY & COMPANY  
Chartered Accountants  
FRN : 004993S

(sd) **L. S. RAJENDRA**  
Partner  
M.No. 216211

For and on behalf of the Board  
(sd) **M. MURALI KRISHNA**  
Managing Director

(sd) **M. V. N. S. SUSHMA**  
Director

Place: VIJAYAWADA  
Date : 09.06.2014

**NOTES TO FINANCIAL STATEMENTS**

As at 31/03/14

As at 31/03/13

**Note - 1 : Share Capital****Authorised**

36,00,000 Equity Shares of Rs. 10/-each      3,60,00,000      3,60,00,000

**Issued, Subscribed & Paid - up**

30,00,000 Equity Shares of Rs. 10/-each      3,00,00,000      3,00,00,000

(The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding)

**Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.**

As at 31/03/14

As at 31/03/13

S.L No.	NAME OF THE SHARE HOLDER	No. of Shares held	%age of holding	No. of Shares held	%age of holding
1.	M. Muralikrishna	718750	23.96 %	718750	23.96 %
2.	Siva Credits (P) Ltd.	473200	15.77 %	473200	15.77 %
3.	APIDC Ltd.	250000	8.33 %	250000	8.33 %
4.	M.V.N.S. Sushma	237400	7.91 %	237400	7.91 %
5.	P. Kasturi	230400	7.68 %	230400	7.68 %

**Note - 2 : Reserves and Surplus****A. General Reserve**

Balance as per last account      805000      805000

**B. Reserve Fund**

Opening Balance      1947000      1827000

Add : Transferred during the year      0      120000

Closing Balance      **1947000**      **1947000****C. Surplus**

Opening Balance      -3938790      -4148795

Add / (Less) : Net profit/(Loss) for the year      -2629165      363087

Transfer to Reserve Fund      0      120000

Closing balance      **-6567955**      **-3938790****Total**      **-3815955**      **-1186790**

**NOTES TO FINANCIAL STATEMENTS**

As at 31/03/14 As at 31/03/13

**Note - 3 : Long Term Provisions**

Standard Assets	32900	33082
Provision for Non-Performing Assets on :		
Hire Purchase	554755	554755
Hypothecation Loans	1131929	565965
Other Loans	5447500	2040000
	<b>7167084</b>	<b>3193802</b>

**Note - 4 : Short Term Borrowings****Secured**

Secured Redeemable Debentures (Series - AG)	2225000	
Secured Redeemable Debentures (Series - AH)	770000	
	<b>2995000</b>	<b>5865000</b>

(Secured by floating charge on stock on hire, lease receivables and other loans)

**Note - 5 : Other Current Liabilities**

Sundry Creditors	70000	70000
Interest accrued on debentures	198318	290180
	<b>268318</b>	<b>360180</b>

**Note - 6 : Short Term Provisions**

Provision for Taxation	850000	420000
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**Note - 8 : Deferred Tax Assets**

Balance as per last account	67350	67350
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**Note - 9 : Long Term Loans & Advances**

Telephone Deposit	4000	4000
Electricity Deposit	58493	58493
Advance for Land	1460000	1510000
	<b>1522493</b>	<b>1572493</b>



**NOTES TO FINANCIAL STATEMENTS**

**NOTE - 7 : FIXED ASSETS**

NAME OF THE ASSET	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	Cost 31.03.12	Additions	Sale/ TFR	Total Cost	Rate %	Upto 31.03.12	For the Year	Sale/ TFR	Total 31.03.13	W.D.V. 31.03.13	W.D.V. 31.03.14
LAND	13714472	848170	1358928	13203714	0.00%	0	0	0	0	13714472	13203714
BUILDING	298141		0	298141	5.00%	163971	6709	0	170680	134170	127462
COMPUTERS	264705	0	0	264705	40.00%	251889	5126	0	257015	12816	7690
FURNITURE & FITTINGS	609590	0	0	609590	18.10%	586372	4202	0	590574	23218	19016
VEHICLES	811942	0	0	811942	25.89%	748824	16189	0	765013	63118	46929
PLANT & MACHINERY	165086	0	0	165086	13.91%	150445	2037	0	152482	14641	12605
<b>OWN ASSETS</b>	<b>15863936</b>	<b>848170</b>	<b>1358928</b>	<b>15353178</b>		<b>1901501</b>	<b>34263</b>	<b>0</b>	<b>1935764</b>	<b>13962435</b>	<b>13417414</b>

**NOTES TO FINANCIAL STATEMENTS**

As at 31/3/14 As at 31/3/13

	No.	Rs.	Rs.
<b>Note - 10 : Current Investments</b>			
<b>Equity Shares - Quoted</b>			
H.D.F.C. Bank Ltd.	1200	12000	12000
Infobhn Technologies Ltd.,	200	1080	1080
Kinetic finance Limited	66	1	1
Natco Laboratories Ltd.	80	1	1
Nicco Uco Alliance Credit Limited	100	1	1
Raghava Estates Ltd.,	1000	1	1
Sri Vani Sugars Ltd.,	200	1	1
Tata Iron & Steel Company Ltd.,	23	2246	2246
The Andhra Sugars Ltd.,	500	10750	10750
The K.C.P. Ltd.	500	725	725
K.C.P. Sugar & Industries Corporation Ltd.,	500	800	800
Vantel Technologies Ltd.,	300	840	840
		<b>28446</b>	<b>28446</b>
<b>Mutual Funds - Quoted</b>			
Taurus Star share Mutual Fund	400	1300	1300
PNB - Mutual Fund		30000	30000
		<b>31300</b>	<b>31300</b>
<b>EQUITY SHARES - UN-QUOTED</b>			
Siva Credits Private Ltd.	55000	550000	550000
		<b>550000</b>	<b>550000</b>
		<b>609746</b>	<b>609746</b>
<b>Note - 11 : Trade Receivables</b>			
Stock on Hire as per Hire Purchase Agreements			
Doubtful		554755	554755
Hypothecation Loans - Doubtful		1131929	1131929
Other Loans - Standard		13159608	13232734
Sub-standard		0	500000
Doubtful		5447500	4972000
		<b>18607108</b>	<b>18704734</b>
		<b>20293792</b>	<b>20391418</b>

**NOTES TO FINANCIAL STATEMENTS**

As at 31/3/14 As at 31/3/13

**Note - 12 : Cash & Cash Equivalents**

Cash on hand	591905	55195
Cash at banks	329985	1666843
	<b>921890</b>	<b>1722038</b>

**Note - 13 : Other Current Assets**

Income tax paid in advance & TDS	401762	326712
Sundry Debtors considered good	230000	0
	<b>631762</b>	<b>326712</b>

**Note - 14 : Revenue from Operations**

Interest on Others Loans	<b>2210860</b>	2195476
Profit on Sale of Asset	419952	0
	<b>2630812</b>	<b>2195476</b>

**Note - 15 : Other Income**

Dividends	<b>37172</b>	31003
Interest on IT refund	0	5891
Agricultural Income	<b>110000</b>	0
Rent Received	<b>120000</b>	0
	<b>262172</b>	36894

**Note - 16 : Changes in Stock-in-trade**

Opening Stock	<b>609746</b>	609746
Add : Purchases	0	0
	<b>609746</b>	609746
Less : Closing Stock	<b>609746</b>	609746
Cost of Shares Sold	0	0

**Note - 17 : Employee Benefit Expenses**

Salaries	<b>186000</b>	186000
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**Note - 18 : Finance Costs**

Interest on Debentures	<b>530988</b>	685412
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## NOTES TO FINANCIAL STATEMENTS

	FOR THE Y.E. 31/03/14	FOR THE Y.E. 31/03/13
<b>Note - 19 : Administrative &amp; Other Expenses</b>		
Fees, Licences & Taxes	115227	78863
Postage and Telephones	3561	3112
Conveyance and Travelling	17330	15105
Printing and Stationery	9246	4162
Audit Fee - Satutory	20000	20000
Bank Charges	150	300
Legal Charges	1990	11450
Advertisement	21635	15492
Miscellaneous Expenditure	12851	4767
Repairs & Maintenance	2400	500
Insurance	0	670
Loss on Sale of asset	0	32890
	204390	187311

**Note - 20 : Provisions & Write Offs**

Provison / (Reversed) for NPAs	3973282	201944
Bad Debts written off	0	328947
	3973282	530891

**NOTE-21****NOTES ON ACCOUNTS****SIGNIFICANT ACCOUNTING POLICIES:****1) INCOME RECOGNITION:**

- a) The Company recognises Hirepurchase Finance Charges, Interest on Hypothecation Loans on equal spread method and interest on loans on accrual basis.
- b) In pursuance to the Non-Banking Finance Companies Prudential Norms (Reserve Bank) Directions, 1998, the income on Hire Purchase, Lease and other Loan Accounts which have been classified as Non-Performing Assets has been accounted for on realisation basis.
- c) Additional Finance Charges and Dividends are accounted for as and when received. Dividend on Chit Subscription is accounted for on due basis.

**2) FIXED ASSETS:**

All the Fixed Assets including assets given on lease are stated in the Balance Sheet at cost less accumulated depreciation. Cost of acquisition of fixed assets is inclusive of insurance, compensation charges, freight, duties, taxes and cost of installation as applicable.

**3) DEPRECIATION:**

Depreciation is provided on Written Down Value Method at the rates specified in Schedule XIV to the Companies Act, 1956.

**4) INVESTMENTS:** Investments are stated at cost.**5) STOCK OF SHARES IN TRADE:**

Stocks of shares in trade, where quoted, are valued scrip-wise at cost or market value as per quotations available as on the Balance Sheet date, whichever is less. Unquoted equity shares are valued at cost or break-up value, whichever is lower. Where the balance sheet of the invested company is not available, such shares are valued at one rupee.

**6) CONTINGENT LIABILITIES:**

There are no contingent liabilities.

**7) The Balances on account of Lease, Hire Purchase, Other Debtors and Sundry Creditors are subject to confirmation. There are no dues to any SSI as on 31.03.2014.****8) MANAGERIAL REMUNERATION:** No Remuneration is paid to the Managing Director.**9) PROVISION FOR NON-PERFORMING ASSETS:**

In pursuance to the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 provision for NPAs amounting to Rs. 39.73 Lakhs was made during the year 2013-14.

**NOTES ON ACCOUNTS (Contd.)****10) TRANSFER TO RESERVE FUND: Nil**

- 11) The difference between the net profit as shown in the Profit & Loss Account and the net income as per the Income Tax Act, 1961 not being substantial, no deferred tax asset has been recognized for the year.

**12) SEGMENT REPORTING:**

The Company, as of now, is engaged only in finance business. As such the Company's activity falls within a single business and therefore there are no additional disclosures to be provided under Accounting Standard (AS-17) "Segment Reporting", other than those already provided in the financial statements.

**13) RELATED PARTY TRANSACTIONS:**

There are no transactions during the year with any of the related parties, to be disclosed in accordance with the Accounting Standard AS-18: "Related Party Disclosures" issued by The Institute of Chartered Accountants of India.

**14) EARNING PER SHARE:**

In determining earnings – per share, the Company considers the net profit after tax and includes the post tax effect of any extra-ordinary/exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

- 15) There was no expenditure on employees who are in receipt of remuneration in excess of the amounts prescribed under Sec. 217(2A) of the Companies Act, 1956.

- 16) There was no consumption of imported raw materials, components or spare parts during the year.

- 17) There was no expenditure in foreign currency during the year.

- 18) There were no earnings in foreign currency.

- 19) Previous Year's Figures are regrouped wherever necessary

- 20) Paises are rounded off to the nearest rupee.

Note 1 to 21

*Per our report of even date*

For **SESHADRY & COMPANY**

**CHARTERED ACCOUNTANTS**

FRN : 004993S

**L.S. RAJENDRA**

Partner

M.No. 216211

*For and on behalf of the Board*

(Sd) **M. MURALI KRISHNA**

Managing Director

(Sd) **M.V.N.S. SUSHMA**

Director

**Schedule Under Paragraph 9BB of Non - Banking Financial Companies  
Prudential Norms (Reserve Bank) Directions, 1998**

**Rs. in Lakhs**

PARTICULARS	AMOUNT OUTSTANDING	AMOUNT OVERDUE
<b>LIABILITIES SIDE:</b>		
<b>1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :</b>		
a) Debentures : Secured	<b>31.93</b>	0.00
Unsecured	0.00	0.00
(other than falling within the meaning of public deposits) *	0.00	0.00
b) Deferred Credits	0.00	0.00
c) Terms Loans	0.00	0.00
d) Inter-corporate loans and borrowings	0.00	0.00
e) Commercial Paper	0.00	0.00
f) Public Deposits	0.00	0.00
g) Other Loans	0.00	0.000
* Please see Note 1 below		
<b>2) Break - up of (1) (f) above (outstanding public deposits inclusive of interest accrued thereon but not paid)</b>		
a) In the form of Unsecured debentures	0.00	0.00
b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value in the value of security	0.00	0.00
c) Other Public Deposits	0.00	0.00
<b>ASSETS SIDE</b>		
<b>3) Break-up of Loans and Advances including bills receivables (other than those included in (4) below)</b>		
a) Secured		187.68
b) unsecured		0.00
<b>4) Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL / HP activities</b>		
(i) Lease assets including lease rentals under sundry debtors :		
a) Financial Lease		0.00
b) Operating Lease		0.00
(ii) Stock on hire including hire charges under sundry debtors		
a) Assets on hire		7.40
b) Repossessed Assets		0.00
(iii) Hypothecation loans counting towards EL/HP activities		
a) Loans where assets have been repossessed		0.00
b) Loans other than (a) above		15.55

<b>5) Break - up of Investments</b>		
<b>Current Investments</b>		
<b>1. Quoted</b>		
i) Shares	a) Equity	0.28
	b) Preference	0.00
ii) Debentures and Bonds		0.00
iii) Units of mutual funds		0.31
iv) Government Securities		0.00
v) Others (please Specify)		0.00
<b>2) Un-quoted</b>		
i) Shares	a) Equity	5.50
	b) Preference	0.00
ii) Debentures and Bonds		0.00
iii) Units of mutual funds		0.00
iv) Government Securities		0.00
v) Others (please Specify)		0.00
<b>Long Term investments :</b>		
<b>1) Quoted</b>		
i) Shares	a) Equity	0.00
	b) Preference	0.00
ii) Debentures and Bonds		0.00
iii) Units of mutual funds		0.00
iv) Government Securities		0.00
v) Others (please Specify)		0.00
<b>2) Un-quoted</b>		
i) Shares	a) Equity	0.00
	b) Preference	0.00
ii) Debentures and Bonds		0.00
iii) Units of mutual funds		0.00
iv) Government Securities		0.00
v) Others (please Specify)		0.00



**6. Borrower group - wise classification of all leased assets, stock-on-hire and loans and advances :**

Category	Amount of Provision		
	Secured	UnSecured	Total
1) Related Parties			
a) Subsidiaries	0.00	0.00	0.00
b) Companies in the same group	0.00	0.00	0.00
c) Other related parties	0.00	0.00	0.00
2) Other than related parties	131.27	0.00	131.27
<b>Total</b>	<b>131.27</b>	<b>0.00</b>	<b>131.27</b>

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

CATEGORY	Market Value/ Break-up or fair value or NAV	BOOK VALUE (NET OF PROVISIONS)
1. Related Parties		
a) Subsidiaries	0.00	0.00
b) Companies in the same group	5.50	5.50
c) Other related parties	0.00	0.00
2) Other than related parties	0.60	0.60
<b>Total</b>	<b>6.10</b>	<b>6.10</b>

**8) Other Information**

Particulars	Amount
i) Gross Non-Performance	
a) Related Parties	0.00
b) Other than related parties	71.34
ii) Net Non - Performing Assets	
a) Related Parties	0.00
b) Other than related parties	0.00
iii) Assets acquired in satisfaction of debt	0.00

**CASH FLOW STATEMENT FOR THE YEAR 2013 - 14**

	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax and Extraordinary Items :		-2030939
Adjustment for :		
Depreciation	34263	
Lease Equalisation Account	0	
Preliminary Expenses written off	0	
Foreign Exchange	0	
Investments	0	
Profit / Loss on sale of Shares	0	
Profit / Loss on sale of Assets	419952	
Interest / Dividend	-37172	
	-----	
		<b>417043</b>
		-----
<b>Operating Profit before working Capital Changes</b>		<b>-1613896</b>
Adjustment for :		
Trade and other receivables	4070908	
Inventories	0	
Trade Payable	0	
	-----	
		4070908
		-----
<b>Cash Generated from operations</b>		<b>2457012</b>
Interest Paid	0	
Direct Taxes paid / Refund	168226	
	-----	
		<b>168226</b>
		-----
<b>Cash Flow before Extraordinary Items</b>		<b>2288786</b>
Extraordinary Items		0
		-----
<b>Net Cash Flow from operating Activities</b>		<b>2288786</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchases of Fixed Assets	-848170	
Sale of Fixed Assets	938976	
Hirepurchase Disbursements	0	
Acquisition of Companies	0	
Purchase of Shares	0	
Sales of Shares	0	
Interest received	0	
Dividend Received	<b>37172</b>	
<b>Net cash used in investing Activites</b>		<b>127978</b>

**CASH FLOW STATEMENT FOR THE YEAR 2013 - 14**

	Rs.	Rs.
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Share capital	0	
Proceeds from long term borrowing	-2870000	
Repayment of finance / Lease liabilities	0	
Increase in other borrowings	0	
Dividend paid	0	
Public issue expenditure	0	
	-----	
Net Cash used in Financing Activities		<b>-2870000</b>
		-----
Net Increase in cash and cash equivalents		-453236
Cash & Cash Equivalents as at 01.04.2013 (Opening Balance)		3328413
Cash & Cash Equivalents as at 31.03.2014 (Closing Balance)		2875177
	<b>2013-14</b>	<b>2012-13</b>
Cash on Hand	<b>921890</b>	1722038
Deposits & other investments	<b>0</b>	0
Sundry Debtors	<b>0</b>	0
Loans & Advances	<b>2221605</b>	1966555
	-----	-----
Less : Current Liabilities	3143495 268318	3688593 360180
	<b>2875177</b>	<b>3328413</b>
	-----	-----

**SWARNA SECURITIES LIMITED**

Regd. Office: II Floor, Swamalok Complex, Vijayawada - 520 002

**ATTENDANCE SLIP**

NAME OF THE SHAREHOLDER * / PROXY *	FOLIO NO.	NO.OF SHARES HELD

I hereby record my presence at the 24th Annual General Meeting held at Vijayawada, Andhra Pradesh on Monday, the 07th Day of July, 2014 at D.No.54-15-3, Srinagar Colony, Ring Road, Vijayawada-8 at 10.00 A.M.

SIGNATURE OF THE SHAREHOLDER / PROXY

\* Strike out whichever is not applicable.

NOTE: Please handover the slip at the entrance of the Meeting Venue.

**SWARNA SECURITIES LIMITED**

Regd. Office: II Floor, Swarnalok Complex, Governorpet, Vijayawada - 520 002

**PROXY FORM**

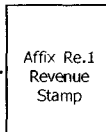
I/We .....  
of ..... in the District of .....  
being a Member(s) of the above named Company hereby appoint  
..... of ..... or failing him  
..... of ..... in  
the district of ..... as my/our proxy to attend and vote  
for me/us on my/our behalf at the 24th Annual General Meeting of the Company to be held  
on Monday, the 07th Day of July, 2014 at D.No.54-15-3, Srinagar Colony, Ring Road,  
Vijayawada-8 at 10.00 A.M.

Signed at ..... this ..... day of .....2014.

Folio No.

Number of Shares held :

Signature : .....



- NOTE: 1. The Proxy need not be a member.  
2. The form of proxy, duly signed across Re.1/- Revenue Stamp should reach the Company, not less than 48 hours before the time fixed for the meeting.

