



SHARDUL SECURITIES LIMITED

CIN : L50100MH1985PLC036937

G 12, Tulsiani Chambers, Nariman Point, Mumbai - 400 021

Tel. : 91 22 4009 0500 Fax : 91 22 2284 6585

Email id : investors@shriyam.com Website : www.shardulsecurities.com

Date: 7th September 2020.

To,
Corporate Relationship Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai -400001.

Sub.: Copy of the Annual Report for the Financial Year 2019-2020

Ref.: 1. Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

2. Scrip Code: 512393

Dear Sir/Madam,

As required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we submit herewith the Annual Report of the Company for the Financial Year 2019-2020.

Please take the above submission on record

FOR SHARDUL SECURITIES LIMITED

DAYA BHALIA
DIRECTOR AND COMPANY SECRETARY

Encl: As Above

SHARDUL SECURITIES LIMITED



35TH ANNUAL REPORT 2019 - 2020

Regd. Office:
G-12, Tulsiani Chambers 212,
Nariman Point, Mumbai - 400 021.

SHARDUL SECURITIES LIMITED

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BOARD OF DIRECTOR

R. Sundaresan	- Executive Chairman
Charul Abuwala	- Independent Director
Devesh Vasavada	- Independent Director
Lalit Shah	- Independent Director
Yogendra Chaturvedi	- Executive Director and Chief Executive Officer
Daya Bhalia	- Executive Director and Company Secretary
Prashant Chaturvedi	- Chief Financial Officer

Contents	Page No.
Information about the Company	1
Notice of Annual General Meeting	2
Director's Report	11
Report on Corporate Governance	26
Independent Auditors' Report on Standalone Financial Statement	40
Balance Sheet	47
Statement of Profit & Loss	48
Statement of Changes in Equity	49
Cash Flow Statement	50
Significant Accounting Policies	51
Notes on Financial Statement.....	60
Independent Auditors Report on Consolidated Financial Statement ..	90
Consolidated Balance Sheet / Statement of Profit & Loss, Statement of Changes in Equity, Cash Flow statement, Notes on Consolidated Financial Statement and Significant Accounting Policies on Consolidated Accounts	95

AUDITOR:
M/s. J. Kala & Associates
BANKER:

HDFC Bank Limited

REGISTERED OFFICE:

G-12, Tulsiani Chambers,
212, Nariman Point, Mumbai 400 021
Tel. No.: 40090500
Fax No.: 22846585
Website: www.shardulsecurities.com
E Mail: investors@shriyam.com

SUBSIDIARY COMPANIES:
Shriyam Broking Intermediary Limited

712-713, Tulsiani Chambers,
212, Nariman Point, Mumbai 400 021

Shriyam Realtors Private Limited

9 Metro Commercial Centre 1st Floor,
Behind Gujrat High Court, Ashram Road,
Ahmedabad GJ 380009 IN

REGISTRARS AND SHARE TRANSFER AGENT
Link Intime India Private Limited

Address: C-101, 247 Park,
LBS Marg, Vikhroli West,
Mumbai - 400 083
Tel. No.: +91 22 49186270
Fax: +91 22 49186060
E mail: rnt.helpdesk@linkintime.co.in

NOTICE

NOTICE is hereby given that the Thirty-Fifth Annual General Meeting of the Members of Shardul Securities Limited will be held on Tuesday, 29th September 2020 at 4:00 p.m. through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2020, the Statement of Profit & Loss and cash flow statement for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. R Sundaresan (DIN: 00029840), who retires by rotation and being eligible, offers himself for re-appointment.

AS SPECIAL BUSINESS:

3. **Re-appointment of Mr. Devesh Vasavada (DIN: 00273128) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass, the following resolution as Special Resolution:**

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their meetings held on 29th June, 2020 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. Devesh Vasavada (DIN: 00273128) who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a Second term for a period of further 5 years for a term beginning from 5th February 2021 to 4th February 2026.”

“RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised ‘Committee’ thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

4. **Re-appointment and payment of remuneration to Mr. R Sundaresan as Whole-time Director designated as Chairman & Executive Director (DIN: 00029840), of the Company and in this regard to consider and if thought fit, to pass, the following resolution as Special Resolution:**

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their meetings held on 29th June, 2020 and pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the Members of the Company be and is hereby accorded for the continuation of office of Mr. R Sundaresan (DIN: 00029840), who is seventy five years of age, as a Whole time Director, designated as Executive Director and Chairman, liable to retire by rotation, for further period of three years, with effect from 16th June 2021 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with right to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be mutually agreed, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT when in any financial year, the Company has no profits or its profits are inadequate during the tenure of services of Mr. R Sundaresan (DIN: 00029840), the remuneration including the perquisites as may be approved by the Nomination and Remuneration Committee shall be paid to Mr. R Sundaresan (DIN: 00029840) in accordance with the applicable provisions of the Companies Act, 2013 read with the Rules thereunder and Schedule V of the Companies Act, 2013.

“RESOLVED FURTHER THAT any of the Director or Company Secretary of the Company, be and are hereby authorized to do such act, deeds, things and to file necessary e – forms with the concerned Registrar of Companies, to give effect to the aforementioned resolution.”

5. **Re-appointment and payment of remuneration to Mr. Yogendra Chaturvedi as Whole-time Director designated as Executive Director & Chief Executive officer (DIN: 00013613), of the Company and in this regard to consider and if thought fit, to pass, the following resolution as Special Resolution:**

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their meetings held on 29th June, 2020 and pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the Members of the Company be and is hereby accorded for the continuation of office of Mr. Yogendra Chaturvedi (DIN: 00013613), as a Whole time Director, designated as Executive Director and Chief Executive Officer, liable to retire by rotation, for further period of five years, with effect from 5th February 2021 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with right to the Board of Directors (hereinafter referred to as “the Board”

which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be mutually agreed, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT when in any financial year, the Company has no profits or its profits are inadequate during the tenure of services of Mr. Yogendra Chaturvedi (DIN: 00013613), the remuneration including the perquisites as may be approved by the Nomination and Remuneration Committee shall be paid to Mr. Yogendra Chaturvedi (DIN: 00013613) in accordance with the applicable provisions of the Companies Act, 2013 read with the Rules thereunder and Schedule V of the Companies Act, 2013.

“RESOLVED FURTHER THAT any of the Director or Company Secretary of the Company, be and are hereby authorized to do such act, deeds, things and to file necessary e – forms with the concerned Registrar of Companies, to give effect to the aforementioned resolution.”

6. Re-appointment and payment of remuneration to Ms. Daya Bhalia as Whole-time Director designated as Executive Director (DIN: 07049483), of the Company and in this regard to consider and if thought fit, to pass, the following resolution as Special Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the Members of the Company be and is hereby accorded for the continuation of office of Ms. Daya Bhalia (DIN: 07049483), as a Whole time Director, designated as Executive Director, liable to retire by rotation, for further period of five years, with effect from 14th November 2020 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with right to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be mutually agreed, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT when in any financial year, the Company has no profits or its profits are inadequate during the tenure of services of Ms. Daya Bhalia (DIN: 07049483), the remuneration including the perquisites as may be approved by the Nomination and Remuneration Committee shall be paid to Ms. Daya Bhalia (DIN: 07049483) in accordance with the applicable provisions of the Companies Act, 2013 read with the Rules thereunder and Schedule V of the Companies Act, 2013.

“RESOLVED FURTHER THAT any of the Director or Company Secretary of the Company, be and are hereby authorized to do such act, deeds, things and to file necessary e – forms with the concerned Registrar of Companies, to give effect to the aforementioned resolution.”

NOTES:-

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. In terms of the said Circulars, the 35th AGM of the Members will be held through VC/OAVM mode. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the Meeting through VC/OAVM is given herein below.
2. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
3. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy, to attend and cast vote for the members is not available for this AGM. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this notice.
4. In line with the MCA General Circular dated May 5, 2020, the Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 35th AGM has been uploaded on the website of the Company at www.shardulsecurities.com under ‘Investor’s Service’ section and may also be accessed on the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The Notice is also available on the website of Link Intime India Pvt. Ltd. (Agency appointed by the Company for the purpose of remote e-voting, e-voting at AGM and VC/OAVM facility for AGM) i.e. <https://instavote.linkintime.co.in>.
5. Register of Members / Transfer books will be closed from 23th September 2020 to 28th September 2020 (both days inclusive).
6. Any person, whose name appears in the Register of member/ list of Beneficial Owners as on Cut-off date provided herein below, shall be entitled to vote by way of voting through remote e-voting or e-voting system at AGM on the items/ Resolutions set forth in this Notice. Process for e-voting is provided herein below. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

The members, who have cast their vote(s) by remote e-voting, may also attend the AGM but shall not be entitled to cast their vote again during the AGM.

7. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as of the Cut-off date may obtain the login ID and password by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022-4918 6000.
9. Unpaid/Unclaimed Dividend:
 Members are hereby informed that the Company has transferred to "Investor Education and Protection Fund" of the Central Government all unclaimed Dividends up to Dividend for the Financial Year 2011-12. Dividend declared in the earlier years and remaining unpaid will be deposited with the above fund of the Government at the expiry of 7 years from the date of their transfer to unclaimed dividend account. Shareholders who have not encashed the dividend warrants, declared after this period are requested to encash their dividend warrants immediately.
 Further, in terms of Section 124(6) of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereto and notification issued by the Ministry of Corporate Affairs from time to time, the Company has transferred during the year, the required number of shares in respect of which dividends have remained unclaimed for a period of seven consecutive years or more to the IEPF Account.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, accordingly, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
11. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under regulation 36(3) of SEBI (Listing Obligation and disclosure requirements) Regulations, 2015, are provided in the Corporate Governance Report forming part of the Annual Report.
12. Member desirous of getting any information on the accounts or operations of the Company is requested to forward his / her queries to the Company at least eight days prior to the meeting so that the required information can be made available at the Meeting.
13. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Link Intime India Private Limited (LIPL), the Company's Registrar and Transfer Agents in case the shares are held by them in physical form.
14. As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
15. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting for limited time each, once the floor is open for shareholder queries. The Company reserves the right to restrict the number of speakers and number of questions depending on the availability of time for the AGM.
16. Register of Directors and Key Managerial Personnel and their shareholdings and Register of Contracts or Arrangements in which Directors are interested, maintained under Sections 170 and 189 of the Act, 2013 will be available electronically for inspection by the Members during the AGM.
17. 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 facility to exercise their right to vote at the 35th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Link Intime India Private Limited (LIPL).

The instructions for shareholders voting electronically are as under:

The voting period begins on 9.00 A.M on 26th September 2020 and ends on 5.00 P.M on 28th September 2020. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September 2020, may cast their vote electronically. The e-voting module shall be disabled by LIPL for voting thereafter.

Detailed Instructions for casting votes through e-voting system and attending the AGM through VC/OAVM are as follows: REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:
 - Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -
- A. **User ID:** Enter your User ID

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company
- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable).
- C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
- D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
 - Shareholders/ members holding shares in **CDSL demat account shall provide either 'C' or 'D', above**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 'D', above**
 - Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above
 - Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
 - Click "confirm" (Your password is now generated).

NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login.

2. Click on 'Login' under 'SHARE HOLDER' tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.
4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
7. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.
8. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

If you have forgotten the password:

- o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- o Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in the Notice.

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case shareholders/ members have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 - 4918 6000.

PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>
 Select the **"Company"** and **'Event Date'** and register with your following details: -

- A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
- Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
 - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
 - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable).
- C. Mobile No.:** Enter your mobile number.
- D. Email ID:** Enter your email id, as recorded with your DP/Company.
- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Members can log in and join 30 minutes prior to the schedule time of the AGM and window for joining the meeting shall be kept open till the expiry of 15 minutes after the scheduled time. The Company shall provide VC/OAVM facility to Members to attend the AGM. The said facility will be available for 1000 Members on first come first served basis. This will not include large Members (i.e. Members with 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, chairpersons of the audit committee, nomination & remuneration committee and stakeholders' relationship committee, auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

- Shareholders who would like to speak during the meeting must register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investors@shriyam.com 3 days in advance with the company. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
- Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
- Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
- Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

- On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
- Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
- After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
- Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Guidelines to attend the AGM through InstaMEET

For a smooth experience of viewing the AGM proceedings, shareholders/ members who are registered as speakers at the AGM are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>
- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1 Enter your First Name, Last Name and Email ID and click on Join Now.

- 1 (A) If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
- 1 (B) If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.

Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out all material facts relating to special business:**ITEM NO. 3:**

Mr. Devesh Vasavada was appointed as Non-Executive Independent Director of the Company, not liable to retire by rotation for period of 5 years with effect from 05th February 2016 to 4th February 2021 subject to the approval of shareholders of the Company at the 31st Annual General Meeting.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company. Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Devesh Vasavada, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for second term of five consecutive years for a term beginning from 5th February 2021 to 4th February 2026.

The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as Director of the Company, if so appointed by the members. In the opinion of the Board, Mr. Devesh Vasavada fulfills the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his reappointment as an Independent Non-Executive Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Devesh Vasavada as an Independent Director. Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of Mr. Devesh Vasavada as an Independent Director for another term of five consecutive years for a term beginning from 5th February 2021 to 4th February 2026 for the approval by the shareholders of the Company.

Brief resume of Mr. Devesh Vasavada, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under regulation 36(3) of SEBI (Listing Obligation and disclosure requirements) Regulations, 2015, are provided in the Corporate Governance Report forming part of the Annual Report.

Except Mr. Devesh Vasavada, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice of the AGM. Mr. Devesh Vasavada is not related to any Director of the Company

ITEM NO. 4

The present term of office of Mr. R. Sundaresan, Whole-time Director expires on 15th June 2021. The Board of Directors approved his re-appointment as Whole-time Director of the Company, liable to retire by rotation for further period of three years with effect from 16th June 2021 on the terms and conditions including remuneration as set out below, subject to the approval of shareholders of the Company at the Annual General Meeting. Also Section 196(3) of the Act, inter alia, provides that no company shall continue the employment of person who has attained the age of Seventy years, as managing director, whole-time director or manager unless it is approved by the members by passing a special resolution. Part I of Schedule V to the Act contains a similar relaxation. The terms and conditions set out for re-appointment may be altered and varied from time to time by the Board of Directors of the company as it may at its discretion deem fit so as not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof; Remuneration of Mr. R. Sundaresan with effect from 16th June 2021 will be as follows:-

- a) Salary: Rs. 6.50 Lakhs per annum.
- b) Company's contribution to Provident Fund and payment of Gratuity shall be as per the Company Rules and Regulations.

The remuneration and other terms and conditions of Mr. R Sundaresan's appointment as Whole-time Director (designated as Chairman & Executive Director) as set out in the resolution is subject to your approval.

Brief resume of Mr. R. Sundaresan, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 of SEBI (LODR) the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Except Mr. R. Sundaresan, being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 4

The Board commends the Special Resolutions set out at Item No. 4 of the Notice for approval by the shareholders.

ITEM NO. 5

The present term of office of Mr. Yogendra Chaturvedi, Whole-time Director expires on 4th February 2021. The Board of Directors approved his re-appointment as Whole-time Director of the Company, liable to retire by rotation for further period of five years with effect from 5th February 2021 on the terms and conditions including remuneration as set out below, subject to the approval of shareholders of the Company at the Annual General Meeting, as he fulfills the conditions specified in the Act, and the Rules made there under and SEBI (Listing Obligation and disclosure requirements) Regulations, 2015 as amended from time to time by Stock Exchanges as per directions of SEBI.

The company proposes to appoint Mr. Yogendra Chaturvedi as Whole-time Director designated as "Executive Director and Chief Executive Officer", liable to retire by rotation as per the provisions of Section 152, 196 and 197 of the Companies Act, 2013 read with relevant Rules of 2014 for further period of five years w.e.f from 5th February 2021.

The terms and conditions set out for re-appointment and payment of remuneration may be altered and varied from time to time by the Board of Directors of the company as it may at its discretion deem fit so as not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof; the remuneration and other details are mentioned below for your information.

a) Salary including other benefits: Rs.14.06 Lakhs per annum.

b) Company's contribution to Provident Fund and payment of Gratuity shall be as per the Company Rules and Regulations.

Brief resume of Mr. Yogendra Chaturvedi, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under regulation 36(3) of SEBI (Listing Obligation and disclosure requirements) Regulations, 2015, are provided in the Corporate Governance Report forming part of the Annual Report.

Except Mr. Yogendra Chaturvedi, being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

The Board commends the Special Resolutions set out at Item No. 5 of the Notice for approval by the shareholders.

ITEM NO. 6

The present term of office of Ms. Daya Bhalia, Whole-time Director expires on 13th November 2020. The Board of Directors approved her re-appointment as Whole-time Director of the Company, liable to retire by rotation for further period of five years with effect from 14th November 2020 on the terms and conditions including remuneration as set out below, subject to the approval of shareholders of the Company at the Annual General Meeting, as she fulfills the conditions specified in the Act, and the Rules made there under and SEBI (Listing Obligation and disclosure requirements) Regulations, 2015 as amended from time to time by Stock Exchanges as per directions of SEBI.

The company proposes to Re-appoint Ms. Daya Bhalia as Whole-time Director designated as "Executive Director", liable to retire by rotation as per the provisions of Section 152, 196 and 197 of the Companies Act, 2013 read with relevant Rules of 2014 for further period of five years w.e.f from 14th November 2020.

The terms and conditions set out for re-appointment and payment of remuneration may be altered and varied from time to time by the Board of Directors of the company as it may at its discretion deem fit so as not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof; the remuneration and other details are mentioned below for your information.

c) Salary including other benefits: Rs. 10.68 Lakhs per annum.

d) Company's contribution to Provident Fund and payment of Gratuity shall be as per the Company Rules and Regulations.

Brief resume of Ms. Daya Bhalia, nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 of the SEBI (LODR) 2015 the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Except Ms. Daya Bhalia, being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

The Board commends the Special Resolutions set out at Item Nos. 6 of the Notice for approval by the shareholders.

Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder:

I. General Information –

Nature of Industry	Financial
Date or expected date of Commercial Production	Not Applicable since the Company has already commenced its business activities
In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable

Financial performance

(Rs. in Lakhs)

Particulars	For the year ended		
	31 st March 2020	31 st March 2019	31 st March 2018
Total Income	383.68	525.54	556.22
Total Expenses	1,263.20	482.93	268.32
Tax Expense	(231.78)	38.01	34.74
Net Profit after tax	(647.74)	4.60	253.16
Paid up Capital	1,749.84	1,749.84	1,749.84
Other Equity	19,165.00	23,117.18	18,654.31

Foreign Investments or collaborations, if any – There is no direct foreign investment in the Company except to the extent shares held by Non-Resident Indians (NRI) acquired through secondary market. There is no foreign collaboration in the Company.

II. Information about the Appointees –

	Mr. R. Sundaresan	Mr. Yogendra Chaturvedi	Ms. Daya Bhalia
Background details	As provided in the Corporate Governance Report	As provided in the Corporate Governance Report	As provided in the Corporate Governance Report
Past Remuneration (Rs. in lakhs)	6.50 Lakhs	14.06 Lakhs	10.68 Lakhs
Job profile and suitability	As provided in the Corporate Governance Report	As provided in the Corporate Governance Report	As provided in the Corporate Governance Report
Remuneration proposed	As mentioned in explanatory statement	As mentioned in the explanatory statement	As mentioned in the explanatory statement
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Apart from receiving managerial remuneration, he does not have any other pecuniary relationship with the Company	Apart from receiving managerial remuneration, he does not have any other pecuniary relationship with the Company	Apart from receiving managerial remuneration, she does not have any other pecuniary relationship with the Company

Comparative remuneration profile with respect to industry, size of company, profile of the person and position

The proposed remuneration is commensurate with size and nature of business of the company. The remuneration do differ from company to company in the industry depending on the respective operation.

III. Other information:

1. Reasons of loss or inadequate profits:

The fair valuation losses reflected in the audited financial statements are as a consequence of a steep fall in stock market indices as on 31st March 2020 and to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015 (as amended)] and other relevant provisions of the Act.

2. Steps taken or proposed to be taken for improvement:

As mentioned in Management Discussion and Analysis Report.

3. Expected increase in productivity and profits in measurable terms:

In the current scenario it is difficult to measure the productivity in measurable terms.

IV. Disclosures:

- The remuneration package of all the managerial persons are given in the respective explanatory statements.
- Additional information is given in Corporate Governance report.

The above explanatory statement (together with Annexure thereto) shall be construed to be memorandum setting out the terms of the appointment/re-appointment as specified under Section 190 of the Companies Act, 2013.

For and on behalf on the Board

Place : Mumbai

Date : 29th June 2020

Yogendra Chaturvedi

Executive Director & CEO

Daya Bhalia

Executive Director and Company Secretary

Regd. Office :

G-12, Tulsiani Chambers,

212, Nariman Point,

Mumbai 400 021.

DIRECTORS REPORT FOR THE FINANCIAL YEAR 2019-2020

To,
The Members of
Shardul Securities Ltd.

Your Directors are pleased to present the Thirty-Fifth Annual Report and the Audited Accounts for the year ended March 31, 2020.

1. Financial Results :-	(Rs. in Lakh)	
Particulars	2019-2020	2018-2019
Profit/(Loss) before Depreciation	(851.72)	74.23
Less: Depreciation	27.80	31.62
Profit/(Loss) before Taxation	(879.52)	42.61
Less: Tax Expenses		
Current tax	21.00	35.00
Deferred Tax	(252.78)	3.01
Profit / (Loss) after Taxation	(647.74)	4.60
Other Comprehensive Income	(3,177.87)	4,584.63
Total Comprehensive Income	(3,825.61)	4,589.23

2. Impact of the covid-19 pandemic on the business of the company:

Covid-19 have been declared as a global pandemic, the Indian Government has declared the complete lockdown since March 24, 2020 and the same is continuing with minor exemptions and essential services were allowed to operate with limited capacity. Capital markets and banking services have been declared as essential services and accordingly, the Company has been continuing the operations with minimal permitted staff. However other employees were encouraged to work from home. All operations and servicing of clients were smoothly ensured without any interruptions as the activities of trading, settlement, DP, Stock Exchanges and depositories functions have been fully automated. Based on the facts and circumstances, there is no major impact on the business of the Company. The Company is closely monitoring any material changes on a continuous basis.

3. Dividend:-

In view of losses during the year, your Directors do not recommend any dividend for the financial year ended March 31, 2020.

4. Transfer to Reserves:-

In view of losses during the year, the Company has not transferred any amount to Statutory Reserve Fund for Financial Year ended March 31, 2020.

5. Management Discussions and Analysis Report:-

(i) Financial Performance:

The Year 2019-20 witnessed a general trend of lower growth in almost all sectors of the economy and your company also had to reconcile to the vagaries of market forces that prompted to follow cautious approach. At the far end of the year, the panic set in due to pandemic outrage nullified all the good work done through the year. Though our overall performance per se was comparable to the previous year, the setback suffered at the yearend affected our working results to a great extent.

The fair valuation losses reflected in the audited financial statements are as a consequence of a steep fall in stock market indices as on 31st March and application of the new accounting standards as per the Company (Indian Accounting standards Rules 2015 of the companies act 2013) read with section 133 of the Act for preparation of financial statements. This position is bound to be reversed once the market indices recover in the ensuing year.

(ii) Industry Structure and developments:

The year under report continued the same way the previous year ended with economic slow down globally that affected the market sentiments. The delayed Budget presentation after the general elections coupled with lack of any big investments and Government expenditure resulted in lower GDP growth that affected all round growth in industrial activities and agricultural segments. The GDP growth dipped to 3.1 percent from 4.2 percent in the previous year and inflation rate increased to 4.8 percent from 3.4 percent in the previous year.

Merchandise export import declined by 4.8 percent and 9.1 percent respectively. The combined index of 8 core industries stood at 137 constituting 0.6 percent growth as against an expected level of 2.5%.

India's FDI equity inflow reached \$ 469 billion with maximum contribution from services, software exports, telecommunication, construction, automobiles and trading.

The liquidity in the market continued to be tight notwithstanding efforts of the Government to infuse additional capital in banking system. The flow of credit barring a few select segments continued to affect the business growth. The diamond and jewellery industry for example suffered the most with credit flow virtually coming to a standstill.

The NBFC sector in India faced a few more failures and frauds resulting in liquidity crisis. These also resulted in huge provisions for bad debts of Public Sector and some private sector banks.

The Agricultural sector showed a marginal increase while the manufacturing sector continued to be negative.

The capital markets continued to remain volatile though it appeared to be more index driven than real time appreciation in small and medium cap stocks. However by end of March, the stocks took a heavy beating due to the panic around the world .

(iii) Business Review:

Despite the economic slowdown, high volatility in Capital markets, and other uncertainties your company could achieve comparable results with that of the previous year. The setback suffered during the year end, should get reversed in the ensuing year although the trading losses cannot be reversed.

India is going through a severe economic down turn due to Corona pandemic after effects and the ensuing year would be an unprecedented year of setbacks and poor results for most of the business activities.

(iv) Opportunities and Threats:

The GDP is projected to recover to around 3 percent which is not a good news for business growth. The Government has announced several measures to boost the economic activities but it remains to be seen if these measures would be adequate to bring a turnaround in the economy.

(v) Segment-wise – Product-wise reporting:

As there has been no change in your company's business activities and broking activities there are no separate reportable segment.

(vi) Outlook:

Your company expects the capital markets continuing to be volatile in view of the present down turn in economy and would like to be guarded in making projections for the year. The Company does not foresee any improvements in the working results for the ensuing year and the aim would be to ensure that the deterioration in the financial health is kept to a minimum level

(vii) Risks and Concerns:

Your company's activities which are essentially in the capital market segments and the risk perception of our activity could be discerned as under:

Market Risk: Your company's major investments are mostly in capital market instruments like shares, mutual funds and bonds and any volatility could erode the capital value of the investments. No doubt, your company would keep a close vigil on movement of prices and take appropriate steps to minimize this risk.

Interest risk: The changes in interest rates by RBI and Banks could result in fluctuations in prices and consequently the income of various investments and borrowings by the company may vary. Your company has put in measures to hedge this risk but this cannot be eliminated totally.

Operation Risk: The stock market operations are fraught with certain risks associated with market judgments by operational executives and their decision making process based on certain perceptions prevailing at any given time and these could change suddenly resulting in unexpected adverse positions.

(viii) Internal Financial Control Systems and their Adequacy:

Your company has in place adequate internal financial control measures. There is continuous monitoring of all the activities and necessary creative measures are taken periodically to manage any unforeseen risk factors.

(ix) Human Resources:

Your company has adequate trained professionals to manage the affairs of the company in the most prudent manner.

(x) Details of significant changes in key financial ratios are given in Annexure D to Board Report.

6. Subsidiaries:-

Shriyam Broking Intermediary Limited, a wholly owned subsidiary of the company achieved a modest profit in its working results during the year under report. The net profit for the year was at about Rs. 7 lakhs as compared to Rs. 26 lakhs during the previous year. The market factors would determine the performance in coming year though all efforts would be made to improve the bottomline.

Shriyam Realtors Private Limited a wholly owned subsidiary of Shriyam Broking Intermediary Limited was incorporated on 15th December 2016. However the company had very nominal transactions so far in view of the sluggish health of real estate markets.

7. Names of Companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year:-

During the year under review no company has ceased to be its subsidiaries. The Company doesn't have any joint ventures or associate company.

8. Directors:-

- i) Mr. Devesh Vasavada (DIN: 00273128) was appointed as an Independent Non-Executive Director of the Company by the members at the 31st AGM of the Company held for the financial year 2015-2016 for a period of five years with effect from 5th February 2016 to 4th February 2021. Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Devesh Vasavada, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be reappointed as an Independent Director for second term for period of further five years for a term beginning from 5th February 2021 to 4th February 2026 on the terms and conditions including remuneration as agreed, subject to approval of Shareholder at Annual General Meeting.

- ii) The present term of office of Mr. R. Sundaresan (holding Din No. 00029840), Whole-time Director expires on 15th June 2021. Your Directors approved his re-appointment as Whole-time Director (designated as Chairman and Executive Officer) of the Company for further period of three years beginning from 16th June 2021 to 15th June 2024 on the terms and conditions including remuneration as agreed subject to the approval of shareholders of the Company at the Annual General Meeting.
- iii) The present term of office of Mr. Yogendra Chaturvedi (holding Din No. 00013613), Whole-time Director expires on 4th February 2021. Your Directors approved his re-appointment as Whole-time Director (designated as Executive Director and Chief Executive Officer) of the Company for further period of five years beginning from 5th February 2021 to 4th February 2026 on the terms and conditions including remuneration as agreed subject to the approval of shareholders of the Company at the Annual General Meeting.
- iv) The present term of office of Ms. Daya Bhalia (holding Din No. 07049483), Whole-time Director expires on 13th November 2020. Your Directors approved her re-appointment as Whole-time Director (designated as Executive Director) of the Company for further period of five years beginning from 14th November 2020 to 13th November 2025 on the terms and conditions including remuneration as agreed subject to the approval of shareholders of the Company at the Annual General Meeting.

Necessary resolutions for the appointment /re-appointment of the aforesaid directors have been included in the notice convening the ensuing AGM and details of the proposal for appointment / re-appointment are mentioned in the explanatory statement of the notice.

Your directors recommend their Re-appointment.

Brief resume of the Directors proposed to be appointed/ reappointed, nature of their experience in specific functions and area and number of companies in which he/she hold membership/chairmanship of Board Committees as stipulated under regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Report of Corporate Governance forming part of the Annual Report.

All independent directors have given declaration that they meet the criteria of independence as laid under section 149(6) of the Companies Act, 2013 and regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9. Key Managerial Personnel

In accordance with the provisions of Section 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Prashant Chaturvedi - Chief Financial Officer, Mr. Yogendra Chaturvedi - Chief Executive Officer and Ms. Daya Bhalia - Company Secretary & Compliance Officer are the Key Managerial Personnel ('KMP') of your Company.

10. Board Evaluation:-

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

11. Familiarization Programme for Independent Directors

The Independent Directors (IDs) on the Board of the Company are well versed with the Company's business model and the nature of industries in which it is operating. A familiarization programme for IDs laid down by the Board has been posted on the Company's website at <http://www.shardulsecurities.com>.

12. Remuneration Policy:-

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

13. Number of Meetings of the Board:-

Four Meetings of the Board of Directors were held during the year and the details of such meetings forms part of the Corporate Governance Report.

14. Audit Committee:-

The Audit Committee as on 31st March 2020 comprises of Independent Directors namely Mr. Devesh Vasavada (Chairman), Mr. Lalit Shah, Mr. Charul Abuwala and Mr. Yogendra Chaturvedi (Executive Director) as other member. All the recommendations made by the Audit Committee were accepted by the Board.

15. Extract of Annual Return:-

The details forming part of the extract of the Annual Return in form MGT-9 as required under section 92 of the Companies Act 2013, is included in this Report as Annexure –A and forms as integral part of this Report. ANNUAL RETURN As required under Section 134(3)(a) of the Act, the Annual Return is placed on the Company's website and can be accessed at <http://www.shardulsecurities.com>.

16. Taxation:-

In opinion of Directors, the provision for Income Tax is made as per the provisions of the Income Tax Act, 1961.

17. Cash flow:-

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Cash Flow Statement is appended with this report.

18. Directors' Responsibility Statement:-

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made 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, 2020 and of the loss of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken 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;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

19. Statutory Auditor and Auditors' Report:-

M/s J. Kala & Associates, Chartered Accountants, (Firm Registration No: 118769W have conducted audit for the F.Y. 2019-2020. The Auditor's Report for F. Y. 2019-2020 does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the financial statement in this Annual Report.

The notes to the Financial Statement referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments.

20. Secretarial Audit:-

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed M/s Dharendra Maurya & Associates, Company Secretary in Practice to undertake Secretarial Audit of the Company. The Secretarial Audit Report is included in Annexure - B and forms an integral part of this Report.

There is no secretarial audit qualification for the year under review.

21. Secretarial Standards

The Company has complied with the applicable Secretarial Standards i.e. SS-1 relating to Meetings of the Board of Directors and SS-2 relating to General Meetings, respectively.

22. Internal Audit:-

The Company's internal control system is commensurate with its size, scale and complexities of the operations. The internal audit is entrusted to M/s Anil B Jain & Associates, Chartered Accountants. The Audit Committee of the Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken.

23. Significant and material orders passed by the regulators or courts:-

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

24. Corporate Governance:-

Report on Corporate Governance stipulated under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchange form part of this annual report. A certificate from the auditors of the Company M/s J. Kala & Associates, Chartered Accountants, confirming compliance of conditions of Corporate Governance as stipulated under aforesaid regulation is annexed to and forms part of this Report.

25. Consolidated Accounts:-

The Consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), form part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

26. Particulars of loans, guarantees or investments by the Company:-

Details of Loans, guarantees or investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements.

27. Related Party Transactions:-

There were no materially significant related party transactions, which could have had a potential conflict with the interests of the Company.

As required under Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated policy on dealing with Related Party Transactions. The Policy is available on the website of the Company.

Weblink of the same is: <http://www.shardulsecurities.com/related%20party%20transaction%20policy.pdf>

28. Whistle blower policy and vigil mechanism:-

The Company has established a whistle blower policy and vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct policy. The mechanism provides for adequate safeguards against victimization of directors and employees. None of the personnel have been denied access to the Audit Committee of the Board. The details of Whistle Blower Policy are available on the website of the Company www.shardulsecurities.com.

Weblink of the same is: <http://www.shardulsecurities.com/vigil%20mechanism%20policy.pdf>

29. Corporate Social Responsibility Committee:-

Provisions of Section 135 of the Companies Act, 2013, are not applicable to the Company during the period under review.

30. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:-

The Company has in place a requisite policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, temporary, trainees) are covered under the policy. There was no complaint received from any employee during the financial year 2019-2020 and hence no complaint is outstanding as on 31.03.2020 for redressal.

31. Other Statutory information:-

a. Particulars of Employees:

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of the employees of the Company are annexed to this report as 'Annexure C'.

In terms of provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, none of the employees are in receipt of remuneration in excess of the limits set out in the said Rules.

b. Conservation of Energy, Technology Absorption and foreign Exchange earnings and outgo:

- i) Provisions pertaining to conservation of Energy and Technology Absorption are not applicable or not relevant to the working of Company. The Directors keep themselves acquainted with ongoing seminars and research papers.
- ii) The Company has neither earned nor spent any amount by way of Foreign Exchange.

c. Deposits:

- i) There are no deposits covered under Chapter V of the Act, which has remained unclaimed or claimed but not paid for which information is required to be given in this report. The Company neither hold any Public Deposits nor is accepting any deposits.
- ii) The Company has complied with various requirements in terms of the capital adequacy under the guidelines issued by the Reserve Bank of India for the Non-Banking Financial Companies.

32. CEO/CFO Certification:-

The Chief Executive Officer and Chief Financial Officer have issued a certificate pursuant to the provisions SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

33. Acknowledgment:-

Your Directors appreciate the co-operation and support extended by the Shareholders, Employees, Financial Institutions and Banks.

For and on behalf on the Board

Place : Mumbai

Date : 29th June 2020

Yogendra Chaturvedi

Executive Director & CEO

Daya Bhalia

Executive Director and Company Secretary

Regd. Office :

G-12, Tulsiani Chambers,
212, Nariman Point,
Mumbai 400 021.

Annexure A
Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L50100MH1985PLC036937
ii)	Registration Date	23/07/1985
iii)	Name of the Company	SHARDUL 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	G-12, TULSIANI CHAMBERS, 212, NARIMAN POINT, MUMBAI - 400 021. Tel. No.: 40090500 Fax No.: 22846585
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Ltd Address: C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400 083 Tel. No: +91 22 49186270 Fax: +91 22 49186060 E mail: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Investment activity	649	71.21
2.	Real Estate Activity	681	24.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Shriyam Broking Intermediary Limited Add - 712-713, Tulsiani Chambers, 212, Nariman Point, Mumbai 400 021	U67120MH1994PLC081401	Subsidiary Company	100%	Section 2 (87)
2.	Shriyam Realtors Private Limited [Formerly known as Shriyam Broking (IFSC) Private Limited] Add - 9 Metro Com Centre 1st Floor, B/H Gujarat High Court, Ashram Road, Ahmedabad - 380009	U65999GJ2016PTC094725	Subsidiary Company (of Shriyam Broking Intermediary Limited)	100%	Section 2 (87)

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as % to total Equity)

(i) Category-wise Shareholding

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year-2019				Shareholding at the end of the year-2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	9570107	0	9570107	54.6912	9570107	0	9570107	54.6912	0.0000
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	Bodies Corporate	3525700	0	3525700	20.1487	3525700	0	3525700	20.1487	0.0000
	Sub Total (A)(1)	13095807	0	13095807	74.8399	13095807	0	13095807	74.8399	0.0000

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year-2019				Shareholding at the end of the year-2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	13095807	0	13095807	74.8399	13095807	0	13095807	74.8399	0.0000
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Alternate Investment Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(g)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (Specify)									
	Sub Total (B)(1)	0	0	0	0.0000	0	0	0	0.0000	0.0000
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	900651	570605	1471256	8.4079	913934	512505	1426439	8.1518	-0.2561
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	735346	80100	815446	4.6601	734786	80100	814886	4.6569	-0.0032
(b)	NBFCs registered with RBI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	IEPF	272737	0	272737	1.5586	315479	0	315479	1.8029	0.2443
	Hindu Undivided Family	48566	0	48566	0.2775	46631	100	46731	0.2671	-0.0104
	Non Resident Indians (Non Repat)	4676	0	4676	0.0267	3961	0	3961	0.0226	-0.0041
	Non Resident Indians (Repat)	206	0	206	0.0012	206	0	206	0.0012	0.0000
	Clearing Member	6101	0	6101	0.0349	1300	0	1300	0.0074	-0.0275
	Bodies Corporate	1782538	1100	1783638	10.1931	1792524	1100	1793624	10.2502	0.0571
	Sub Total (B)(3)	3750821	651805	4402626	25.1601	3808821	593805	4402626	25.1601	0.0000
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	3750821	651805	4402626	25.1601	3808821	593805	4402626	25.1601	0.0000
	Total (A)+(B)	16846628	651805	17498433	100.0000	16904628	593805	17498433	100.0000	0.0000
(C)	Non Promoter - Non Public									
	(C1) Shares Underlying DRs									
[1]	Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
	(C2) Shares Held By Employee Trust									
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	16846628	651805	17498433	100.0000	16904628	593805	17498433	100.0000	

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year - 2019			Shareholding at the end of the year - 2020			% change in shareholding during the year
		NO. OF SHARES HELD	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	NO. OF SHARES HELD	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	GAGAN DINANATH CHATURVEDI	2836185	16.2082	0.0000	2836185	16.2082	0.0000	0.0000
2	RAJESH D CHATURVEDI	2605586	14.8904	0.0000	2605586	14.8904	0.0000	0.0000
3	A TO Z BROKING SERVICES LLP	2118400	12.1062	0.0000	2118400	12.1062	0.0000	0.0000
4	DEVESH D CHATURVEDI	1902419	10.8719	0.0000	1902419	10.8719	0.0000	0.0000
5	BRIJESH D CHATURVEDI	999867	5.7140	0.0000	999867	5.7140	0.0000	0.0000
6	SHRIYAM COMMODITIES INTERMEDIARY LLP	932000	5.3262	0.0000	932000	5.3262	0.0000	0.0000
7	PRADEEP SANDEEP CORPORATE ADVISORS LLP	475000	2.7145	0.0000	475000	2.7145	0.0000	0.0000
8	MANI D CHATURVEDI	350450	2.0028	0.0000	350450	2.0028	0.0000	0.0000
9	BABITA D CHATURVEDI	169600	0.9692	0.0000	169600	0.9692	0.0000	0.0000
10	SHRUTI GAGAN CHATURVEDI	136000	0.7772	0.0000	136000	0.7772	0.0000	0.0000
11	VARSHA R CHATURVEDI	136000	0.7772	0.0000	136000	0.7772	0.0000	0.0000
12	RAGHAV R CHATURVEDI	131100	0.7492	0.0000	131100	0.7492	0.0000	0.0000
13	RAMYA RAJESH CHATURVEDI	127500	0.7286	0.0000	127500	0.7286	0.0000	0.0000
14	MOHINI G CHATURVEDI	99700	0.5698	0.0000	99700	0.5698	0.0000	0.0000
15	RAJESH DINANATH	75700	0.4326	0.0000	75700	0.4326	0.0000	0.0000
16	KAMVAN CONSTRUCTION PRIVATE LIMITED	300	0.0017	0.0000	300	0.0017	0.0000	0.0000
	Total	13095807	74.8399	0.0000	13095807	74.8399	0.0000	0.0000

(iii) Change in Promoter's Shareholding

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Cumulative Shareholding at the end of the year - 2020	
		No. of shares held	% of total shares of the company	No. of shares held	% of total shares of the company
1	GAGAN DINANATH CHATURVEDI	2836185	16.2082	2836185	16.2082
	AT THE END OF THE YEAR			2836185	16.2082
2	RAJESH D CHATURVEDI	2605586	14.8904	2605586	14.8904
	AT THE END OF THE YEAR			2605586	14.8904
3	A TO Z BROKING SERVICES LLP	2118400	12.1062	2118400	12.1062
	AT THE END OF THE YEAR			2118400	12.1062
4	DEVESH D CHATURVEDI	1902419	10.8719	1902419	10.8719
	AT THE END OF THE YEAR			1902419	10.8719
5	BRIJESH D CHATURVEDI	999867	5.7140	999867	5.7140
	AT THE END OF THE YEAR			999867	5.7140
6	SHRIYAM COMMODITIES INTERMEDIARY LLP	932000	5.3262	932000	5.3262
	AT THE END OF THE YEAR			932000	5.3262
7	PRADEEP SANDEEP CORPORATE ADVISORS LLP	475000	2.7145	475000	2.7145
	AT THE END OF THE YEAR			475000	2.7145
8	MANI D CHATURVEDI	350450	2.0028	350450	2.0028
	AT THE END OF THE YEAR			350450	2.0028
9	BABITA D CHATURVEDI	169600	0.9692	169600	0.9692
	AT THE END OF THE YEAR			169600	0.9692
10	SHRUTI GAGAN CHATURVEDI	136000	0.7772	136000	0.7772
	AT THE END OF THE YEAR			136000	0.7772
11	VARSHA R CHATURVEDI	136000	0.7772	136000	0.7772
	AT THE END OF THE YEAR			136000	0.7772
12	RAGHAV R CHATURVEDI	131100	0.7492	131100	0.7492
	AT THE END OF THE YEAR			131100	0.7492
13	RAMYA RAJESH CHATURVEDI	127500	0.7286	127500	0.7286
	AT THE END OF THE YEAR			127500	0.7286
14	MOHINI G CHATURVEDI	99700	0.5698	99700	0.5698
	AT THE END OF THE YEAR			99700	0.5698
15	RAJESH DINANATH	75700	0.4326	75700	0.4326
	AT THE END OF THE YEAR			75700	0.4326
16	KAMVAN CONSTRUCTION PRIVATE LIMITED	300	0.0017	300	0.0017
	AT THE END OF THE YEAR			300	0.0017

Note:

1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 17498433 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

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

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year-2019		Transactions during the year		Cumulative Shareholding at the end of the year-2020	
		No. of shares held	% of total shares of the company	Date of transaction	No. of shares	No of shares held	% of total shares of the company
1	ANGULAR TRADING PVT LTD	981843	5.6110	-	-	981843	5.6110
	AT THE END OF THE YEAR					981843	5.6110
2	BHASKAR ARVIND HINGAD	361998	2.0687	-	-	361998	2.0687
	MARKET PURCHASE	-	-	24 May 2019	578	362576	2.0720
	MARKET PURCHASE	-	-	31 May 2019	311	362887	2.0738
	MARKET PURCHASE	-	-	02 Aug 2019	8	362895	2.0739
	MARKET PURCHASE	-	-	09 Aug 2019	479	363374	2.0766
	AT THE END OF THE YEAR	-	-	-	-	363374	2.0766
3	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	272737	1.5586	-	-	315479	1.8029
	AT THE END OF THE YEAR					315479	1.8029
4	GLENMORD COMMERCIAL SERVICES PVT LTD	200000	1.1430	-	-	200000	1.1430
	AT THE END OF THE YEAR					200000	1.1430
5	RECKON TRADING PRIVATE LIMITED	185728	1.0614	-	-	185728	1.0614
	AT THE END OF THE YEAR					185728	1.0614
6	DHANASTRA FINANCE AND INVESTMENT COMPANY PVT LTD	184960	1.0570	-	-	184960	1.0570
	AT THE END OF THE YEAR					184960	1.0570
7	KAMAL MAVJI VISARIA	124590	0.7120	-	-	124590	0.7120
	AT THE END OF THE YEAR					124590	0.7120
8	SHARDA SHARES AND SECURITIES PVT LTD	113750	0.6501	-	-	113750	0.6501
	AT THE END OF THE YEAR					113750	0.6501
9	JAGDISH AMRITLAL SHAH	50000	0.2857	-	-	50000	0.2857
	AT THE END OF THE YEAR					50000	0.2857
10	NANDKISHOR CHATURVEDI	41367	0.2364	-	-	41367	0.2364
	AT THE END OF THE YEAR					41367	0.2364
11	BRIJANAND CHATURVEDI	35000	0.2000	-	-	35000	0.2000
	AT THE END OF THE YEAR					35000	0.2000

Note: 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 17498433 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding at the beginning of the year 01-04-19/ end of the year 31-03-20			Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-19 to 31-03-20)	
		No. of shares	% of total shares of the company	Date			No. of shares	% of total shares of the company
1	Devesh Vasavada	-	-	1/4/2019	-	Nil Movement during the year		
		-	-	31/3/2020	-		-	-
2	Yogendra Chaturvedi	-	-	1/4/2019	-			
		-	-	31/3/2020	-		-	-
3	*Lalit Shah	-	-	1/4/2019	-			
		-	-	31/3/2020	-		-	-
4	Charul abuwala	-	-	1/4/2019	-			
		-	-	31/3/2020	-		-	-
5	R Sundaresan	-	-	1/4/2019	-			
		-	-	31/3/2019	-		-	-
6	Prashant Chaturvedi	-	-	1/4/2019	-			
		-	-	31/3/2020	-		-	-
7	Daya Bhalia	-	-	1/4/2019	-			
		-	-	31/3/2020	-		-	-

*Mr. Lalit Shah was appointed for post of Independent Director with effect from 06th June, 2019.

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

(Rs. In Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager	Name of MD / WTD / Manager	Name of MD / WTD / Manager	Total Amount
		Mr. R Sundaresan	Mr. Yogendra Chaturvedi	Ms. Daya Bhalia	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6.50	14.06	10.68	31.24
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
	Total (A)	6.50	14.06	10.68	31.24
	Ceiling as per the Act	In terms of the provisions of the Companies Act, 2013, the total remuneration payable to Whole time Directors shall not exceed 11% of the net profit of the company calculated as per section 198 of the Companies Act, 2013. However, the remuneration paid to such Directors is exceeding the said limit but is in accordance with Schedule V of the Companies Act, 2013.			

B. Remuneration to other directors

(Rs. In Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Devesh Vasavada	Lalit Shah	Charul Abuwala	
1	Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	0.29 -	0.33 -	0.53 -	1.15 -
	Total (1)	0.29	0.33	0.53	1.15
2	Other Non - Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	- -	- -	- -	- -
	Total (2)	-	-	-	-
	Total (B)=(1+2)	0.29	0.33	0.53	1.15
	Total Managerial Remuneration (A+B)				32.39
	Overall Ceiling as per the Act	In terms of the provisions of the Companies Act, 2013, the total remuneration payable to all Directors shall not exceed 11% of the net profit of the company calculated as per section 198 of the Companies Act, 2013 except that the remuneration of directors shall not be deducted from the gross profit and the same is within limit.			

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

(Rs. In Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO Mr. Yogendra Chaturvedi who is also Executive Director	CFO Mr. Prashant Chaturvedi	CS Daya Bhalia who is also Executive Director	
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	14.06 Nil Nil	13.56 Nil Nil	10.68 Nil Nil	38.30 Nil Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify.	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
	Total	14.06	13.56	10.68	38.30

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD/NCLT/COURT)	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS & OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

Annexure B
Form No. MR-3
SECRETARIAL AUDIT REPORT

for the Financial Year ended 31st March, 2020

[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,
Shardul Securities Limited
CIN: L50100MH1985PLC036937
Regd. off: G-12, Tulsiani Chambers 212,
Nariman Point, Mumbai - 400021,
Maharashtra, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shardul Securities Limited** (hereinafter called the "Company") for the audit period. 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 my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2020 ("audit period") 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Shardul Securities Limited (hereinafter called the "Company"), for the financial year ended on 31st March 2020 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 there under 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, 2015;
 - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; ("Listing Regulations");
- (vi) Provisions of the following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") were not applicable to the Company during the financial year under review:
 - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - b. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - d. 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;
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vii) I have relied on the representation made by the company and its officers for systems and mechanism formed by the company for compliance under other applicable acts, laws & regulations to the Company. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis. The Company has complied with the laws applicable to the Company:

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

- i) Secretarial Standards SS-1 and SS-2 with respect to meetings of the Board of Directors and General Meetings, respectively, issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.
- ii) Listing Agreement entered into by the Company with BSE Limited & SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice was given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

- As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

I further report that during the audit period, the company has not undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc, referred to above.

For Dhirendra Maurya & Associates
Company Secretaries

Dhirendra R. Maurya
Proprietor

Mem. No: 22005

C.P. No.: 9594

UDIN: A022005B000394938

Place: Bhayander (East)

Date: 29th June 2020

Annexure - I

To,
The Members,
Shardul Securities Limited
CIN: L50100MH1985PLC036937
Regd. off: G-12, Tulsiani Chambers 212,
Nariman Point, Mumbai – 400021,
Maharashtra, India

Our Secretarial Audit Report of even date is to be read along with this letter:

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Owing to the lockdown measure imposed by the Government in the wake of the COVID-19 pandemic, it was not possible for us to physically verify the documents and records of the Company, though we have taken use of electronic media and audio visual means to satisfy ourselves regarding evidences and documents for audit and we have relied on the information/ documents and assurance.

For Dharendra Maurya & Associates
Company Secretaries

Dhirendra R. Maurya
Proprietor

Mem. No: 22005

C.P. No.: 9594

UDIN: A022005B000394938

Place: Bhayander (East)

Date: 29th June 2020

Annexure 'C' to Boards Report

- (I) The ratio of the remuneration of Whole-time director to the median remuneration of the employees of the Company for the year 2019-20.

Name of Director / KMP	Designation	Ratio	Percentage increase in remuneration
R. Sundaresan	Chairman & Executive Director	0.77	0
Yogendra Chaturvedi	Chief Executive Officer & Executive Director	1.66	2.85
Daya Bhalia	Company Secretary & Executive Director	1.39	9.27
Prashant Chaturvedi	Chief Financial Officer	NA	6.07

Sr. No.	Particulars		
(i)	The percentage increase in the median remuneration of employees in the Financial Year.	8.72	
(ii)	The number of permanent employees on the rolls of company.	6	
(iii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Employees other than managerial personnel 7.67%	Managerial Personnel 4.55%
(iv)	Affirmation that the remuneration is as per the remuneration policy of the company.	The remuneration is as per the Remuneration Policy of the Company.	

Annexure 'D' to Boards Report
DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Ratios are used to make a holistic assessment of financial performance of the entity, and also help evaluating the entity's performance vis-à-vis its peers within the industry.

The key financial ratios of the company for F.Y. 2019-20 is as below. The Company has no Non-Performing Assets (NPA), hence ratios related to NPAs are not applicable. The significant changes in the other applicable key financial ratios are as follows:

Name of Ratios	F.Y. 2019-20	F.Y. 2018-19	Reasons for Change
Debtor Turnover	Nil	Nil	-
Inventory Turnover	Nil	Nil	-
Interest coverage ratio	-	2.26	-
Debt Equity	Nil	Nil	-
Operating Profit Margin	(222.88)	14.16	Change due to Net Fair Value Loss on Investment recognized due to IndAS applicability
Net Profit Margin	(169.50)	0.88	
Return on Net Worth	(3.10)	0.02	Change less than 25% hence no explanation

Corporate Governance Report:

Your Company has been practicing the principle of good corporate governance since inception. Good corporate governance comprises of all activities that result in the control of the company in a regular manner which makes management transparent, accountable and fair. In accordance with Clause 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 agreement with stock exchange and best practices followed by reputed corporations on corporate governance. The details of compliance by the Company are as under:

1. Philosophy of the Company on the Code of Governance:-

The Company's philosophy on Corporate Governance envisage attainment of the highest levels of transparency, accountability and equity at all levels of its operation and in all its interactions with its stakeholders including shareholders, employees, Government Agencies and others. The Company strives for excellence with twin objective of enhancing customer satisfaction and shareholder's value.

The Company is committed to achieve the highest standards of Corporate Governance.

2. Board of Directors:-

• Composition of Board:

The strength of the Board as on 31st March, 2020 consists of Six Directors out of which three are Executive Director including women director and Three Non-Executive Directors. The Company has an Executive Director Chairman and therefore the Board consists of Three Independent Directors. The names of directors and their position are as follows:

Sr. No.	Name of the Director	Status	
1	Mr. R. Sundaresan	Executive Director	Chairman
2	*Mr. Lalit Shah	Non Executive Director	Independent Director
3	Mr. Charul Abuwala	Non Executive Director	Independent Director
4	Mr. Devesh Vasavada	Non Executive Director	Independent Director
5	Mr. Yogendra Chaturvedi	Executive Director & Chief Executive Officer	Non Independent Director
6	Ms. Daya Bhalia	Executive Director and Company Secretary	Non Independent Director

*Mr. Lalit Shah was appointed as Independent Director with effect from 6th June, 2019.

• Board Meetings:

The Board of Directors of the Company met four times during financial year ended 31st March 2020. The Board Meetings were held on 27th May 2019, 13th September, 2019, 12th December, 2019 and 13th February 2020.

The Company has held at least one meeting in every three months and the maximum time gap between any two Board Meetings was not more than 120 days. None of the directors of the Company was a member of more than ten committees or the Chairman of more than five committees across all public limited companies in which he is a Director. None of the Directors of the Company has exceeded maximum number of directorship in other companies.

All the Independent Directors of the Company have provided declaration to the Board confirming satisfaction of the conditions of their independence as laid down under Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions specified in LODR Regulations and are independent of the management.

Certificate as required under Part C of Schedule V of Listing Regulations received from M/s. Dharendra Maurya & Associates, Practicing Company Secretaries that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI / Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at its meeting held on 29th June, 2020. The Certificate forms part of this Annual Report..

For the purpose of considering the limit of the Committees, only Audit Committee and Shareholders/ Investors Grievances Committee across all public limited companies has been considered in accordance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

• Directors Attendance records and Directorships held:

Attendance of each Director at the Board Meetings, last Annual General Meeting, and number of other Directorship of each Director in various companies as given below:

Name of the Director	Category	Attendance Particulars		No. of other directorships and committee member / chairmanship**		
		Board Meetings	Last AGM	Other Directorships (excluding Director ship in Pvt. Co's.)	Committee Member ships	Committee Chairmans hips
Mr. R Sundaresan	CH	2	Yes	1	1	1
*Mr. Lalit Shah	NED	3	Yes	--	--	--
Mr. Charul Abuwala	NED	4	Yes	1	1	1
Mr. Devesh Vasavada	NED	2	No	1	--	--
Mr. Yogendra Chaturvedi	ED	4	Yes	1	--	--
Ms. Daya Bhalia	ED	4	Yes	--	--	--

CH - Chairman, ED - Executive Director, NED - Non Executive Director

**Excludes Private Limited Companies, Foreign Companies and Companies under Section 8 of Companies Act, 2013, as per Regulation 26 of the SEBI (LODR) Regulations, 2015.

**This includes the Chairmanship/Membership only in Audit Committee and Shareholder's/Investors Grievance Committee.

*Mr. Lalit Shah was appointed as an Independent Director with effect from 6th June, 2019.

Details of Directors being appointed/re-appointed at the Annual General Meeting:

As required under regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of membership of the Director and other relevant details in respect of Directors who are being recommended for reappointment are given hereunder:

Name of the Director	Age	Qualification	Experience	*Directorship in other Companies	**Chairman / Member of the Committees of other Companies
Mr. Devesh Vasavada	63	FCA and B.Com	He is a Practicing Chartered Accountant and having vast experience in the field of Taxation, Audit and Advisory.	1	--
Mr. Sundaresan Ramamoorthy	75	M.sc, MBA and CAIIB.	He has an immense understanding in Financial, Banking and Corporate Advisory Sector.	1	1
Ms. Daya Bhalia	37	B.Com, ACS, LLB	Ms. Daya Bhalia being the Company Secretary of the Company has varied experience in legal and Compliance Field and as an inducted woman director she will lend the required balance to the board.	--	--
Mr. Yogendra Chaturvedi	62	B.Com	He is an experienced finance professional and heads the team as the Executive Director	1	--

*Excludes Private Limited Companies, Foreign Companies and Companies under Section 8 of Companies Act, 2013, as per Regulation 26 of the SEBI (LODR) Regulations, 2015.

**This includes the Chairmanship/Membership only in Audit Committee and Shareholder's/Investors Grievance Committee.

• Disclosure of Relationship between directors inter-se:

None of the Directors are related to each other.

• Skills/expertise/competence of the Board:

The Board comprises of persons with varied experiences in different areas who bring in the required skills, competence and expertise that allows them to make effective contribution to the Board and its committees. The following list summarizes the key skills, expertise and competence that the Board thinks is necessary for functioning in context of the Company's business and sector and which in the opinion of the Board, its Members possess:-

Skills / expertise / competencies	Mr. R. Sundaresan	Mr. Yogendra Chaturvedi	Mr. Lalit Shah	Mr. Charul Abuwala	Mr. Devesh Vasavada	Ms. Daya Bhalia
Understanding of Business / Industry	√	√	√	√	√	--
Strategy and strategic planning	√	√	√	√	√	--
Financial Understanding	√	√	√	√	√	√
Risk and compliance oversight	√	√	√	√	√	√
Corporate Governance and Compliances	√	√	√	√	√	√

3. Board Committees:-

The Company has constituted Five committees of Directors, namely

1. Shareholders/Investor Grievances Committee.
2. Audit Committee.
3. Nomination and Remuneration Committee.
4. Corporate Social Responsibility Committee and
5. Investment and Finance Committee to deal with matters requiring urgent decisions and monitoring of the activities falling within their terms of reference, comprising mainly of executive Directors.

Each of these committees has their respective charters approved by the Board. The minutes of the meeting are recorded and placed before the Board for its information.

• Shareholders /Investor Grievances Committee:-

The said committee approves issue of duplicate certificates and oversees and reviews all matters connected with transfer of securities of the Company. The Committee also monitors redressal of investor's grievances. The Committee oversees performance of the Registrar and Transfer Agent of the Company and recommends measures for overall improvement in the quality of investor services.

During the year, Nine meetings were held on 22nd May 2019, 5th June 2019, 19th June 2019, 10th July 2019, 31st July 2019, 7th August 2019, 11th September 2019, 23rd October 2019 and 13th February 2020.

The Composition of the said committee as on 31st March 2020 and its attendance is as follows:

Sr. No.	Name of the Member	Status in Committee	Director status	No. of meeting held	No. of meeting attended
1	Mr. Charul Abuwala	Chairman	Non Executive Independent Director	9	9
2	Mr. Devesh Vasavada	Member	Non Executive Independent Director	9	7
3	Mr. Yogendra Chaturvedi	Member	Executive Director	9	9

The Board has designated Ms. Daya Bhalia, Director and Company Secretary as the Compliance Officer.

In pursuance of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated the guidelines and Code of Conduct for Prevention of Insider Trading.

The total number of complaints / requests / queries received and replied to the satisfaction of the investors during the year under review was 6.

The Shares held by Non Executive Directors as on 31.03.2020 are given below:

Sr. No.	Name of the Director	Status	No. of Shares	% Holding
1	Mr. Lalit Shah	Non Executive Director	Nil	-
2	Mr. Charul Abuwala	Non Executive Director	Nil	-
3	Mr. Devesh Vasavada	Non Executive Director	Nil	-

• Audit Committee: -

The Board of Directors has constituted Audit Committee of Directors to exercise powers and discharge function as stipulated in section 177 of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchanges and other statutory / regulatory provisions.

During the year 2019-2020, the Committee met Four times. The Committee Meetings were held on 27th May 2019, 13th September, 2019, 12th December, 2019 and 13th February 2020.

The Composition of Audit Committee as on 31st March 2020 and its attendance is as under –

Sr. No.	Name of the Member	Status in Committee	Director status	No. of meeting held	No. of meeting attended
1	Mr. Devesh Vasavada	Chairman	Non Executive Independent Director	4	2
2	Mr. Charul Abuwala	Member	Non Executive Independent Director	4	4
3	*Mr. Lalit Shah	Member	Non Executive Independent Director	4	3
4	Mr. Yogendra Chaturvedi	Member	Executive Director	4	4

Ms. Daya Bhalia, Director and Company Secretary acts as Secretary of the Committee.

*Mr. Lalit Shah was appointed as member of Committee with effect from 6th June, 2019.

The terms of reference of the Audit Committee include: -

- i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

- ii) Recommending for appointment, remuneration and terms of appointment of auditors of the Company.
- iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
- v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- viii) Approval or any subsequent modification of transactions of the company with related parties.
- ix) Scrutiny of inter-corporate loans, investments and guarantee.
- x) Valuation of undertakings or assets of the company, wherever it is necessary.
- xi) Evaluation of internal financial controls and risk management systems.
- xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- xiv) Discussion with internal auditors, if any, any significant findings and follow up there on.
- xv) Reviewing the findings of any internal investigations by the internal auditors, if any, into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- xviii) To review the functioning of the Whistle Blower mechanism.
- xix) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- xx) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee is vested with powers to investigate any activity of Company or seek information from any employee.

Besides the Committee Members, Senior Executives of accounts, finance, internal auditors, statutory auditors were standing invitees for clarification / explanation.

• **Nomination and Remuneration Committee:**

In Compliance with Section 178 of Companies Act 2013 the Board renamed the Remuneration Committee as 'Nomination and Remuneration Committee'.

During the year 2019-2020, the Committee met Two times. The Committee Meetings were held on 27th May 2019 and 13th September 2019.

Composition of the committee as on 31st March 2020 and its attendance is as follows

Sr. No.	Name of the Member	Status in Committee	Director status	No. of meeting held	No. of meeting attended
1	Mr. Devesh Vasavada	Chairman	Non Executive Independent Director	2	1
2	Mr. Charul Abuwala	Member	Non Executive Independent Director	2	2
3	Mr. R. Sunderasan	Member	Executive Chairman	2	1

The terms of reference of the committee are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Details of Remuneration paid to Directors for the year ended March 31, 2020:
(a) Non Executive Directors

Name of Director	Sitting Fees (Rs)
Mr. Lalit Shah	33000
Mr. Charul Abuwala	53000
Mr. Devesh Vasavada	29000
Total	115000

(b) Executive Directors

Particulars	Mr. R Sundaresan Chairman and Executive Director	Ms. Daya Bhalia Company Secretary and Executive Director
Salary	Rs. 6,50, 000	Rs. 10,68,000
Perquisites	-	-
Variable Pay	-	-
Sitting Fees	-	-
Notice Period and Severance Fees	One Months Notice or One month's Salary in lieu there of	One Months Notice or One month's Salary in lieu there of

Particulars	Mr. Yogendra Chaturvedi Executive Director
Salary	Rs. 14,06,000
Perquisites	-
Variable Pay	-
Sitting Fees	-
Notice Period and Severance Fees	One Months Notice or One month's Salary in lieu there of

• Corporate Social Responsibility Committee:

Pursuant to Section 135 of the Companies Act 2013, the Corporate Social Responsibility (CSR) Committee was duly constituted.

During the year no meeting was held as Provision of Section 135 of the Companies Act 2013 was not applicable for financial year 2019-20.

Composition of the committee as on 31st March 2020 is as follows:

Sr. No.	Name of the Director	No. of Shares	% Holding
1	Mr. Devesh Vasavada	Chairman	Independent Director
2	Mr. R Sundaresan	Member	Executive Chairman
3	Mr. Yogendra Chaturvedi	Member	Executive Director

The Company formulated CSR Policy which is uploaded on the website of the company.

Weblink: <http://www.shardulsecurities.com/Corporate%20Social%20Responsibility%20Policy.pdf>

The Terms of reference of the committee broadly comprises of following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act 2013;
- To recommend the amount of expenditure to be incurred on the activities referred to in Corporate Social Responsibility Policy in a financial year;
- To monitor the Corporate Social Responsibility Policy of the company from time to time.
- Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

• Investment and Finance Committee

Pursuant to Section 179 of the Companies Act 2013, the Investment and Finance Committee was duly constituted.

During the year one meeting of Investment and Finance Committee was held on 12th December, 2019.

Composition of the committee as on 31st March 2020 and its attendance is as follows:

Sr. No.	Name of the Member	Status in Committee	Director status	No. of meeting held	No. of meeting attended
1	Mr. R Sundaresan	Chairman	Executive Chairman	1	1
2	Mr. Yogendra Chaturvedi	Member	Executive Director	1	1
3	Ms. Daya Bhalia	Member	Executive Director	1	1

The Terms of reference of the committee broadly comprises of following:

- To borrow monies from bank or any other financial institution;
- To invest the funds of the company;
- To grant loans or give guarantee or provide security in respect of loans;
- To sign, execute any document or give authority to any authorized signatory and to do any other act, deeds, things to give effect to any of the above matters.

• INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on March 15, 2020, inter alia to discuss:

- review the performance of non-independent directors and the Board as a whole;
- review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

4. Remuneration Policy:-

• Remuneration to Non- Executive Directors

The Non- Executive Directors are paid remuneration by way of sitting fees. The Total amount of sitting fees paid during the Financial Year 2019-2020 is Rs 115,000. The Directors do not have any material pecuniary relationship or transactions with the Company.

• Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including, Whole-time Director is governed by the Board of Directors and shareholders of the Company. The remuneration package of Executive Director comprises of salary, allowances and contribution to Provident and other Retirement Benefit Funds as approved by the Shareholders at the General Meetings. Annual increments are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof. The remuneration policy is directed towards rewarding performance, based on review of achievements and is aimed at attracting and retaining high competency.

Currently, the Company does not have a scheme for grant of stock options.

5. Performance evaluation:-

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee. The Directors expressed their satisfaction.

6. Familiarization Programme for Independent Director:-

The Company had conducted various programmes during the financial year to familiarize Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the company operates, business model of the company, etc. Further, the Directors were encouraged to attend the training programmes being organized by various regulators/bodies/ institutions on above matters. The details of the policy relating to conducting familiarization programmes are displayed on the website of the Company, web link of the same is <http://www.shardulsecurities.com/program%20for%20independent%20directors.pdf>

7. Subsidiary Company monitoring framework:-

The Company has one material non listed Indian subsidiary named "Shriyam Broking Intermediary Limited as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company has formulated the material subsidiary policy and uploaded on the website of the company and Weblink of same is <http://www.shardulsecurities.com/policy%20for%20determining%20material%20subsidiary.pdf>

8. Disclosure on related party transactions with related parties: -

During the period under review, the Company has not entered into any material transaction with any of its related parties. None of the transactions with any related parties were in conflict with the interests of Company at large.

Details of the transactions with related parties have been disclosed in note no. 30 of notes forming part of financial statements.

As required under regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated policy on dealing with Related Party Transactions. The Policy is available on the website of the Company.

Weblink of same is: <http://www.shardulsecurities.com/related%20party%20transaction%20policy.pdf>

9. Whistle blower policy:-

The Company has established a whistle blower policy and vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct policy. The mechanism provides for adequate safeguards against victimization of directors and employees. None of the personnel have been denied access to the Audit Committee of the Board. The details of Whistle Blower Policy are available on the website of the Company www.shardulsecurities.com.

Weblink of the same is: <http://www.shardulsecurities.com/vigil%20mechanism%20policy.pdf>

10. Code of Business Conduct & Ethics:-

The Company has adopted the model Code of Business Conduct & Ethics for Directors and Senior Management and the same is posted on the Company's website namely: www.shardulsecurities.com

11. Compliance with Mandatory Requirements: -

The Company has complied with the mandatory requirement of the Code of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

12. Means of Communications: -

The quarterly results are published in the Performa prescribed by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in one English language Newspaper (Business Standard) and one Marathi language Newspaper (Mumbai Lakshadeep). Management Discussion and Analysis forms part of the Directors' Report. The quarterly results are also available on the Company's website namely www.shardulsecurities.com.

13. Details of Total Fees paid to Statutory Auditors

The details for total fees for all services paid by the Company and its subsidiaries, on consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which a statutory auditor is a part, are as follows.

(Rs. In Lakhs)

Type of Services	F.Y 2019-20	F.Y 2018-19
Statutory Audit Fees	2.91	2.91
Tax Audit Fees	0.70	0.70
Other Services	0.35	0.35
Total	3.96	3.96

Declaration on Compliance of the Company's Code of Conduct:

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to further strengthen corporate governance practices in the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non compliance thereof during the year ended 31st March 2020.

Place: Mumbai
Date: 29th June 2020

Yogendra Chaturvedi
Executive Director & CEO

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(As per clause C of Schedule V of the **Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015** read with regulation 34(3) of the said Listing Regulations).

To,
The Members,
Shardul Securities Limited
CIN: L50100MH1985PLC036937
Regd. Off: G-12, Tulsiani Chambers 212,
Nariman Point, Mumbai – 400021,
Maharashtra, India

As required by item 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 we certify that none of the Directors on the Board of Shardul Securities Limited have been debarred or disqualified from being appointed or continuing as directors of Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

For Dhirendra Maurya & Associates
Company Secretaries

Dhirendra Maurya
Proprietor
Mem. No: 22005
C.P. No.: 9594

UDIN: A022005B000645408

Place: Bhayander (East)
Date: 29th June 2020

GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting:

Date & Time : 29th September 2020 at 4.00 p.m.
 Venue : The Company is conducting meeting through VC/OAVM pursuant to the MCA circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM.

2. Financial Calendar : 2019-20

Board Meetings	Tentative dates
Results for the quarter ending June 30, 2020	Second week of August, 2020
Results for the quarter ending September 30, 2020	Second week of November, 2020
Results for the quarter ending December 31, 2020	Second week of February, 2021
Results for the year ending March 31, 2021	Last week of May, 2021

2. Book closure dates : 23rd September 2020 to 28th September 2020 (Both days inclusive) in connection with the AGM.

3. Registered Office : G-12, Tulsiani Chambers 212, Nariman Point Mumbai 400 021

6. Equity shares listed on Stock Exchanges at: - BSE Ltd.

7. Annual Listing fees: -

The listing fees to the BSE Ltd. have been duly paid by the Company up to the financial year 2019-20.

8. Dematerialization of shares and Liquidity: -

96.41% of the Equity Shares have been dematerialized up to 31st March 2020. Trading in Equity Shares of the Company is permitted only in dematerialized form with effect from 24th July 2000 as per notification issued by the Securities and Exchange Board of India (SEBI). The shares of the company are regularly traded at Bombay Stock Exchange. Total number of shares traded during the year 2019-20 were 69,554 and its value was Rs. 30,31,516.

9. Stock Code: -

- i) Trading symbol at The Stock Exchange, Mumbai (Physical Segment) SHARDUL SECU.
- ii) Demat ISIN Number in NSDL & CDSL – Equity Shares - INE037B01012

10. Distribution of Shareholding and Shareholding Pattern as on 31st March 2020: -

I) The Distribution of Shareholding as on 31st March 2020: -

No. of Equity Shares held	Shareholders		Shares held	
	No.	%	No.	%
1 -- 500	7275	94.3825	789312	4.5108
501 -- 1000	176	2.2833	145084	0.8291
1001 -- 2000	101	1.3103	152133	0.8694
2001 -- 3000	51	0.6617	131526	0.7516
3001 -- 4000	21	0.2724	71130	0.4065
4001 -- 5000	17	0.2206	78180	0.4468
5001 -- 10000	22	0.2854	162221	0.9271
10001 and above	45	0.5838	15968847	91.2587
TOTAL	7708	100.0000	17498433	100.0000

II) Shareholding Pattern as on 31st March 2020: -

Category	No. of Shares	%
Promoters	130,95,807	74.84
Financial Institutions / Banks / Mutual Funds / Insurance Company	0	0
Hindu Undivided Family	46731	0.27
Corporate Bodies	17,93,624	10.25
Indian Public	2,241,325	12.81
NRI / OCB	4,167	0.02
Others (Share in Transit)	1,300	0.01
IEPF	3,15,479	1.80
TOTAL	174,98,433	100

11. General Body Meetings: -
i) The last three Annual General Meetings of the Company were held as under: -

Year	Location	Date	Time
2016-2017	Senate Hall, 208, Regent Chambers, Nariman Point, Mumbai 400 021	29.09.2017	10.00 a.m.
2017-2018	M C Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kaala Ghoda, Mumbai – 400001	26.07.2018	10.00 a.m.
2018-2019	Senate Hall, 208, Regent Chambers, Nariman Point, Mumbai 400 021	12.09.2019	10.00.a.m.

ii) The following special resolutions were passed with required majority during the last three Annual General Meetings:

Sr. No.	Date of AGM	Particulars of Special Business Transacted
1	29.09.2017	1. Confirmation of remuneration of Mr. R Sundaresan as Chairman and Executive Director, 2. Confirmation of remuneration of Ms. Monika Agarwal as Company Secretary and Executive Director 3. Confirmation of remuneration of Mr. Yogendra Chaturvedi as Chief Executive Officer and Executive Director.
2	26.07.2018	1. Appointment of Statutory Auditor to fill casual vacancy. 2. Appointment of Statutory Auditor. 3. Re- appointment of Mr. R Sundaresan as a Chairman & Executive Director 4. Appointment of Ms. Daya Bariya as Whole time Director, designated as Executive Director and Company Secretary
3	12.09.2019	1. Re-appointment of Mr. Charul Abuwala as an Independent Director of the Company 2. Appointment of Mr. Lalit Shah as an Independent Director of the Company.

No special resolution was passed during the year 2019-20 through postal ballot.

12. Share Transfer Systems: -

Presently Share Transfer in physical form are processed and share certificate returned within a period of 30 days from the date of receipts, subject to the documents being clear in all respects.

13. Market Price Data: -

Monthly high/low market price of the Company's Equity Shares traded on The Stock Exchange, Mumbai and BSE Sensex during the last financial year 2019-2020 were as follows:

The Stock Exchange, Mumbai – Code No.512393

Month	Share Price		BSE Sensex	
	High	Low	High	Low
April 2019	58.25	52.00	39487.45	38460.25
May 2019	51.85	42.30	40124.96	36956.10
June 2019	51.00	49.95	40312.07	38870.96
July 2019	48.00	31.00	40032.41	37128.26
August 2019	32.65	29.45	37807.55	36102.35
September 2019	34.65	31.00	39441.12	35987.80
October 2019	45.80	33.00	40392.22	37415.83
November 2019	54.00	40.10	41163.79	40014.23
December 2019	56.00	41.90	41809.96	40135.37
January 2020	55.75	40.55	42273.87	40476.55
February 2020	53.05	41.80	41709.3	38219.97
March 2020	53.30	43.10	39083.17	25638.90

14. **Address for Correspondence:**

Investors Correspondence for Transfer / dematerialization of shares, payment of dividend on shares and any other query relating to shares.	For Shares held in physical form:	For shares held in demat form:
	Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai – 400 083	To the Depository Participant.

15. **Compliance officer:**

Ms. Daya Bhalia
Tel: 022- 40090500
Fax: 022- 22846585

16. **Registrar & Share Transfer**
Agent:- Link Intime India Private Limited
Address:

C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai – 400 083

Tel. No.: +91 22 49186270

Fax: +91 22 49186060

Email: mt.helpdesk@linkintime.co.in

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members of **Shardul Securities Limited**

1. We have examined the compliance of conditions of Corporate Governance by Shardul Securities Limited (the 'Company'), for the year ended March 31, 2020, as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.
8. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **J. Kala & Associates**

Firm Registration Number: 118769W

Chartered Accountants

Vaibhav Patodi

Partner

Membership Number: 420935

Place: Mumbai

Date: 29th June, 2020

UDIN: 20420935AAAADB6930

**CEO & CFO Certification issued pursuant to the provisions of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,
The Board of Directors
Shardul Securities Limited

Subject: CEO & CFO Certificate

We to the best of our knowledge and belief, certify that;

1. We have reviewed the financial statements and cash flow statement for the year ended 31st March 2020 and that to the best of our knowledge and belief;
 - i) these statements do not contain any material untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violating the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls over financial reporting and we have evaluated the effectiveness of internal controls systems of the company over financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls over financial reporting, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies. In our opinion, there are adequate internal controls over financial reporting.
4. We have indicated to the auditors and the Audit Committee;
 - i) Significant changes in the internal controls over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year, as disclosed in notes forming part of financial statement.
 - iii) Instances of significant fraud of which we have become aware and the involvement there in, if any, of the management or an employee having a significant role in the company's internal controls systems on financial reporting. To our knowledge and belief, there were no frauds during the year.

Yogendra Chaturvedi
Chief Executive Officer (CEO)
& Executive Director

Prashant Chaturvedi
Chief Financial Officer
(CFO)

Place: Mumbai
Date: 29 June 2020

SHARDUL SECURITIES LIMITED



**STANDALONE
IND AS FINANCIALS**

INDEPENDENT AUDITORS' REPORT**To the Members of Shardul Securities Limited**
Report on the audit of the Standalone Ind AS financial statements**Opinion**

1. We have audited the accompanying standalone Ind AS financial statements of **Shardul Securities Limited** ("the Company"), which comprise the balance sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in equity and the Statement of Cash Flows for the year then ended on that date, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss, including other comprehensive income, changes in equity and its cash flows for the year the ended on that date.

Basis for opinion

3. We conducted our audit of the Standalone Ind AS Financial Statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial Statements.

Emphasis of Matters

4. We draw Attention to note 31 to the standalone Ind AS financial statements, which describe the uncertainty caused by Novel Corona virus (COVID-19). Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Standalone Ind AS Financial Statements and Auditors' Report Thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information report, but does not include the Standalone Ind AS financial statements and our auditor's report thereon.
7. Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
8. In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

9. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone Ind AS Financial statements

10. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flow and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
11. In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
12. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the Standalone Ind AS financial statements

13. Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.
14. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone Ind AS financial Statements made by the Management and Board of Directors.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair

presentation.

15. Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.
16. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
17. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
18. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

19. As required by the Companies (Auditor's Report) Order, 2016 ("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" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
20. 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 Standalone Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, statement of changes in equity and the statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197 (16) of the act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at year end on its financial position in its standalone Ind AS financial statements – Refer Note 45.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any

material foreseeable losses.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For J. Kala & Associates

Firm Registration Number: 118769W
Chartered Accountants

Vaibhav Patodi

Partner
Membership Number: 420935

Place: Mumbai
Date: 29th June 2020
UDIN: 20420935AAAACX8799

Annexure A to Independent Auditors' Report

Referred to in Paragraph 19 of the Independent Auditors' Report of even date to the members of **Shardul Securities Limited** on the financial statements as of and for the year ended 31st March 2020

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Plant, property and equipments.
(b) The Plant, property and equipments of the Company have been physically verified by the Management at regular intervals, and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The Company does not hold any inventory during the year, accordingly, paragraph 3 (ii) of the Order is not applicable.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security in connection with any loan to any party covered under Section 185 of the Companies Act, 2013.
In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act with respect to the loans given and investments made.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including Provident Fund, Income Tax, Goods & Service Tax, Customs Duty, Cess and other material statutory dues, as applicable, with the appropriate authorities.
(b) There were no undisputed amounts payable in respect of Provident Fund, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

- (c) According to the information and explanations given to us and the records of the Company examined by us, there are dues of Income Tax which have not been deposited on account of any dispute, are as follows:

(Rs. in Lakhs)

Name of Statute	Nature of Disputed dues	Amount under dispute	Amount paid	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	10.44	4.98	FY 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	8.55	1.54	FY 2014-15	Income tax Appellate Tribunal
Income Tax Act, 1961	Income tax	14.78	2.22	FY 2013-14	Income tax Appellate Tribunal
Income Tax Act, 1961	Income tax	1.12	0.17	FY 2012-13	Income tax Appellate Tribunal

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution. The Company does not have any loans or borrowings from any bank or Government, nor has it issued any debentures as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company which was carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is required to, and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For J. Kala & Associates

Chartered Accountants
Firm Registration Number: 118769W

Vaibhav Patodi

Partner
Membership Number 420935

Place: Mumbai
Date: 29th June 2020
UDIN: 20420935AAAACX8799

Annexure B to Independent Auditors' Report

Referred to in paragraph 20 (f) of the Independent Auditors' Report of even date to the members of **Shardul Securities Limited** on the standalone financial statements for the year ended **March 31, 2020**

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

1. We have audited the internal financial controls over financial reporting of **Shardul Securities Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, to the best of our information and accordingly to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting were operating effectively as at March 31, 2020, 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 J. Kala & Associates

Firm Registration Number: 118769W

Chartered Accountants

Vaibhav Patodi

Partner

Membership Number: 420935

UDIN:

Place: Mumbai

Date: 29th June 2020

UDIN: 20420935AAAAACX8799

Standalone Balance Sheet as at 31st March, 2020

(Rs. In Lakh)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
ASSETS				
Financial Assets				
Cash and Cash Equivalents	3	562.82	302.64	111.35
Bank Balance other than Cash and Cash Equivalents above	4	26.28	26.52	29.44
Receivables	5	-	-	-
Trade Receivables		-	-	-
Other Receivables		-	-	-
Loans	6	30.00	500.00	500.00
Investments	7	19,167.19	23,385.94	18,679.24
Other Financial Assets	8	9.17	22.33	4.58
Total		19,795.46	24,237.43	19,324.61
Non-Financial Assets				
Current Tax Assets (Net)	9	56.82	60.75	43.72
Investment Property	10	457.80	467.73	477.66
Property, Plant & Equipment	11	799.77	817.07	834.31
Other Intangible Assets	12	1.32	1.89	1.66
Other Non-Financial Assets	13	0.37	4.29	8.83
Total		1,316.08	1,351.73	1,366.18
Total Assets		21,111.54	25,589.16	20,690.79
LIABILITIES AND EQUITY				
Liabilities				
Financial Liabilities				
Payables	14	-	-	-
(a) Trade Payables		-	-	-
Micro and Small Enterprises		-	-	-
Other than Micro and Small Enterprises		-	-	-
(b) Other Payables		-	-	-
Micro and Small Enterprises		-	-	-
Other than Micro and Small Enterprises		-	-	-
Other Financial Liabilities	15	71.65	71.52	79.15
Total		71.65	71.52	79.15
Non-Financial Liabilities				
Provisions	16	0.71	1.25	1.25
Deferred Tax Liabilities (Net)	17	118.15	643.60	200.82
Other Non-Financial Liabilities	18	6.19	5.77	5.42
Total		125.05	650.62	207.49
Equity				
Equity Share Capital	19	1,749.84	1,749.84	1,749.84
Other Equity	20	19,165.00	23,117.18	18,654.31
Total		20,914.84	24,867.02	20,404.15
Total Liabilities and Equity		21,111.54	25,589.16	20,690.79
Significant Accounting Policies	2			
See accompanying notes on Standalone Ind AS Financial Statements	1 to 49			
<div> <div> As per our report of even date For J. Kala & Associates Chartered Accountants FRN 118769W Vaibhav Patodi Partner M.No. 420935 Place :- Mumbai Date :- 29th June, 2020 </div> <div> For and on behalf of the Board Yogendra Chaturvedi (Executive Director & CEO) (DIN 00013613) Daya Bhalia (Executive Director & Company Secretary) (DIN 07049483) Devesh Vasavada (Director) (DIN 00273128) Charul Abuwala (Director) (DIN 00071142) Lalit Shah (Director) (DIN 08473788) Prashant Chaturvedi (CFO) </div> </div>				

Standalone Statement of Profit and Loss for the year ended 31st March, 2020

		(Rs. In Lakh)	
Particulars	Note No.	2019-20	2018-19
Revenue from Operations	21		
Interest Income		18.30	51.68
Dividend Income		129.64	110.33
Rent Income		91.73	86.85
Profit/ (loss) on dealing in securities (Net)		38.35	197.70
Net Profit/ (Loss) on Sale of Investments		104.12	77.55
Total		382.14	524.11
Other Income	22	1.54	1.43
Total Income		383.68	525.54
Expenses			
Finance Costs	24	-	58.77
Net Loss on Fair Value Changes	23	1,099.74	239.73
Employee Benefits Expenses	25	67.33	69.09
Depreciation and Amortisation Expenses	26	27.80	31.62
Other Expenses	27	68.33	83.72
Total Expenses		1,263.20	482.93
Profit/ (Loss) before Tax		(879.52)	42.61
Tax Expense:			
Current Tax		21.00	35.00
Deferred Tax		(252.78)	3.01
Total Tax Expense		(231.78)	38.01
Profit/ (Loss) for the year from Continuing Operations		(647.74)	4.60
Profit/(Loss) from Discontinued Operations		-	-
Tax Expenses of Discontinued Operations		-	-
Profit/ (Loss) for the year		(647.74)	4.60
Other Comprehensive Income			
(a) Items that will not be reclassified to Profit/ (Loss)			
- Change in fair value of FVOCI instrument		(3,447.00)	5,028.94
- Remeasurements of post-employment benefit obligations		(3.54)	(4.55)
(b) Income Tax relating to above		272.67	(439.76)
Total		(3,177.87)	4,584.63
(a) Items that will be reclassified to Profit/ (Loss)		-	-
(b) Income Tax relating to above		-	-
Total		-	-
Total Other Comprehensive Income		(3,177.87)	4,584.63
Total Comprehensive Income for the Year		(3,825.61)	4,589.23
(Comprising Profit and Other Comprehensive Income)			
Earnings per equity share of face value of Rs. 10/- each:	28		
(a) Basic (In Rs.)		(3.70)	0.03
(b) Diluted (In Rs.)		(3.70)	0.03
Significant Accounting Policies	2		
See accompanying notes on Standalone Ind AS Financial Statements	1 to 49		

As per our report of even date

For J. Kala & Associates

Chartered Accountants

FRN 118769W

Vaibhav Patodi

Partner

M.No. 420935

Place :- Mumbai

Date :- 29th June, 2020

For and on behalf of the Board

Yogendra Chaturvedi

(Executive Director & CEO) (DIN 00013613)

Daya Bhalia

(Executive Director & Company Secretary) (DIN 07049483)

Devesh Vasavada

(Director) (DIN 00273128)

Charul Abuwala

(Director) (DIN 00071142)

Lalit Shah

(Director) (DIN 08473788)

Prashant Chaturvedi

(CFO)

Standalone Statement of changes in Equity for the year ended 31st March, 2020
A. Equity Share Capital (Rs. In Lakh)

Particulars	Note No.	Number of Shares	Amount
As at 1st April, 2018		1,74,98,433	1,749.84
Changes in equity share capital during the year		-	-
As at 31st March, 2019	19	1,74,98,433	1,749.84
Changes in equity share capital during the year		-	-
As at 31st March, 2020		1,74,98,433	1,749.84

B. Other Equity (Rs. In Lakh)

Particulars	Note No.	Reserves and Surplus					Other	Total
		Capital Reserve	Securities Premium	General Reserve	Statutory Reserve Fund	Retained Earnings	Other Comprehensive Income (OCI)	
Restated Balance As at 1st April, 2018		6.90	2,666.69	328.58	2,143.29	4,786.73	8,722.12	18,654.31
Profit/(Loss) for the year		-	-	-	-	4.60	-	4.60
Other Comprehensive Income		-	-	-	-	-	5,024.39	5,024.39
Income Tax relating to above		-	-	-	-	-	(439.76)	(439.76)
Dividends Paid including Distribution Tax		-	-	-	-	(126.36)	-	(126.36)
Transferred to Statutory Reserve Fund		-	-	-	46.86	(46.86)	-	-
Balance As at 31st March, 2019	20	6.90	2,666.69	328.58	2,190.15	4,618.11	13,306.75	23,117.18
Profit/(Loss) for the year		-	-	-	-	(647.74)	-	(647.74)
Other Comprehensive Income		-	-	-	-	-	(3,450.54)	(3,450.54)
Income Tax relating to above		-	-	-	-	-	272.67	272.67
Dividends Paid including Distribution Tax		-	-	-	-	(126.57)	-	(126.57)
Transferred from OCI Reserve on Realisation		-	-	-	-	226.05	(226.05)	-
Transferred to Statutory Reserve Fund		-	-	-	-	-	-	-
Balance As at 31st March, 2020		6.90	2,666.69	328.58	2,190.15	4,069.85	9,902.83	19,165.00
Significant Accounting Policies	2							
See accompanying notes on Standalone Ind AS Financial Statements	1 to 49							

As per our report of even date

For J. Kala & Associates

Chartered Accountants

FRN 118769W

Vaibhav Patodi

Partner

M.No. 420935

Place :- Mumbai

Date :- 29th June, 2020

For and on behalf of the Board

Yogendra Chaturvedi

(Executive Director & CEO) (DIN 00013613)

Daya Bhalia

(Executive Director & Company Secretary) (DIN 07049483)

Devesh Vasavada

(Director) (DIN 00273128)

Charul Abuwala

(Director) (DIN 00071142)

Lalit Shah

(Director) (DIN 08473788)

Prashant Chaturvedi

(CFO)

Standalone Cash Flow Statement for the year ended 31st March, 2020

	(Rs. In Lakh)	
Particulars	2019-20	2018-19
A. Cash Flow from Operating Activities		
Net Profit / (Loss) before tax, as per Statement of Profit and Loss	(879.52)	42.61
Adjusted for:		
Depreciation and Amortisation Expenses	27.80	31.62
Contingent Provisions against Standard Assets	(1.18)	-
(Profit) / Loss on sale of Investments	(104.12)	(77.55)
Provision for Gratuity	0.70	0.23
Rent Income	(91.73)	(86.85)
Net (Gain)/Loss on Fair Value Changes	1,099.74	239.73
Operating Profit / (Loss) before working capital changes	931.21	107.18
Adjusted for:	51.69	149.79
Net Bank Balance other than Cash and Cash Equivalents	0.24	2.92
Loans	470.00	-
Other Financial Assets	13.16	(17.75)
Other Non-Financial Assets	0.32	(0.25)
Other Financial Liabilities	0.37	(4.71)
Other Non-Financial Liabilities	0.42	0.35
Cash generated from / (used in) operations	536.20	130.35
Income Tax (Paid)/Refund	(17.07)	(52.03)
Net Cash from / (used) in Operating Activities	519.13	78.32
B. Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment and Intangible Assets	-	(4.68)
Purchase of investments at FVPL	(607.28)	(3,178.91)
Sale of investments at FVPL	401.56	3,338.99
Purchase of investments at FVOCI	(578.31)	-
Sale of investments at FVOCI	560.16	-
Rent Income	91.73	86.85
Net Cash from / (used) in investment activities	(132.14)	242.25
C. Cash Flow from Financing Activities		
Dividend paid on Equity Shares including tax	(126.81)	(129.28)
Net cash from / (used) in Financing Activities	(126.81)	(129.28)
Net increase / (decrease) in cash and cash equivalents	260.18	191.29
Opening Balance of Cash and Cash Equivalents	302.64	111.35
Closing Balance of Cash and Cash Equivalents	562.82	302.64

Notes: 1. The above Cash flow statement has been prepared under the indirect method set out in IndAS - 7 Statement of Cash Flows.
2. Components of cash and cash equivalents are disclosed in note no. 3.
3. Disclosure pursuant to para 44A to 44E of IndAS - 7 Statement of Cash Flows are not applicable as Company does not have any Borrowings or Debt Securities.

As per our report of even date

For J. Kala & Associates

Chartered Accountants

FRN 118769W

Vaibhav Patodi

Partner

M.No. 420935

Place :- Mumbai

Date :- 29th June, 2020

For and on behalf of the Board

Yogendra Chaturvedi

(Executive Director & CEO) (DIN 00013613)

Daya Bhalia

(Executive Director & Company Secretary) (DIN 07049483)

Devesh Vasavada

(Director) (DIN 00273128)

Charul Abuwala

(Director) (DIN 00071142)

Lalit Shah

(Director) (DIN 08473788)

Prashant Chaturvedi

(CFO)

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020**Note 1 - Background**

Shardul Securities Limited ('the Company') is registered as Non-Banking Financial Company (NBFC) as defined under Section 45-IA of the Reserve Bank of India Act, 1934 (RBI). It's a Non-Systemically Important Non-Deposit taking NBFC Company.

These standalone financial statement of the Company for the year ended March 31, 2020 were authorised for issue by the board of directors on June 29, 2020. Pursuant to the provision of the Companies Act, 2013 (the 'Act') the Central Government, Income tax authorities, Securities and Exchange Board of India, other statutory regulatory body and under section 131 of the Act, the board of directors of the Company have powers to amend / re-open the standalone financial statements approved by the board / adopted by the members of the Company.

The Company is Public Limited Company listed on recognised stock exchange in India. The registered office of the Company is located at G-12, Tulsiani Chambers, Nariman Point, Mumbai - 400021.

Note 2 - Significant Accounting Policies

The principal accounting policies applied in the preparation of these Standalone Ind AS financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Basis of preparation of Standalone Financial Statements:**(i) Compliance with Ind AS**

- 1) The Standalone Ind AS financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015 (as amended)] and other relevant provisions of the Act.
- 2) under Ind AS. Explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows has been given under notes to Standalone Ind AS financial statements.
- 3) These standalone financial statements are presented in 'Indian Rupees', which is also the Company's functional currency and all amounts, are rounded to the nearest Rupees in Lakh, unless otherwise stated.
- 4) The standalone financial statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III to the Act, applicable Ind AS, other applicable pronouncements and regulations and Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued by RBI.
- 5) The standalone Ind AS financial statements have been prepared on a going concern basis.

(ii) Historical cost convention

The Standalone Ind AS financial statements have been prepared on a historical cost basis, except for the following:

- 1) Certain financial assets and liabilities (including derivatives instruments) are measured at fair value.
- 2) Defined benefit plans – plan assets measured at fair value.

(B) Investment in subsidiaries, associates and joint ventures

Investments in subsidiary companies, associate companies and joint venture company are carried at cost and fair value (deemed cost) as per Ind AS -101 and 109 less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate company and joint venture company, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

When the Company ceases to control the investment in subsidiary or associate the said investment is carried at fair value through profit and loss in accordance with Ind AS 109 "Financial Instruments".

(C) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020**(D) Financial instruments**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through statement of profit and loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions.

Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at fair value through statement of profit and loss, which results in an accounting loss being recognised in statement of profit and loss.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognizes the difference as follows:

- 1) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
- 2) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in statement of profit and loss.

(E) Financial assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

1) Classification and subsequent measurement

- a The Company has applied Ind AS 109 and classifies its financial assets in the following measurement categories:
 - Fair value through profit or loss (FVPL);
 - Fair value through other comprehensive income (FVOCI); or
 - Amortised cost.
- b **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in Statement of Profit and Loss in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.
- c **Fair value through other comprehensive income:** Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.
- d **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets is recognised using the effective interest rate method.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020

- e Fair value option for financial assets:** The Company may also irrevocably designate financial assets at fair value through profit or loss if doing so significantly reduces or eliminates an accounting mismatch created by assets and liabilities being measured on different bases.

f Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for:

- a) Purchased or originated credit impaired (POCI) financial assets, for which the original credit-adjusted effective interest rate is applied to the amortised cost of the financial asset.
- b) Financial assets that are not 'POCI' but have subsequently become credit-impaired (or 'stage 3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For FVOCI financial assets – assets that are credit-impaired at initial recognition – the Company calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

g Equity instruments

- i) Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.
- ii) The Company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the
- iii) Changes in the fair value of financial assets at fair value through profit or loss are recognised in net gain/loss on fair value changes in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.
- iv) Gains and losses on equity investments at FVPL are included in the statement of profit and loss.
- v) Equity instruments at FVOCI are not subject to an impairment assessment.

2) Impairment

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost and with the exposure arising from loan commitments and financial guarantee contracts. The Company recognizes a loss allowance for such losses at each reporting date.

The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of the ECL allowance is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses).

3) Write-off policy

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Company's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020**4) Derecognition other than on a modification**

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Company transfers substantially all the risks and rewards of ownership, or (ii) the Company neither transfers nor retains substantially all the risks and rewards of ownership and the Company has not retained control. The Company directly reduces the gross carrying amount of a financial asset when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

- 5) Loans:** Advances are classified into performing advances and non-performing advances ('NPAs') as per the RBI guidelines and are stated net of specific provision made towards NPAs. Further, NPAs are classified into substandard, doubtful and loss assets based on the criteria stipulated by the RBI. Provisions for NPAs are made at rates as prescribed by the RBI.

(F) Financial liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial assets to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings.

1) Classification and subsequent measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

2) Derecognition

Financial liabilities are derecognised when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expires).

3) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(G) Financial guarantee obligation

- 1)** Financial guarantee obligation are obligation that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities.
- 2)** For financial guarantee obligation, the loss allowance is recognised as a provision, if any.

(H) Repossessed collateral

Repossession collateral represents financial and non-financial assets acquired by the Company in settlement of overdue loans. The assets are initially recognised at book value when acquired and included in premises and equipment, other financial assets, investment properties or inventories within other assets depending on their nature and the Company's intention in respect of recovery of these assets, and are subsequently remeasured and accounted for in accordance with the accounting policies for these categories of assets.

(I) Derivatives and hedging activities

- 1)** Derivatives are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at fair value. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.
- 2)** The method of recognising the resulting fair value gain or loss depends on whether the derivative is designated and qualifies as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives that are not designated as hedges

The Company may enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in statement of profit and loss.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
(J) Revenue Recognition

- 1) Revenue is measured at fair value of the consideration received or receivable. Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring a promised good or service to a customer.
- 2) When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.
 - i) **Interest income**
Interest income is recognised using the effective interest rate.
 - ii) **Dividend income**
Dividend income is recognised when the right to receive payment is established.
 - iii) **Income from investments**
Profit / (Loss) earned from sale of securities is recognised on trade date basis. The cost of securities is computed based on First in First out (FIFO) method.
 - iv) **Discount on investments**
The difference between the acquisition cost and face value of debt instruments is recognised as interest income over the tenor of the instrument on straight-line basis.
 - v) **Redemption premium on investments**
Redemption premium on investments is recognised as income over the tenor of the investment.
 - vi) **Management fee income and/or Advisory Fees and Services**
Management fee income towards support services and/or income from Advisory Fees and Services is accounted as and when services are rendered and it becomes due on contractual terms with the parties.
 - vii) **Rental income**
Lease rental income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

(K) Income Tax
i) Current Taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognised outside profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred Taxes

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets, if any, are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020**(L) Leases****i) As a Lessor**

Leases for which the Company is a lessor is classified as finance lease or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the lease contract is classified as finance lease. All other leases is classified as operating lease.

For Operating Lease, lease rentals are recognised on a straight line basis over the term of lease.

ii) Transition

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the retrospective with cumulative effect method of initially applying the standard recognized at the date of initial application without any adjustment to opening balance of retained earnings. The Company did not have any material impact on the standalone financial statements on application of the above standard.

(M) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(N) Property, Plant & Equipment

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 'Property, Plant and Equipment'.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property plant and equipment recognised as at April 01, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of property plant and equipment.

Depreciation methods, estimated useful lives & residual value

Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets as prescribed in Schedule II to the Companies Act, 2013 to allocate their cost, net of their residual values, over their estimated useful lives as follows:

The estimated useful lives for the different types of assets are :

- (i) Furniture and Fixtures - 10 years
- (ii) Office equipments - 5 years
- (iii) Computers - 3 years
- (iv) Vehicles - 8 years
- (v) Buildings - 60 years

The Company provides pro-rata depreciation from the day the asset is put to use and for any asset sold, till the date of sale. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the statement of profit and loss.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020**(O) Intangible assets**

Intangible assets are recognised where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation.

Intangible Assets are amortised on straight-line basis over the useful life of the asset up to a maximum of 5 years commencing from the month in which such asset is first installed.

The Company provides pro-rata amortization from the day the asset is put to use and for any asset sold, till the date of sale.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 01, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(P) Investment properties

An investment property is accounted for in accordance with cost model. The cost of any shares in a co-operative society or a company, the holding of which is directly related to the right to hold the investment property, is added to the carrying amount of the investment property.

Depreciation on investment property is provided in accordance with the provisions of Schedule II of the Companies Act, 2013. Tangible assets are depreciated on straight line basis method over the useful life of assets, as prescribed in Part C of Schedule II of the Companies Act, 2013.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as at April 01, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

(Q) Borrowing costs

Borrowing costs, which are directly attributable to the acquisition / construction of property plant and equipment, till the time such assets are ready for intended use, are capitalised as part of the cost of the assets. Other borrowing costs are recognised as an expense in the year in which they are incurred. Brokerage costs directly attributable to a borrowing are expensed over the tenure of the borrowing.

(R) Impairment of non-financial assets

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

(S) Provisions, contingent liabilities and contingent assets

The Company creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation. Contingent liabilities are not recognised but are disclosed in the notes to the Standalone Ind AS financial statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised nor disclosed in the Standalone Ind AS financial statements.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020**(T) Foreign currency translation**

The Company's financial statements are presented in Indian Rupee, which is also the Company's functional currency.

Initial recognition: Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction.

Conversion: Monetary assets and liabilities denominated in foreign currencies at the year end are restated at year end rates.

Exchange differences: All exchange differences are accounted in the Statement of Profit and Loss.

(U) Employee benefits**1) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

2) Post-employment obligations**i) Defined benefit plans****Gratuity:**

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Accrued Benefit Method (same as Projected Unit Credit Method), which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

ii) Defined contribution plans**Provident fund:**

Company's contributions to the recognised provident fund, which is a defined contribution scheme, are charged to the Statement of Profit and Loss.

(V) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(W) Earnings per share**1) Basic earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year, if any.

2) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020**(X) Rounding of Amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh upto two decimal points as per the requirements of Schedule III, unless otherwise stated.

(Y) Critical estimates and judgements

The Company makes estimates and assumptions that affect the amounts recognised in the Standalone Ind AS financial statements, and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have the most significant effect on the amounts recognised in the Standalone Ind AS financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include the following:

1) Estimation of fair value of unlisted investments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions.

2) Current tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. For the purpose of preparing Income Tax working, the Company has opted for the new taxation rates u/s 115BAA of the Income Tax Act, 1961.

3) Estimation of fair value of investments property

The Company has carried out the valuation activity to assess fair value of its Investment in land and property. Accordingly, fair value estimates for investment in land and property is classified as level 3.

The Company has obtained a Valuation Report from valuer to assess fair value of its Investment of property.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 3 - Cash and Cash Equivalents

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Cash on Hand	-	-	-
Balances with Banks	512.82	302.64	111.35
Fixed Deposits with Bank #	50.00	-	-
Total	562.82	302.64	111.35

Notes:

The Company has taken bank overdraft facility against lien of FD but not utilised it as on 31.03.2020, therefore the cash and cash equivalents for the cash flow statement is same as cash and cash equivalents given above.

Note 4 - Bank Balance other than Cash and Cash Equivalents above

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Balances with Banks In Earmarked Accounts Unclaimed Dividend	26.28	26.52	29.44
Total	26.28	26.52	29.44

Note 5 - Receivables

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Trade Receivables	-	-	-
Other Receivables	-	-	-
Total	-	-	-

Note 6 - Loans

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
At Amortised Cost (Unsecured and Considered good)			
Loans to Others	30.00	500.00	500.00
Less: Impairment loss allowance	-	-	-
Total	30.00	500.00	500.00
Loans in India:			
Others	30.00	500.00	500.00
Loans outside India	-	-	-

Note 6.1 - Summary of loans by stage distribution

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
	Stage 1	Stage 1	Stage 1
Gross carrying amount	30.00	500.00	500.00
Less: Impairment loss allowance	-	-	-
Net carrying amount	30.00	500.00	500.00

Analysis of changes in the gross carrying amount by stages in relation to loans and its corresponding impairment loss allowance (ECL) is Nil.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 7 - Investments

(Rs. In Lakh)

Particulars	Face Value (In Rs.)	Quantity			Amount		
		As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Investments							
(A) Investment measured at Cost							
In Equity shares of Subsidiary companies -							
Unquoted - Fully Paid up							
Shriyam Broking Intermediary Ltd	10	1,00,00,000	1,00,00,000	1,00,00,000	1,000.00	1,000.00	1,000.00
Total (A)					1,000.00	1,000.00	1,000.00
(B) Investments measured at Fair Value							
through Other Comprehensive Income #							
In Equity shares - Quoted - Fully Paid-up							
Central Depository Services (India) Limited	10	2,500	2,500	2,500	5.37	6.06	7.07
DCW Ltd	2	40,000	40,000	40,000	2.92	8.76	12.34
Gillette India Ltd	10	2,000	2,000	2,000	109.37	131.29	130.79
Grindwell Norton Ltd	5	7,000	7,000	7,000	32.16	41.54	35.36
Menon Bearings Ltd	1	45,900	-	-	14.23	-	-
HDFC Bank Ltd	2	2,05,700	1,02,850	1,02,850	1,773.13	2,382.52	1,945.36
ICICI Bank Ltd	2	69,000	-	-	223.91	-	-
Kabra Extrusiontechnik Ltd	5	10,000	10,000	10,000	4.31	8.54	11.88
MRF Ltd	10	30	30	30	17.47	17.42	21.69
RBL Bank Ltd	10	-	1,00,000	1,00,000	-	681.35	476.90
Reliance Industries Ltd*	10	9,13,000	9,28,000	9,28,000	10,156.67	12,649.10	8,192.38
Nippon Life India Asset Management Ltd	10	75,000	-	-	186.60	-	-
Royal Orchid Hotels Ltd	10	12,500	12,500	12,500	5.13	14.76	20.09
Timken India Ltd	10	5,200	5,200	5,200	39.54	30.68	36.45
Trent Ltd	1	5,000	5,000	5,000	23.96	17.99	17.31
Wabco India Ltd	5	4,000	4,000	4,000	245.40	266.59	315.90
Welspun Enterprises Ltd	10	12,000	12,000	12,000	4.91	12.74	16.96
Sub Total					12,845.08	16,269.34	11,240.48
In Equity shares - Unquoted - Fully Paid-up							
Bangalore Stock Exchange Ltd	1	8,350	8,350	8,350	0.08	0.08	0.08
Antique Finance Pvt Ltd	10	31,22,125	31,22,125	31,22,125	141.43	146.02	146.02
Sub Total					141.51	146.10	146.10
Total (B)					12,986.59	16,415.44	11,386.58
(C) Investments measured at Fair Value							
through Profit & Loss							
In Equity shares - Quoted - Fully Paid-up							
(held for Trade)							
ABB Ltd	10	10,000	10,000	-	93.27	131.98	-
ABB Power Products Ltd	2	2,000	-	-	14.99	-	-
Aditya Birla Capita Ltd	10	50,000	50,000	50,000	21.10	48.83	72.93
Aditya Birla Fashion and Retail Ltd	10	-	-	15,000	-	-	22.58
Arvind Remedies Ltd	2	1,00,000	1,00,000	1,00,000	-	-	-
Ashoka Buildcon Ltd	10	9,750	9,750	6,500	4.03	12.57	16.01
AU Small Finance Bank Ltd	10	-	-	17,500	-	-	108.14
Atul Auto Ltd	5	4,410	4,410	4,410	6.24	15.17	19.47
Automotive Axles Ltd	10	-	-	6,500	-	-	94.89
Avenue Supermarts Ltd	10	1,000	1,000	-	22.01	14.70	-
Balkrishna Industries Ltd	2	10,000	10,000	10,000	79.11	99.45	107.29
Bandhan Bank Ltd	10	10,000	-	-	20.37	-	-
Bombay BumrahTrading Corp Ltd	2	5,000	5,000	5,000	36.59	65.12	58.45
CCL Products (India) Ltd	2	-	-	2,500	-	-	6.96
City UnionBank Ltd	1	30,250	30,250	27,500	39.22	61.77	47.46
Dalmia Bharat Ltd	2	5,000	5,000	2,500	24.45	49.49	72.13
Eicher Motors Ltd	10	-	-	500	-	-	141.68
GFL Ltd	1	4,500	-	-	3.65	-	-
Grasim Industries Ltd	2	10,000	10,000	10,000	47.54	85.82	105.41
Gruh Finance Ltd	10	-	-	25,000	-	-	144.29
Gujarat Fluorochem Ltd	1	8,000	4,500	4,500	23.20	49.71	35.13
HDFC AMC Ltd	5	10,000	16,369	-	211.22	251.13	-
HDFC Bank Ltd	1	-	24,700	14,700	-	572.18	278.04
HDFC life Insurance Company Ltd	10	50,000	50,000	50,000	220.80	189.25	226.75

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 7 - Investments

(Rs. In Lakh)

Particulars	Face Value (In Rs.)	Quantity			Amount		
		As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Hi-Tech Pipes Ltd	10	9,000	9,000	9,000	6.48	20.49	32.40
ICICI Bank Ltd	2	33,250	8,250	8,250	107.90	32.91	22.97
ICICI Prudential Life Insurance Co Ltd	10	25,000	25,000	25,000	88.93	87.38	97.49
ICICI Lombard General Insurance Co Ltd	10	-	50,000	50,000	-	516.42	396.22
ITC Ltd	1	17,750	17,750	-	30.53	52.66	-
Jtekt India Ltd	1	25,000	25,000	-	10.04	27.44	-
Kotak Mahindra Bank Ltd	5	-	56,200	-	-	750.69	-
Lakshmi Machines Works Ltd	10	200	200	1,201	4.60	12.19	82.54
Larsen & Toubro Ltd	2	10,000	10,000	-	80.69	138.40	-
Maruti Suzuki India Ltd	5	1,000	1,000	1,100	42.88	66.72	97.49
Mold-Tek Packaging Limited	5	-	-	10,000	-	-	32.04
Mphasis Ltd	10	2,000	2,000	-	13.29	19.78	-
Nestle India Ltd	10	-	1,625	500	-	178.66	41.01
Pidilite Industries Ltd	1	3,000	3,000	-	40.70	37.27	-
Raj Oil Mills Ltd	10	1,84,500	1,84,500	1,84,500	-	3.47	4.35
Reliance Communications Ltd	5	7,000	7,000	-	0.05	0.29	-
Sadbhav Infrastructure Project Ltd	10	25,000	25,000	25,000	3.50	21.50	32.92
SBI Life Insurance Company Ltd	10	4,000	5,000	55,000	25.64	28.98	370.40
Schaeffler India Ltd	10	1,046	1,046	1,046	38.69	57.60	54.03
SKF India Ltd	10	893	893	1,000	12.93	18.02	17.43
SPARC Ltd	1	15,000	15,000	15,000	14.48	28.80	56.75
The Federal Bank Ltd	2	-	-	5,000	-	-	4.47
Thermax Ltd	2	2,000	2,000	2,000	14.79	19.45	22.62
Trent Ltd	1	-	20,000	20,000	-	71.97	69.23
Vakrangee Ltd	1	10,000	10,000	10,000	1.98	5.03	22.12
Sub Total					1,405.89	3,843.29	3,014.09
In Equity shares - Quoted - Fully Paid-up							
Colgate-Palmolive India Ltd	1	10,000	-	-	125.30	-	-
Cox & Kings Ltd	5	2,59,301	2,59,301	3,40,000	1.40	363.41	776.22
Cox & Kings Finance Service Ltd	10	-	86,434	-	-	11.11	-
Dabur India Ltd	1	10,000	-	-	45.03	-	-
Essar Shipping Ltd	10	78,233	78,233	78,233	4.23	8.18	17.84
Essel Propack Ltd	2	-	40,000	20,000	-	46.70	48.09
Godrej Properties Ltd	5	2,000	-	-	12.06	-	-
Great Eastern Shipping Co Ltd	10	66,000	66,000	56,000	136.72	186.75	185.53
Emami Ltd	1	-	30,000	15,000	-	120.00	160.20
Glaxosmithkline Pharmaceuticals Ltd	10	-	-	6,000	-	-	125.12
BASF India Ltd	10	-	-	10,000	-	-	190.85
Hindustan Zinc Ltd	2	-	-	50,000	-	-	150.48
IDFC Ltd	10	-	-	1,50,000	-	-	72.98
LIC Housing Finance Ltd	2	-	-	3,000	-	-	16.05
Shriram City Union Finance Ltd	10	-	-	600	-	-	12.84
HDFC Bank Ltd	1	49,400	-	-	425.83	-	-
Honda SIEL Power Products Ltd	10	2,500	-	-	20.88	-	-
ICICI Lombard General Insurance Co Ltd	10	50,000	-	-	538.35	-	-
Insecticides (India) Ltd	10	-	3,000	3,000	-	19.78	20.65
India Grid Trust	100	20,412	-	-	18.21	-	-
Indian Terrain Fashions Ltd	2	20,000	20,000	20,000	5.14	26.68	35.00
ION Exchange (India) Ltd	10	2,500	-	-	15.06	-	-
Kotak Mahindra Bank Ltd	5	56,200	-	-	728.55	-	-
Nestle India Ltd	10	1,625	-	-	264.91	-	-
Sadbhav Infrastructure Project Ltd	10	2,00,000	2,00,000	2,00,000	28.00	172.00	263.40
SBI ETF Nifty 50 Ltd	10	75,583	-	-	67.57	-	-
Schaeffler India Ltd	10	2,000	2,000	2,000	73.98	110.13	103.30
SKF India Ltd	10	14,187	14,187	15,900	205.43	286.27	277.08
Sun TV Network Ltd	5	15,000	-	-	42.86	-	-
Trent Ltd	1	20,000	-	-	95.84	-	-
Ultratech Cement Ltd	10	1,500	-	-	48.81	-	-
Wockhardt Ltd	10	5,500	5,500	5,500	9.50	24.37	39.95
Sub Total					2,913.66	1,375.38	2,495.58

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 7 - Investments

(Rs. In Lakh)

Particulars	Face Value (In Rs.)	Quantity			Amount		
		As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
In Preference shares - Unquoted - Fully Paid up							
Vaibhav Property & Advisors Pvt Ltd	10	22,50,000	22,50,000	22,50,000	225.00	225.00	225.00
Sub Total					225.00	225.00	225.00
In Bullion							
Gold		12.46 KG	12.46 KG	12.46 KG	538.96	395.05	378.92
Silver		30.13 KG	30.13 KG	30.13 KG	11.90	11.38	11.55
Sub Total					550.86	406.43	390.47
Investment in Funds - Unquoted							
HDFC India Real Estate Fund	1000	4,443	4,443	4,443	0.11	0.10	12.02
Urban Infrastructure fund	27930	270	270	270	32.84	35.18	88.37
(Previous year's Face Value Rs. 50,911/-)							
Motilal Oswal Focused Emergence Fund	10	7,13,463	7,13,463	7,13,463	52.24	85.12	67.13
Sub Total					85.19	120.40	167.52
Total (C)					5,180.60	5,970.50	6,292.66
Total Investments (A+B+C)					19,167.19	23,385.94	18,679.24
Less: Allowance for impairment Loss					-	-	-
Total Investments Net					19,167.19	23,385.94	18,679.24
Investments Outside India					-	-	-
Investments in India					19,167.19	23,385.94	18,679.24

Note 7.1 Category-wise Investment

Investment measured at Cost					1,000.00	1,000.00	1,000.00
Investments measured at Fair Value through Other Comprehensive Income					12,986.59	16,415.44	11,386.58
Investments measured at Fair Value through Profit & Loss					5,180.60	5,970.50	6,292.66

#The equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value through OCI rather than profit or loss as these are strategic investments and the Company considered this to be more relevant.

* Includes Lien/Pledge with the banks and corporates against loan / margins.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 8 - Other Financial Assets
(Unsecured and Considered Good)
(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Security Deposits	1.95	1.95	1.51
Others **	4.27	20.38	3.07
Interest Receivables	2.95	-	-
Total	9.17	22.33	4.58

**Includes receivables from related parties Rs. 4.27 Lakh (Previous Year Rs. 4.95 Lakh).

Note 9 - Current Tax Assets (Net)
(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Advance Income Tax (Net of Provision)	56.82	60.75	43.72
Total	56.82	60.75	43.72

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 10 - Investment Property

(Rs. In Lakh)

Description	Gross Block				Depreciation / Amortisation				Net Block
	As at 1st April, 2019	Additions	Deductions/ Adjustments	As at 31st March, 2020	Upto 31st March, 2019	For the Year	Deductions/ Adjustments	As at 31st March, 2020	As at 31st March, 2020
Tangible Assets:									
Office Premises (Building)	632.52	-	-	632.52	164.79	9.93	-	174.72	457.80
Total	632.52	-	-	632.52	164.79	9.93	-	174.72	457.80

Description	Gross Block				Depreciation / Amortisation				Net Block
	As at 1st April, 2018	Additions	Deductions/ Adjustments	As at 31st March, 2019	Upto 1st April, 2018	For the Year	Deductions/ Adjustments	As at 31st March, 2019	As at 31st March, 2019
Tangible Assets:									
Office Premises (Building)	632.52	-	-	632.52	154.86	9.93	-	164.79	467.73
Total	632.52	-	-	632.52	154.86	9.93	-	164.79	467.73

Notes:

i) The Company has obtained a Valuation Report from valuer to assess fair value of its Investment of property which is Rs. 1,068.33 Lakhs as on 31.03.2020 (Rs. 1,040.07 Lakhs as on 31.03.2019 and Rs. 949.19 Lakhs as on 01.04.2018). Accordingly, Fair value estimates for investment property is classified as Level 3.

ii) Office Premises includes 10 shares of Rs. 50/- each of Laxmi Finance & Leasing Companies Commercial Premises Co-op. Society Limited.

iii) Information regarding Income & Expenditure of Investment property

(Rs. In Lakh)

Particulars	2019-20	2018-19
Rental income derived from investment property	91.13	86.25
Direct operating expenses (including repairs and maintenance) associated with rental income	(21.11)	(19.94)
Profit/ (Loss) arising from sale of investment property	-	-
Impairment during the year	-	-
Depreciation for the year	(9.93)	(9.93)
Profit/ (Loss) arising from investment property before indirect expenses	60.09	56.38

Note 11 - Property, Plant & Equipment

(Rs. In Lakh)

Description	Gross Block				Depreciation / Amortisation				Net Block
	As at 1st April, 2019	Additions	Deductions/ Adjustments	As at 31st March, 2020	Upto 31st March, 2019	For the Year	Deductions/ Adjustments	As at 31st March, 2020	As at 31st March, 2020
Tangible Assets:									
Office Premises (Building)	1,032.53	-	-	1,032.53	237.90	15.13	-	253.03	779.50
Furniture and Fixtures	139.02	-	-	139.02	132.07	-	-	132.07	6.95
Vehicles	43.67	-	-	43.67	35.84	1.24	-	37.08	6.59
Office Equipment	73.74	-	-	73.74	66.52	0.75	-	67.27	6.47
Computers	3.76	-	-	3.76	3.32	0.18	-	3.50	0.26
Total	1,292.72	-	-	1,292.72	475.65	17.30	-	492.95	799.77

Description	Gross Block				Depreciation / Amortisation				Net Block
	As at 1st April, 2018	Additions	Deductions/ Adjustments	As at 31st March, 2019	Upto 1st April, 2018	For the Year	Deductions/ Adjustments	As at 31st March, 2019	As at 31st March, 2019
Tangible Assets:									
Office Premises (Building)	1,032.53	-	-	1,032.53	222.77	15.13	-	237.90	794.63
Furniture and Fixtures	139.02	-	-	139.02	128.20	3.87	-	132.07	6.95
Vehicles	43.67	-	-	43.67	34.36	1.48	-	35.84	7.83
Office Equipment	69.78	3.96	-	73.74	66.29	0.23	-	66.52	7.22
Computers	3.76	-	-	3.76	2.83	0.49	-	3.32	0.44
Total	1,288.76	3.96	-	1,292.72	454.45	21.20	-	475.65	817.07

Note:

i) Office Premises includes :

- 15 shares of Rs. 50/- each of Tulsiani Chamber Premises Co-op. Society Limited.
- 5 shares of Rs. 50/- each of Parekh Vora Chamber Premises Co-op. Society Limited.

Note 12 - Other Intangible Assets

(Rs. In Lakh)

Description	Gross Block				Depreciation / Amortisation				Net Block
	As at 1st April, 2019	Additions	Deductions/ Adjustments	As at 31st March, 2020	Upto 31st March, 2019	For the Year	Deductions/ Adjustments	As at 31st March, 2020	As at 31st March, 2020
Computer Software	3.77	-	-	3.77	1.88	0.57	-	2.45	1.32
Total	3.77	-	-	3.77	1.88	0.57	-	2.45	1.32

Description	Gross Block				Depreciation / Amortisation				Net Block
	As at 1st April, 2018	Additions	Deductions/ Adjustments	As at 31st March, 2019	Upto 1st April, 2018	For the Year	Deductions/ Adjustments	As at 31st March, 2019	As at 31st March, 2019
Computer Software	3.05	0.72	-	3.77	1.39	0.49	-	1.88	1.89
Total	3.05	0.72	-	3.77	1.39	0.49	-	1.88	1.89

Note:

i) Represents Software other than self generated.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 13 - Other Non-Financial Assets

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Prepaid Expenses	0.37	0.69	0.44
Gratuity Balance receivable	-	3.60	8.39
Total	0.37	4.29	8.83

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 14 - (a) Trade Payables

The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Principal amount due and remaining unpaid	-	-	-
Interest due on above and the unpaid interest	-	-	-
Interest paid	-	-	-
Payment made beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay	-	-	-
Interest accrued and remaining unpaid	-	-	-
Amount of further interest remaining due and payable in succeeding years	-	-	-
Total	-	-	-

Note 14 - (b) Other Payables

The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Principal amount due and remaining unpaid	-	-	-
Interest due on above and the unpaid interest	-	-	-
Interest paid	-	-	-
Payment made beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay	-	-	-
Interest accrued and remaining unpaid	-	-	-
Amount of further interest remaining due and payable in succeeding years	-	-	-
Total	-	-	-

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 15 - Other Financial Liabilities

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Security Deposit - Rental Deposit	45.00	45.00	45.00
Unclaimed Dividends *	26.28	26.52	29.44
Other Payables **	0.37	-	4.71
Total	71.65	71.52	79.15

* These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

**Includes payables to related parties Rs. 4.71 Lakh as at 1.4.2018.

Note 16 - Provisions

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Provision for Gratuity	0.63	-	-
Contingent Provisions against Standard Assets	0.08	1.25	1.25
Total	0.71	1.25	1.25

Note 17 - Deferred Tax Liability/(Asset) (net)

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Deferred Tax Liability/(Asset)			
Related to Non-Financial Assets (Fixed Assets)	147.81	175.07	161.78
Related to Provision for Gratuity	(0.16)	-	-
Related to Investments Appreciation through OCI	83.85	356.52	(83.24)
Related to Investments Appreciation through P&L	(113.35)	112.01	122.28
Total	118.15	643.60	200.82

Note 18 - Other Non-Financial Liabilities

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Statutory Liabilities	2.20	2.26	2.27
Other Payables	3.99	3.51	3.15
Total	6.19	5.77	5.42

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020

Note 19 - Equity Share Capital

(Rs. In Lakh)

(Rs. in Lakhs)							
(A)	Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
		No. of Shares			Amount		
	Authorised Share Capital: Equity Shares of Rs. 10 each	10,00,00,000	10,00,00,000	10,00,00,000	10,000.00	10,000.00	10,000.00
		10,00,00,000	10,00,00,000	10,00,00,000	10,000.00	10,000.00	10,000.00
	Issued, Subscribed and Paid up: Equity Shares of Rs. 10 each (Fully Paid up)	1,74,98,433	1,74,98,433	1,74,98,433	1,749.84	1,749.84	1,749.84
	Total	1,74,98,433	1,74,98,433	1,74,98,433	1,749.84	1,749.84	1,749.84
(B)	The reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the year:						
	Particulars				2019-20	2018-19	2017-18
	No. of Shares outstanding at the beginning of the year				1,74,98,433	1,74,98,433	1,74,98,433
	Addition during the year				-	-	-
	Deletion during the year				-	-	-
	No. of Shares outstanding at the end of the year				1,74,98,433	1,74,98,433	1,74,98,433
(C)	Par value per share: The par value of Equity Shares is Rs.10/-.						
(D)	The rights, preferences and restrictions attached to each class of shares including to restrictions on the distribution of dividends and repayment of capital: Equity Shares- The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The equity shareholders are entitled to dividend only if dividend in a particular financial year is recommended by the Board of Directors and approved by the members at the annual general meeting of that year. In case of winding up, if the assets available for distribution are less than the paid up share capital, then the shortfall will be borne by the members proportionately. Where there is an excess, the same shall be distributed proportionately among the members.						
(E)	Details of Shares held by Holding or Ultimate Holding Company (including their Subsidiary or Associates) Shares Held Nil (P.Y. Nil)						
(F)	The details of Shareholders holding more than 5% shares : Equity Shares:						
Sr. No.	Name of Shareholder	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
(i)	Gagan D Chaturvedi	28,36,185	16.21	28,36,185	16.21	28,36,185	16.21
(ii)	Devesh D Chaturvedi	19,02,419	10.87	19,02,419	10.87	19,02,419	10.87
(iii)	Brijesh D Chaturvedi	9,99,867	5.71	9,99,867	5.71	9,99,867	5.71
(iv)	Angular Trading Pvt Ltd	9,81,843	5.61	9,81,843	5.61	9,81,843	5.61
(v)	Rajesh D Chaturvedi	26,05,586	14.89	26,05,586	14.89	26,05,586	14.89
(vi)	A to Z Broking Services LLP	21,18,400	12.11	21,18,400	12.11	21,18,400	12.11
(vii)	Shriyam Commodities Intermediary LLP	9,32,000	5.33	9,32,000	5.33	9,32,000	5.33

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 20 - Other Equity

		(Rs. In Lakh)			
	Particulars	As at 31st March, 2020		As at 31st March, 2019	
					As at 1st April, 2018
(A)	Capital Reserve				
	Balance as per the last financial statement	6.90		6.90	6.90
	Addition/(Deletion) during the year	-	6.90	-	6.90
(B)	Securities Premium				
	Balance as per the last financial statement	2,666.69		2,666.69	2,666.69
	Addition/(Deletion) during the year	-	2,666.69	-	2,666.69
(C)	General Reserve				
	Balance as per the last financial statement	328.58		328.58	328.58
	Add : Amount transferred from surplus balance in the Statement of Profit and Loss	-	328.58	-	328.58
(D)	Statutory Reserve Fund (As per RBI Guidelines)				
	Balance as per the last financial statement	2,190.15		2,143.29	2,143.29
	Add : Amount transferred from surplus balance in the Statement of Profit and Loss	-	2,190.15	46.86	-
	(Created pursuant to Section 45-IC of Reserve Bank of India Act, 1934)			2,190.15	2,143.29
(E)	Other Comprehensive Income (OCI)				
	Balance as per the last financial statement	13,306.75		8,722.12	-
	Add: Op IndAS Adjustments through OCI	-		-	8,636.49
	Add: Op Remeasurements of post-employment benefit obligations	-		-	2.39
	Add/(Less): DTA/(DTL) Effect on Above	-		-	83.24
	Restate Balance at the beginning of reporting period	13,306.75		8,722.12	8,722.12
	Items that will not be reclassified to Profit/ (Loss)	(3,450.54)		5,024.39	-
	Add/(Less): DTA/(DTL) Effect on Above	272.67		(439.76)	-
	Less: Transferred to Retained Earnings on Realisation	(226.05)		-	-
		9,902.83		13,306.75	8,722.12
(F)	Retained Earnings				
	Balance as per the last financial statement	4,618.11		4,786.73	4,272.57
	Add: Op IndAS Adjustments through P&L	-		-	630.44
	Add: Op Remeasurements of post-employment benefit obligations	-		-	6.00
	Add/(Less): DTA/(DTL) Effect on Above	-		-	(122.28)
	Add: Transferred from OCI Reserve on Realisation	226.05		-	-
	Add : Profit/(Loss) for the year	(647.74)		4.60	-
	Amount available for Appropriations	4,196.42		4,791.33	4,786.73
	Less : Appropriations				
	Transferred to Statutory Reserve Fund (As per RBI Guidelines)	-		46.86	-
	Dividend on Equity Shares	104.99		104.99	-
	Tax Paid on Dividend	21.58		21.37	-
		4,069.85		4,618.11	4,786.73
	Total	19,165.00		23,117.18	18,654.31

Nature and purpose of reserve:
a) Capital Reserve

Capital Reserves are mainly the reserves created during business combination for the gain on bargain purchase.

b) Securities Premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

c) General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

d) Statutory Reserve Fund (As per RBI Guidelines)

Statutory reserve fund is created pursuant to section 45-IC of the Reserve Bank of India Act, 1934 for NBFC Companies.

e) Other Comprehensive Income (OCI)

FVOCI equity investments: The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Other Comprehensive Income also represents actuarial gains / (losses) arising on recognition of defined benefit plans.

f) Retained Earnings

Retained earnings represents the surplus/(deficit) in profit and loss account and appropriations.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 21 - Revenue from Operations

(Rs. In Lakh)

Particulars	2019-20	2018-19
Interest Income	18.30	51.68
- Interest on Loans	15.02	51.68
- Interest on Deposits with Banks	3.28	-
Dividend Income	129.64	110.33
Rent Income	91.73	86.85
Profit/ (loss) on dealing in securities (Net)	38.35	197.70
Net Profit on Sale of Investments	104.12	77.55
Total	382.14	524.11

Note 22 - Other Income

(Rs. In Lakh)

Particulars	2019-20	2018-19
Interest on Income Tax Refund	0.07	-
Reversal of Contingent Provisions against Standard Assets	1.18	-
Bad Debt Recovery	-	0.77
Miscellaneous Income	0.29	0.66
Total	1.54	1.43

Note 23 - Net Loss on Fair Value Changes

(Rs. In Lakh)

Particulars	2019-20	2018-19
Net Loss on Fair Value Changes (Refer Note 23.1)	1,099.74	239.73
Total	1,099.74	239.73

Note 23.1 - Net Gain/(Loss) on Fair Value Changes

(Rs. In Lakh)

Particulars	2019-20	2018-19
Net Gain/(Loss) on Fair Value Changes on Investments measured at Fair Value through Profit & Loss		
On Investments	(1,099.74)	(239.73)
Total Net Gain/(Loss) on Fair Value Changes	(1,099.74)	(239.73)
Fair Value Changes		
Realised	-	-
Unrealised	(1,099.74)	(239.73)
Total Net Gain/(Loss) on Fair Value Changes	(1,099.74)	(239.73)

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 24 - Finance Cost

(Rs. In Lakh)

	Particulars	2019-20	2018-19
	Interest Expenses		
(a)	Other Interest Expenses	-	58.77
	Total	-	58.77

Note 25 - Employee Benefits Expenses

(Rs. In Lakh)

	Particulars	2019-20	2018-19
(a)	Salaries and Wages	65.15	67.22
(b)	Contribution to Provident and Other Funds	1.40	1.56
(c)	Staff Welfare Expenses	0.04	0.03
(d)	Contribution to Gratuity	0.74	0.28
	Total	67.33	69.09

Note 26 - Depreciation and Amortisation Expenses

(Rs. In Lakh)

	Particulars	2019-20	2018-19
(a)	On Investment Property	9.93	9.93
(b)	On Property, Plant & Equipment	17.30	21.20
(c)	On Other Intangible Assets	0.57	0.49
	Total	27.80	31.62

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 27 - Other Expenses

		(Rs. In Lakh)	
	Particulars	2019-20	2018-19
(A)	Payment to Auditors (excluding GST)		
(a)	Statutory Audit Fees	2.25	2.25
(b)	Tax Audit Fees	0.50	0.50
(c)	Other Services	0.25	0.25
(B)	Operating / Administrative and General Expenses		
(a)	Rates and Taxes	28.47	27.32
(b)	Other Repairs : Equipments	0.73	1.68
(c)	Travelling & Conveyance Expenses	3.06	3.30
(d)	Telephone and lease line charges	0.62	0.94
(e)	Directors Sitting Fees	1.15	1.24
(f)	Printing & Stationery	2.13	2.10
(g)	Electricity Charges	5.60	5.83
(h)	Securities Transaction Tax	3.54	7.54
(i)	Fees & Subscription	7.82	9.36
(j)	Professional Fees	2.06	7.05
(k)	Advertisement	1.07	1.01
(l)	Insurance	1.85	2.41
(m)	Motor Car Expenses	2.77	7.13
(n)	Bank Charges	-	0.32
(o)	Demat Charges	0.77	-
(p)	Miscellaneous Expenses	3.69	3.49
	Total	68.33	83.72

Note 28 - Earnings Per Equity Share

	Particulars	2019-20	2018-19
(A)	Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. In Lakhs)	(647.74)	4.60
(B)	Weighted average number of equity shares used as denominator for calculating EPS (in Nos.)	1,74,98,433	1,74,98,433
(C)	Basic and diluted earnings/ (loss) per share of face value of Rs. 10 each:		
	(a) Basic (In Rs.)	(3.70)	0.03
	(b) Diluted (In Rs.)	(3.70)	0.03

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 29 - Income tax
29.1 The components of income tax expense for the year ended are:

(Rs. In Lakh)

	Particulars	2019-20	2018-19
	Current Tax	21.00	35.00
	Deferred Tax	(252.78)	3.01
	Total	(231.78)	38.01

29.2 Reconciliation of the total tax charge

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended March 31, 2020 and March 31, 2019 is, as follows:

(Rs. In Lakh)

	Particulars	2019-20	2018-19
	Reconciliation of Profit Before Tax to Taxable Profit		
	Accounting profit/(loss) before tax	(879.52)	42.61
(A)	Tax at India's statutory income tax rate of 25.168% (previous year 26%)	(221.36)	11.08
(B)	Tax effect of the amount which are not taxable in calculating taxable income :		
	On Property Plant and Equipment	(31.77)	6.64
	On Financial Instruments	154.25	32.25
	Effect of incomes which are exempt from tax	(32.63)	(28.69)
	Adjustment on account of ICDS impact	(100.41)	13.09
	Other deductions / allowances	0.14	3.64
(C)	Income tax expense at effective tax rate	(231.78)	38.01

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 30 As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(i) List of related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Shriyam Broking Intermediary Limited	Subsidiary
2	Shriyam Realtors Private Limited	Step-down Subsidiary
3	Mr. R. Sundaresan - Executive Chairman	Key Managerial Personnel (KMP)
4	Mr. Yogendra Chaturvedi - Executive Director	Key Managerial Personnel (KMP)
5	Ms. Daya Bhalia - Executive Director & Company Secretary	Key Managerial Personnel (KMP)
6	Mr. Charul Abuwala - Non-Executive Director	Key Managerial Personnel (KMP)
7	Mr. Lalit Shah - Non-Executive Director (w.e.f. 06.06.2019)	Key Managerial Personnel (KMP)
8	Mr. Devesh Vasavada - Non-Executive Director	Key Managerial Personnel (KMP)
9	Mr. Kantilal Shah - Non-Executive Director (upto 31.03.2019)	Key Managerial Personnel (KMP)
10	Mr. Prashant Chaturvedi - CFO	Key Managerial Personnel (KMP)

(ii) Transactions during the year with related parties (excluding reimbursements): (Rs. In Lakh)

Sr. No.	Nature of Transactions	Subsidiary	(KMP)	Total
1	Expenses for Trading Activities toward Brokerage	1.15 (2.16)	- -	1.15 (2.16)
2	Directors Sitting Fees	-	1.15 (1.24)	1.15 (1.24)
3	Payment for remuneration and services	-	44.80 (43.73)	44.80 (43.73)
Balance as at 31st March, 2020				
4	Share capital	1,000.00 (1,000.00)	- -	1,000.00 (1,000.00)
5	Other Financial Assets - Others	4.27 (4.95)	- -	4.27 (4.95)
Other Financial Liabilities - Others is Rs. 4.71 Lakh as at 1.04.2018 payable to subsidiary. Figures in bracket represents previous year's amount.				

(iii) Disclosure in respect of material related party transactions during the year: (Rs. In Lakh)

Sr. No.	Particulars	Relationship	2019-20	2018-19
1	Expenses for Trading Activities toward Brokerage			
	Shriyam Broking Intermediary Limited	Subsidiary	1.15	2.16
2	Directors Sitting Fees			
	Mr. Charul Abuwala	KMP	0.53	0.52
	Mr. Lalit Shah	KMP	0.33	-
	Mr. Devesh Vasavada	KMP	0.29	0.27
	Mr. Kantilal Shah	KMP	-	0.45
3	Payment for remuneration and services			
	Mr. R. Sundaresan	KMP	6.50	6.50
	Mr. Yogendra Chaturvedi	KMP	14.06	13.67
	Ms. Daya Bhalia	KMP	10.68	10.78
	Mr. Prashant Chaturvedi	KMP	13.56	12.78

Note 31 Global Health Pandemic from COVID – 19 (“Covid – 19”)

Covid-19 have been declared as a global pandemic, the Indian Government has declared the complete lock down since March 24, 2020 and the same is continuing with minor exemptions and essential services were allowed to operate with limited capacity. Capital markets and banking services have been declared as essential services and accordingly, the Company has been continuing the operations with minimal permitted staff. However other employees were encouraged to work from home. All operations and servicing of clients were smoothly ensured without any interruptions as the activities of trading, settlement, DP, Stock Exchanges and depositories functions have been fully automated. Based on the facts and circumstances, there is no major impact on the business of the Company. The Company is closely monitoring any material changes on a continuous basis.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 32 Employee Benefits

The Company has classified the various benefits provided to employees as under:

(A) Defined contribution plans

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

	(Rs. In Lakh)	
Particulars	2019-20	2018-19
Employer's Contribution to Provident Fund (includes administration charges) Refer Note No. 25	1.40	1.56

(B) Defined Benefit Plans:
Gratuity:

The employees' gratuity fund scheme managed by LIC (insurer) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Accrued Benefit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

(Rs. In Lakh)		
Particulars	2019-20	2018-19
I. Change in present value of obligation:		
Present value of obligations at the beginning of the year	8.72	5.96
Interest Cost	0.65	0.33
Current Service Cost	1.01	0.91
Liability for Transferred In / (out)	-	-
Benefit Paid	-	(3.04)
Actuarial loss / (gain) arising from change in financial assumptions	0.85	-
Actuarial loss / (gain) arising on account of experience changes	2.92	4.56
Present value of obligations at the end of the year	14.16	8.72
II. Change in the fair value of Plan Assets :	2019-20	2018-19
Fair Value of Plan Assets at the beginning of the year	12.32	14.35
Interest income	0.93	0.96
Contributions	0.04	0.04
Benefit Paid	-	(3.04)
Actuarial gain/(loss) on Plan Assets	0.24	0.01
Fair Value of Plan Assets at the end of the year	13.52	12.32
III. Reconciliation of present value of obligation and fair value of	2019-20	2018-19
Liability at the end of the year	14.16	8.72
Fair value of plan assets at the end of the year	13.52	12.32
(Asset)/Liability Recognised in the Balance Sheet (Refer Note 16 & 13)	0.63	(3.60)
IV. Expenses recognised during the year :	2019-20	2018-19
Current Service Cost	1.01	0.91
Interest Cost	(0.27)	(0.63)
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/Loss recognised	-	-
Expense Recognised in Statement of profit and loss	0.74	0.28
V. Amount recorded in Other comprehensive Income (OCI)	2019-20	2018-19
Actuarial (Gains)/Losses on Obligation For the Period	3.78	4.56
Return on Plan Assets, Excluding Interest Income	(0.24)	(0.01)
Net (Income)/Expense For the Period Recognized in OCI	3.54	4.55
VI. Investment details :		
Total value of investments for employees gratuity fund scheme is managed by insurance company (LIC).		
VII. Actuarial Assumptions :	2019-20	2018-19
Discount Rate (per annum)	6.30%	7.50%
Expected Return on Plan Assets	6.30%	7.50%
Salary Escalation	4.00%	4.00%
Rate of employee turnover	Categorywise	Categorywise
Mortality rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
VIII. Sensitivity analysis:

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

(Rs. In Lakh)

Particulars	Change in assumption		Impact on defined benefit obligation			
	As at 31st March, 2020	As at 31st March, 2019	Increase in assumption		Decrease in assumption	
			As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Discount Rate	1%	1%	0.92	0.84	1.11	0.99
Salary growth rate	1%	1%	1.11	1.00	0.92	0.84
Withdrawal Rate	50%	50%	1.01	0.91	1.00	0.91
Mortality Rate	10%	10%	1.01	0.91	1.01	0.91

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognised in the balance

IX. Major Category of Plan Asset as a % of total Plan Assets

(Rs. In Lakh)

Category of Assets (% Allocation)	2019-20	2018-19	2017-18	2019-20	2018-19	2017-18
	%			Amount		
Insurer managed funds	100%	100%	100%	13.52	12.32	14.35
Total	100%	100%	100%	13.52	12.32	14.35

X. Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, like credit rise, discount rate risk, liquidity risk, etc

XI. Estimated Liability in Future Years (Maturity)

The Company generally eliminates the deficit in the defined benefit gratuity plan with in next one year.

The weighted average duration of the defined benefit obligation is 6.53 years (March 2019 – 6.34 years, March 2018- 6.07 years).

The expected maturity analysis of undiscounted post employment benefit plan (gratuity) is as follows :

(Rs. In Lakh)

Particulars	1st Year	Between 2-5 years	Between 6-10 years	Over 10 years	Total
2019-20	6.96	0.75	9.15	4.91	21.77
Defined benefit obligation (gratuity)	4.84	0.48	0.92	7.68	13.92
2018-19	3.54	0.33	0.40	5.17	9.44
Defined benefit obligation (gratuity)					

Note 33 Dividend paid and proposed during the year

(Rs. In Lakh)

Particulars	2019-20	2018-19
A. Declared and paid during the year		
Dividend on equity shares		
Final dividend [for March 2019: Re. 0.60 per share (March 2018: Re. 0.60 per share)]	104.99	104.99
Dividend distribution tax on final dividend	21.58	21.37
	126.57	126.36
B. Proposed for approval at Annual General Meeting (not recognised as a liability as at Balance sheet date)		
Dividend on equity shares [for March 2020: Re. Nil per share (March 2019: Re. 0.60 per share)]	-	104.99
Dividend distribution tax on proposed dividend	-	21.58
	-	126.57

Note 34 Events after reporting date

There have been no events after the reporting date that require adjustment/disclosure in these financial statements.

Note 35

(Rs. In Lakh)

Foreign Currency Transactions	2019-20	2018-19
Details of foreign currency transactions are as follows:		
Expenditure incurred in foreign currency*	NIL	NIL
Income earned in foreign currency*	NIL	NIL
*During the year the company had no unhedge foreign currency exposures.		

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 36 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

1) Fair value hierarchy:

The Company determines fair value of its financial instruments according to following hierarchy:

Level 1: Category includes financials assets and liabilities that are measured in whole or significant part by reference to published quotes in an active market.

Level 2: Category includes financials assets and liabilities that are measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions.

Level 3: Category includes financials assets and liabilities that are measured using valuation techniques based on nonmarket observable inputs. This means that fair value are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. The main asset classes in this category are unlisted equity investments as well as unlisted funds. Company has used discounted cash flow, comparable company analysis, net asset value method and valuation report of independent valuers where ever possible.

2) An explanation of each level follows underneath the table:
As at March 31, 2020
(Rs. In Lakh)

Financial assets and liabilities at fair value	Level 1	Level 2	Level 3	Amortised cost /Deemed Cost	Total
Financial Assets					
Financial Assets at FVTPL					
Investments	4,870.41	-	85.19	225.00	5,180.60
Financial Assets at FVOCI					
Investments	12,845.08	-	141.51	1,000.00	13,986.59
Financial Assets at Amortised cost					
Cash and Cash Equivalents	-	-	-	562.82	562.82
Bank Balance other than Cash and Cash Equivalents above	-	-	-	26.28	26.28
Loans	-	-	-	30.00	30.00
Other Financial Assets	-	-	-	9.17	9.17
Total Financial Assets	17,715.49	-	226.70	1,853.27	19,795.46
Financial Liabilities					
Financial Liabilities at Amortised cost					
Other financial liabilities	-	-	-	71.65	71.65
Total Financial Liabilities	-	-	-	71.65	71.65

As at March 31, 2019
(Rs. In Lakh)

Financial assets and liabilities at fair value	Level 1	Level 2	Level 3	Amortised cost /Deemed Cost	Total
Financial Assets					
Financial Assets at FVTPL					
Investments	5,625.10	-	120.40	225.00	5,970.50
Financial Assets at FVOCI					
Investments	16,269.34	-	146.10	1,000.00	17,415.44
Financial Assets at Amortised cost					
Cash and Cash Equivalents	-	-	-	302.64	302.64
Bank Balance other than Cash and Cash Equivalents above	-	-	-	26.52	26.52
Loans	-	-	-	500.00	500.00
Other Financial Assets	-	-	-	22.33	22.33
Total Financial Assets	21,894.44	-	266.50	2,076.49	24,237.43
Financial Liabilities					
Financial Liabilities at Amortised cost					
Other financial liabilities	-	-	-	71.52	71.52
Total Financial Liabilities	-	-	-	71.52	71.52

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020

As at April 01, 2018					(Rs. In Lakh)
Financial assets and liabilities at fair value	Level 1	Level 2	Level 3	Amortised cost /Deemed Cost	Total
Financial Assets					
Financial Assets at FVTPL					
Investments	5,900.14	-	167.52	225.00	6,292.66
Financial Assets at FVOCI					
Investments	11,240.48	-	146.10	1,000.00	12,386.58
Financial Assets at Amortised cost					
Cash and Cash Equivalents	-	-	-	111.35	111.35
Bank Balance other than Cash and Cash Equivalents above	-	-	-	29.44	29.44
Loans	-	-	-	500.00	500.00
Other Financial Assets	-	-	-	4.58	4.58
Total Financial Assets	17,140.62	-	313.62	1,870.37	19,324.61
Financial Liabilities					
Financial Liabilities at Amortised cost					
Other financial liabilities	-	-	-	79.15	79.15
Total Financial Liabilities	-	-	-	79.15	79.15

Fair value of cash and cash equivalents, bank balances, trade & other receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to current maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above.

Note 37 Financial risk management

Shardul Securities Limited ('the Company') is registered as Non-Banking Financial Company (NBFC) as defined under Section 45-IA of the Reserve Bank of India Act, 1934 (RBI). It's a Non-Systemically Important Non-Deposit taking NBFC Company.

The Company is exposed to market risk, credit risk, liquidity & interest rate risk and capital management risk. The Company's risk management function is carried out by the Risk Management Committee by evaluating financial risks and the appropriate governance framework for the Company. The Risk Management Committee provides assurance to the Board that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The major risks are summarised below:

Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company has quoted investments and investment in bullions which are exposed to fluctuations in stock prices. The company continuously monitors market exposure and, in appropriate cases, also uses various derivative instruments as a hedging mechanism to limit volatility. The unquoted redeemable non-convertible Preference Shares and unquoted investment in various funds are measured at fair value through profit or loss. The fair values of these investments are regularly monitored.

Credit risk management:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises mainly from loans and advances, and loan commitments arising from such lending activities, but can also arise from credit enhancement provided, such as financial guarantees, letters of credit, endorsements and acceptances. The Company has very insignificant exposure to loans given or taken hence exposure to such risk is very negligible.

Liquidity and Interest Rate Risk:

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. While interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to liquidity or interest rate risk, however the Management is continuously evaluating the risks, if any.

Currency Risk:

Exchange rate volatility imparts a new dimension to the risk profile of an NBFC's balance sheets having foreign assets or liabilities. The Company is not exposed to currency risk as it has no foreign assets or liabilities.

Capital Management Risk:

The Reserve Bank of India (RBI) sets and monitors capital adequacy requirements for the Company from time to time. As per regulations prescribed by Reserve Bank of India, the Company's minimum prescribed regulatory capital is holding Net Owned Funds of Rs. 200 Lakh. The Companies policies in respect of capital management and allocation are reviewed regularly by the Board of Directors and hence, increase in capital is planned well in advance to ensure adequate funding for its growth.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Expected credit loss measurement:

Ind AS 109 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below. The objective of the impairment requirements is to recognise lifetime expected credit losses for all financial instruments for which there have been significant increases in credit risk since initial recognition - whether assessed on an individual or collective basis - considering all reasonable and supportable information, including that which is forward-looking.

A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company.

If significant increases in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired.

If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. Financial instruments in Stage 1 have their ECL measured at an amount equal to 12 month ECLs. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. Purchased or originated credit-impaired financial assets are those financial assets that are credit impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

The measurement of ECL is calculated using three main components: (i) Probability of Default (PD) (ii) Loss Given Default (LGD) and (iii) the Exposure At Default (EAD).

The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

i) Probability of default (PD) represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

ii) Exposure At default (EAD) is the total amount of an asset the entity is exposed to at the time of default. EAD is defined based on the characteristics of the asset. EAD is dependent on the outstanding exposure of an asset, sanctioned amount of a loan and credit conversion factor for non-funded exposures.

iii) Loss given default (LGD) It is the part of an asset that is lost provided the asset default. The recovery rate is derived as a ratio of discounted value of recovery cash flows (incorporating the recovery time) to total exposure amount at the time of default. Recovery rate is calculated for each segment separately. Loss given default is computed as $(1 - \text{recovery rate})$ in percentage terms.

The Company assesses when a significant increase in credit risk has occurred based on quantitative and qualitative assessments. Exposures are considered to have resulted in a significant increase in credit risk and are moved to Stage 2 when:

i. Quantitative test: Accounts that are 30 calendar days or more past due move to Stage 2 automatically. Accounts that are 90 calendar days or more past due move to Stage 3 automatically.

ii. Qualitative test: Accounts that meet the portfolio's 'high risk' criteria and are subject to closer credit monitoring. High risk customers may not be in arrears but either through an event or an observed behavior exhibit credit distress.

iii. Reversal in Stages: Exposures will move back to Stage 2 or Stage 1 respectively, once they no longer meet the quantitative criteria set out above. For exposures classified using the qualitative test, when they no longer meet the criteria for a significant increase in credit risk.

Collateral and other credit enhancements:

The Company employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for funds advanced. The principal collateral types for loans and advances are:

i) Charges over business assets such as premises, inventory and accounts receivable; and

ii) Charges over financial instruments such as debt securities and equities.

Longer-term finance and lending to corporate entities are generally secured.

The Company's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Company since the prior period.

The Company closely monitors collateral held for financial assets considered to be credit-impaired, as it becomes more likely that the Company will take possession of collateral to mitigate potential credit losses. Financial assets that are credit-impaired and related collateral held in order to mitigate potential losses.

Write-off policy:

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Company's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 38 Disclosures prescribed under Liquidity Risk Management Framework of Reserve Bank of India

(i) Funding Concentration based on significant counterparty (Both Deposits and Borrowings)

Sr. No.	Name of the Significant Counterparties*	Amount (Rs in Lakh)	% of Total Deposits	% of Total Liabilities
1	Nil	-	Not Applicable	0.00%
	Total Liabilities	-	Not Applicable	0.00%

*Significant Counterparties are defined as parties having exposure in excess of 10% of the total borrowings.

(ii) The Company is a non-deposit taking non-banking financial company, and therefore, has not accepted any public deposits.

(iii) Top 10 Borrowings of the Company are as under:

Sr. No.	Name of the Significant Counterparties	Amount (Rs in Lakh)	% of Total Liabilities
1	Nil	-	0.00%
	Total Borrowings	-	0.00%

(iv) Funding Concentration based on significant instrument/product

Sr. No.	Name of the instrument/product	Amount (Rs in Lakh)	% of Total Liabilities
1	Nil	-	0.00%
	Total Borrowings	-	0.00%

(v) Stock Ratios:

- As at 31 March, 2020 The Commercial Papers issued by the Company - Nil.
- As at 31 March, 2020 Outstanding Non-Convertible Debentures with original maturity of less than one year - Nil.
- Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets - Nil.

(vi) Institutional Set-up for Liquidity Risk Management

The Company's risk management function is carried out by the Risk Management Committee by evaluating financial risks and the appropriate governance framework for the Company. The Risk Management Committee provides assurance to the Board that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

(vii) Maturity Profile - Liquidity - Refer Note No. 40

Note 39 Disclosure in terms of RBI Notification RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020

A comparison between provisions required under IRACP and impairment allowances made under IndAS 109:

(Rs. In Lakh)

Asset Classification as per RBI Norms	Asset Classification as per IndAS 109	Gross Carrying Amount as per IndAS	Loss Allowances Required under IndAS	Net Carrying Amount	Provisions required as per IRACP Norms	Difference between IndAS 109 provisions and IRACP Norms
Performing Assets - Loans						
Standard:	Stage 1	30.00	0.08	29.92	0.08	-
	Stage 2	-	-	-	-	-
Sub-total (Performing Assets)		30.00	0.08	29.92	0.08	-
Non-Performing Assets (NPA)						
Sub-standard:	Stage 3	-	-	-	-	-
Doubtful:						
Upto 1 Year	Stage 3	-	-	-	-	-
1 to 3 Years	Stage 3	-	-	-	-	-
More than 3 Years	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Sub-total (NPA)		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub-total		-	-	-	-	-
Total	Stage 1	30.00	0.08	29.92	0.08	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	30.00	0.08	29.92	0.08	-

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 40 Analysis of financial assets and liabilities by remaining maturities (Maturity Profile - Liquidity)

(Rs. In Lakh)

Financial assets and liabilities at fair value	Year	Less than 1 months	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	Over 5 Year	Total
Outflows:								
a) Capital Fund								
Equity Share Capital	2019-20	-	-	-	-	-	1,749.84	1,749.84
	2018-19	-	-	-	-	-	1,749.84	1,749.84
	2017-18	-	-	-	-	-	1,749.84	1,749.84
b) Financial Liabilities								
Other financial liabilities	2019-20			0.37	45.00		26.28	71.65
	2018-19					45.00	26.52	71.52
	2017-18	4.71				45.00	29.44	79.15
Inflows:								
a) Financial Assets								
Financial Assets at FVPL								
Investments	2019-20	4,319.55	-	-	775.86	-	85.19	5,180.60
	2018-19	5,218.67	-	-	631.43	-	120.40	5,970.50
	2017-18	5,509.67	-	-	615.47	-	167.52	6,292.66
Trade Receivables	2019-20	-	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-	-
Other Receivables	2019-20	-	-	-	-	-	-	-
	2018-19	-	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-	-
Financial Assets at Cost/FVOCI								
Investments	2019-20	-	-	-	-	-	13,986.59	13,986.59
	2018-19	-	-	-	-	-	17,415.44	17,415.44
	2017-18	-	-	-	-	-	12,386.58	12,386.58
Financial Assets at Amortised cost								
Cash and Cash Equivalents	2019-20	512.82	-	-	-	-	-	512.82
	2018-19	302.64	-	-	-	-	-	302.64
	2017-18	111.35	-	-	-	-	-	111.35
Bank Balance other than Cash and Cash Equivalents above	2019-20	-	-	-	-	-	26.28	26.28
	2018-19	-	-	-	-	-	26.52	26.52
	2017-18	-	-	-	-	-	29.44	29.44
Loans	2019-20	-	25.00	5.00	-	-	-	30.00
	2018-19	-	-	500.00	-	-	-	500.00
	2017-18	-	-	500.00	-	-	-	500.00
Other Financial Assets	2019-20	4.27	2.95	-	-	-	1.95	9.17
	2018-19	19.32	-	-	1.06	-	1.95	22.33
	2017-18	0.36	-	0.21	1.44	1.06	1.51	4.58

Notes:

- (a) All quoted investments measured at FVPL have been included in less than 1 month bucket considering its liquidity. All unquoted equity shares / funds including investment in subsidiaries & all quoted investments measured at FVOCI have been included in 'Over 5 years'. The maturity pattern has been prepared in line with various regulations issued by RBI from time to time, best practices &
- (b) The classification of Assets and Liabilities into current and non-current is carried out based on their residual maturity profile as per requirement of Schedule III to the Companies Act, 2013. The above maturity pattern of assets and liabilities has been prepared by the Company after taking into consideration guidelines for Maturity Profile - Liquidity given under master directions issued by RBI, best practices and best estimate of the Assets-Liability Committee /management with regard to the timing of various cash flows.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 41 Capital management:

The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment. The Company aims to maintain a strong capital base to support the risks inherent to its business and growth strategies. The Company endeavours to maintain a higher capital base than the mandated regulatory capital at all times. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

The Company's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks– which include credit, liquidity and interest rate.

The Company monitors its capital regularly, and hence, increase in capital is planned well in advance to ensure adequate funding for its growth.

Note 42 Directors Remuneration :

Salary to Executive Directors as under (include under the head payment to employees):

		(Rs. In Lakh)	
Particulars		2019-20	2018-19
Mr. R. Sundaresan		6.50	6.50
Mr. Yogendra Chaturvedi		14.06	13.67
Mrs. Daya Bhalia		10.68	10.78

During the year, remuneration paid to the directors are within the prescribed limit of section 196, 197 & 203 read with Schedule V of the Companies Act, 2013.

Note 43 The Company being NBFC is mainly engaged in the business of Investment & Finance Activities in India. All activities of the Company revolve around this main business, and as such, there are no separate reportable segments as per the IndAS 108 "Operating Segments" specified under Section 133 of the Act.

Note 44 Contingent Liabilities:

		(Rs. In Lakh)	
Sr. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
1	Bank Guarantees Outstanding*	-	-

*Bank Guarantee of Rs. 1,400 Lakh (P.Y. Rs 1,400 Lakh) is executed by the Shriyam Broking Intermediary Limited (SBIL), the subsidiary company and backed up by the Company in the form of Corporate Guarantee. Out of that Rs. 1,400 Lakh (P.Y. Rs 1,400 Lakh) is backed up by FD & Lien of Shares held as Investments by SBIL and exposure to the extent of Balance of Rs. Nil Lakh (P.Y. Rs Nil Lakh) remains as contingent with the Company.

Note 45 Disputed Tax Liabilities:

The Income-Tax assessments of the company have been completed up to the assessment year 2017-18. The disputed demand outstanding up to the said assessment year is Rs. 34.92 Lakh against which company has paid Rs. 8.91 Lakh under protest. Based on the decision of the Appellate Authorities and the interpretations of the relevant provisions, the company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.

Note 46

CSR Expenditure include expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof: Rs. Nil Lakh (P.Y. Rs. Nil Lakh).

Gross amount required to be spent as per aforesaid provision is Rs. Nil Lakh.

Note 47 Previous year's figures have been regrouped, rearranged and / or reclassified wherever necessary.

Note 48 First-time adoption of Ind AS:
Transition to Ind AS

These are the Company's first Standalone Ind AS financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note No. 2 have been applied in preparing the Standalone Ind AS financial statements for the year ended 31st March, 2020 the comparative information presented in these Standalone Ind AS financial statements for the year ended 31st March, 2019 and in the preparation of an opening Ind AS balance sheet at 1st April, 2018 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in Standalone Ind AS financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP or IGAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes:

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020**a) Optional exemptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS, which were considered to be material or significant by the Company:

i) Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment (including capital work-in-progress) as recognised in the Standalone Ind AS financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities and capital grant, if applicable. This exemption can also be used for intangible assets and investment properties covered by Ind AS 38 and Ind AS 40, respectively.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment properties at their previous GAAP carrying value.

ii) Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The Company has elected to apply this exemption for its investment in equity instruments.

iii) Investments in subsidiaries

When an entity prepares separate Standalone Ind AS financial statements, Ind AS 27 requires it to account for its investments in subsidiaries, joint ventures and associates either at cost; or in accordance with Ind AS 109. If a first time adopter measures such an investment at cost in accordance with Ind AS 27, it shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

(a) cost determined in accordance with Ind AS 27; or

(b) deemed cost. The deemed cost of such an investment shall be its:

(i) fair value at the entity's date of transition to Ind AS in its separate Standalone Ind AS financial statements;

or

(ii) previous GAAP carrying amount at that date.

A first-time adopter may choose either (i) or (ii) above to measure its investment in each subsidiary, joint venture or associate that it elects to measure using a deemed cost.

The Company has availed the exemption and has measured its investment in subsidiaries/associates at deemed cost being the previous GAAP carrying amount.

b) Ind AS mandatory exceptions

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS, which were considered to be material or significant by the Company:

i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for items in accordance with Ind AS at the date of transition as these were not required under Previous GAAP.

ii) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

iii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

iv) Impairment of financial assets

As set out in Ind AS 101, an entity shall apply the impairment requirements of Ind AS 109 retrospectively if it does not entail any undue cost or effort. The Company has assessed impairment of financial assets in conformity with Ind AS 109.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
c) Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires a first time adopter to reconcile equity, total comprehensive income and cash flows for prior periods.

The following tables represent the reconciliations from previous GAAP to Ind AS.

i) Reconciliation of Total Equity between previous GAAP and Ind AS:

(Rs. In Lakh)		
Particulars	As at 31st March, 2019	As at 1st April, 2018
Total Equity (Shareholder's funds) under Previous GAAP	11,275.79	11,167.87
Adjustments:		
Fair valuation of investments	14,056.15	9,266.93
Remeasurements of post employment benefit obligations	3.60	8.39
Tax Impact of Ind AS Adjustments	(468.52)	(39.04)
Total adjustments	13,591.23	9,236.28
Total equity as per Ind AS	24,867.02	20,404.15

ii) Reconciliation of profit as per Ind AS with profit reported under previous GAAP:

(Rs. In Lakh)	
Particulars	2018-19
Net profit after tax as per previous GAAP	234.28
Adjustments:	
Fair valuation of investments	(155.31)
Remeasurements of post employment benefit obligations	(0.23)
Deferred Tax effect on Fair Value of Investment	10.28
Net impact of Profit/ (Loss) on Sale of Investment	(84.42)
Total adjustments	(229.68)
Net Profit/ (Loss) as per IndAS	4.60
Other Comprehensive Income:	
Fair valuation of investment in equity shares measured at FVOCI	5,028.94
Remeasurements of post employment benefit obligations	(4.55)
Tax Impact on above items	(439.76)
Total Other Comprehensive Income	4,584.63
Total comprehensive income as per Ind AS	4,589.23

iii) Impact of Ind AS adoption on the standalone statements of cash flows for the year ended March 31, 2019

(Rs. In Lakh)			
Particulars	Previous GAAP	Adjustments	Ind AS
Net Cash from / (used) in Operating Activities	(626.33)	704.65	78.32
Net Cash from / (used) in investment activities	943.98	(701.73)	242.25
Net cash from / (used) in Financing Activities	(129.28)	-	(129.28)
Net increase / (decrease) in cash and cash equivalents	188.37	2.92	191.29
Opening Balance of Cash and Cash Equivalents as at 1st April, 2018	140.79	(29.44)	111.35
Closing Balance of Cash and Cash Equivalents as at 31st March, 2019	329.16	(26.52)	302.64

d) Notes to first-time adoption:
i) Fair valuation of investments

Under the previous GAAP, investments in equity instruments, preference shares, various funds, bullions were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings as at the date of transition and subsequently in the statement of profit and loss for the year ended March 31, 2019.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020

Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI – Equity investments reserve as at the date of transition and subsequently in the other comprehensive income for the year ended March 31, 2019.

ii) Loans to customer/related parties/employees

Under Indian GAAP, the company has created provision for impairment of receivables / loans to customer/related parties/employees consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL). Due to ECL model, the company, wherever applicable impaired its trade receivables / loans to customer/related parties/employees on April 1, 2018 which has been eliminated against retained earnings. The impact for year ended on March 31, 2019 has been recognised in the statement of profit and loss.

iii) Effective Interest Rate

Under Indian GAAP, transaction costs incurred on borrowings, wherever applicable was charged to statement of profit and loss upfront and brokerage costs directly attributable to a borrowing were expensed over the tenure of the borrowing while under Ind AS, such costs are included in the initial recognition amount of financial asset and recognised as interest income using the effective interest method. Consequently borrowings wherever applicable on date of transition date have decreased.

iv) Deferred tax

Indian GAAP requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

v) Investment property

Under the previous GAAP, investment properties were presented as part of Property, Plant & Equipment. Under Ind AS, investment properties are required to be separately presented on the face of the balance sheet. The company has carried out the valuation activity to assess fair value of its Investment in Office Premises (Building).

vi) Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

vii) Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans, foreign exchange differences arising on translation of foreign operations and fair value gains or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020
Note 49

Disclosure of details as required by Para 19 Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 (Updated as on February 17, 2020).

Particulars	Amount outstanding		Amount overdue	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
(Rs. In Lakh)				
Liabilities side				
(1) 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 deposits*)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	-	-	-	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits*	-	-	-	-
(g) Other Loans (specify nature)	-	-	-	-
* Please see Note 1 below				
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-
* Please see Note 1 below				

Particulars	Amount outstanding	
	31.03.2020	31.03.2019
(Rs. In Lakh)		
Assets side		
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a) Secured	-	-
(b) Unsecured	30.00	500.00
(4) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities:		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry 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	-	-
(5) Break-up of Investments		
Current Investments (including held for Trade):		
1 Quoted		
(i) Shares		
(a) Equity	1,405.89	3,843.29
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2 Unquoted		
(i) Shares		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
Long Term investments:		
1 Quoted		
(i) Shares		
(a) Equity	15,758.74	17,644.72
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

Notes on Standalone Ind AS Financial Statements for the year ended 31st March, 2020

2 Unquoted		
(i) Shares		
(a) Equity	1,141.51	1,146.10
(b) Preference	225.00	225.00
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	85.19	120.40
(iv) Government Securities	-	-
(v) Others - Gold & Silver	550.86	406.43

(6) Borrower group-wise classification of assets financed as in (3) and (4) above : Please see Note 2 below					(Rs. In Lakh)
Category	Amount net of provisions				
	Secured		Unsecured		
	31.03.2020	31.03.2019	31.03.2020	31.03.2019	
1 Related Parties **					
(a) Subsidiaries	-	-	-	-	
(b) Companies in the same group	-	-	-	-	
(c) Other related parties	-	-	-	-	
2 Other than related parties	-	-	29.92	498.75	
Total	-	-	29.92	498.75	

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) : Please see note 3 below					(Rs. In Lakh)
Category	Market Value / Break up or fair value or NAV		Book Value (Net of Provisions)		
	31.03.2020	31.03.2019	31.03.2020	31.03.2019	
1 Related Parties **					
(a) Subsidiaries	5,621.05	6,506.08	1,000.00	1,000.00	
(b) Companies in the same group	-	-	-	-	
(c) Other related parties	-	-	-	-	
2 Other than related parties	17,616.33	21,979.51	17,616.33	21,979.51	
Total	23,237.38	28,485.59	18,616.33	22,979.51	

** As per Accounting Standard of ICAI (Please see Note 3)

(8) Other information			(Rs. In Lakh)
Particulars	31.03.2020	31.03.2019	
(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 point xxv of paragraph 3 of Chapter -II of these Directions.
- Provisioning norms shall be applicable as prescribed in these Directions.
- 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 / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

As per our report of even date
For J. Kala & Associates

Chartered Accountants
FRN 118769W

Vaibhav Patodi

Partner

M.No. 420935

Place :- Mumbai

Date :- 29th June, 2020

For and on behalf of the Board
Yogendra Chaturvedi

(Executive Director & CEO) (DIN 00013613)

Daya Bhalia

(Executive Director & Company Secretary) (DIN 07049483)

Devesh Vasavada

(Director) (DIN 00273128)

Charul Abuwala

(Director) (DIN 00071142)

Lalit Shah

(Director) (DIN 08473788)

Prashant Chaturvedi

(CFO)

SHARDUL SECURITIES LIMITED



**CONSOLIDATED
IND AS FINANCIALS**

INDEPENDENT AUDITOR'S REPORT

To the Members of Shardul Securities Limited.

Report on the Audit of the Consolidated Ind AS Financial Statements**Opinion**

1. We have audited the accompanying consolidated Ind AS financial statements of **Shardul Securities Limited** (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2020, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flows Statement and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records. (hereinafter referred to as "the consolidated Ind AS financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, their consolidated loss including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statement.

Emphasis of Matters

4. We draw Attention to note 31 to the consolidated Ind AS financial statements, which describe the uncertainty caused by Novel Corona virus (COVID-19). Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.
7. Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

8. In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

9. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows, of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.
10. In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
11. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the

ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors.
14. Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated Ind AS financial statements.
15. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
16. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

18. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive income, Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated Ind AS financial statements.
 - (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as

on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act;

- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A";
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197 (16) of the act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act;

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the Ind AS consolidated financial position of the Group – Refer Note 45.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts as at March 31, 2020.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary during the year ended March 31, 2020.

For **J. Kala & Associates**

Firm Registration Number: 118769W

Chartered Accountants

Vaibhav Patodi

Partner

Membership Number: 420935

Place: Mumbai

Date: 29th June 2020

UDIN: 20420935AAAACW4446

Annexure A to Independent Auditors' Report

Referred to in paragraph 18(f) of the Independent Auditors' Report of even date to the members of **Shardul Securities Limited** on the consolidated financial statements for the year ended **March 31, 2020**

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

1. In conjunction with our audit of the Consolidated Ind AS financial statements of **Shardul Securities Limited** as of and for the year ended **March 31, 2020**, we have audited the internal financial controls over financial reporting of **Shardul Securities Limited** (hereinafter referred to as "the Holding Company") and its subsidiary companies (the Holding company and its subsidiary companies together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary companies, , to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

Meaning of Internal Financial Controls Over Financial Reporting

5. 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 Consolidated Ind AS 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 Consolidated Ind AS 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 Consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

6. 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

7. In our opinion, the Holding Company, its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding 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 J. Kala & Associates

Firm Registration Number: 118769W
Chartered Accountants

Vaibhav Patodi

Partner
Membership Number: 420935
Place: Mumbai
Date: 29th June 2020
UDIN: 20420935AAAACW4446

Consolidated Balance Sheet as at 31st March, 2020

(Rs. In Lakh)				
Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
ASSETS				
Financial Assets				
Cash and Cash Equivalents	3	1,053.10	666.56	457.16
Bank Balance other than Cash and Cash Equivalents	4	414.61	409.29	404.44
Receivables	5			
Trade Receivables		19.84	22.72	112.16
Other Receivables		-	-	-
Loans	6	30.00	500.00	500.00
Investments	7	22,293.44	27,625.97	21,631.62
Other Financial Assets	8	287.81	298.70	281.20
Total		24,098.80	29,523.24	23,386.58
Non-Financial Assets				
Current Tax Assets (Net)	9	79.84	98.53	67.57
Investment Property	10	457.80	467.73	477.66
Property, Plant & Equipment	11	1,257.43	1,285.05	1,311.07
Other Intangible Assets	12	1.42	1.99	1.76
Other Non-Financial Assets	13	4.72	8.93	14.16
Total		1,801.21	1,862.23	1,872.22
Total Assets		25,900.01	31,385.47	25,258.80
LIABILITIES AND EQUITY				
Liabilities				
Financial Liabilities				
Payables	14			
(a) Trade Payables				
Micro and Small Enterprises		-	-	-
Other than Micro and Small Enterprises		120.46	159.49	215.29
(b) Other Payables				
Micro and Small Enterprises		-	-	-
Other than Micro and Small Enterprises		-	-	-
Other Financial Liabilities	15	76.01	75.49	78.41
Total		196.47	234.98	293.70
Non-Financial Liabilities				
Provisions	16	1.53	1.25	1.25
Deferred Tax Liabilities (Net)	17	122.04	740.85	196.12
Other Non-Financial Liabilities	18	28.20	26.73	26.57
Total		151.77	768.83	223.94
Equity				
Equity Share Capital	19	1,749.84	1,749.84	1,749.84
Other Equity	20	23,801.93	28,631.82	22,991.32
Total		25,551.77	30,381.66	24,741.16
Total Liabilities and Equity		25,900.01	31,385.47	25,258.80
Significant Accounting Policies	2			
See accompanying notes on Consolidated Ind AS Financial Statements	1 to 48			
As per our report of even date		For and on behalf of the Board		
For J. Kala & Associates		Yogendra Chaturvedi		
Chartered Accountants		(Executive Director & CEO) (DIN 00013613)		
FRN 118769W		Daya Bhalia		
		(Executive Director & Company Secretary) (DIN 07049483)		
Vaibhav Patodi		Devesh Vasavada		
Partner		(Director) (DIN 00273128)		
M.No. 420935		Charul Abuwala		
		(Director) (DIN 00071142)		
		Lalit Shah		
		(Director) (DIN 08473788)		
		Prashant Chaturvedi		
		(CFO)		
Place :- Mumbai				
Date :- 29th June, 2020				

Consolidated Statement of Profit and Loss for the year ended 31st March, 2020

		(Rs. In Lakh)	
Particulars	Note No.	2019-20	2018-19
Revenue from Operations	21		
Brokerage Income		89.71	88.34
Interest Income		47.18	81.50
Dividend Income		161.37	133.77
Rent Income		91.73	86.85
Profit/ (loss) on dealing in securities (Net)		55.52	210.70
Net Profit/ (Loss) on Sale of Investments		104.12	86.08
Total		549.63	687.24
Other Income	22	10.86	3.55
Total Income		560.49	690.79
Expenses			
Finance Costs	24	-	58.77
Net Loss on Fair Value Changes	23	1,139.59	235.92
Employee Benefits Expenses	25	145.60	134.54
Depreciation and Amortisation Expenses	26	38.52	40.81
Other Expenses	27	124.94	141.92
Total Expenses		1,448.65	611.96
Profit/ (Loss) before Tax		(888.16)	78.83
Tax Expense:			
Current Tax		23.40	38.40
Adjustment of Current Tax Relating to Prior Years		(11.33)	-
Deferred Tax		(266.52)	1.78
Total Tax Expense		(254.45)	40.18
Profit/ (Loss) for the year from Continuing Operations		(633.71)	38.65
Profit/(Loss) from Discontinued Operations		-	-
Tax Expenses of Discontinued Operations		-	-
Profit/ (Loss) for the year		(633.71)	38.65
Add: Share of Profit/ (Loss) from Associates		-	-
Profit/ (Loss) for the year		(633.71)	38.65
Other Comprehensive Income			
(a) Items that will not be reclassified to Profit/ (Loss)			
- Change in fair value of FVOCI instrument		(4,417.08)	6,276.64
- Remeasurements of post-employment benefit obligations		(4.82)	(5.49)
(b) Income Tax relating to above		352.29	(542.94)
Total		(4,069.61)	5,728.21
(a) Items that will be reclassified to Profit/ (Loss)		-	-
(b) Income Tax relating to above		-	-
Total		-	-
Total Other Comprehensive Income		(4,069.61)	5,728.21
Total Comprehensive Income for the Year		(4,703.32)	5,766.86
(Comprising Profit and Other Comprehensive Income)			
Earnings per equity share of face value of Rs. 10/- each:	28		
(a) Basic (In Rs.)		(3.62)	0.22
(b) Diluted (In Rs.)		(3.62)	0.22
Significant Accounting Policies	2		
See accompanying notes on Consolidated Ind AS Financial Statements	1 to 48		

As per our report of even date

For J. Kala & Associates

Chartered Accountants

FRN 118769W

Vaibhav Patodi

Partner

M.No. 420935

Place :- Mumbai

Date :- 29th June, 2020

For and on behalf of the Board

Yogendra Chaturvedi

(Executive Director & CEO) (DIN 00013613)

Daya Bhalia

(Executive Director & Company Secretary) (DIN 07049483)

Devesh Vasavada

(Director) (DIN 00273128)

Charul Abuwala

(Director) (DIN 00071142)

Lalit Shah

(Director) (DIN 08473788)

Prashant Chaturvedi
96 (FO)

Consolidated Statement of changes in Equity for the year ended 31st March, 2020
A. Equity Share Capital

(Rs. In Lakh)

Particulars	Note No.	Number of Shares	Amount
As at 1st April, 2018		1,74,98,433	1,749.84
Changes in equity share capital during the year		-	-
As at 31st March, 2019	19	1,74,98,433	1,749.84
Changes in equity share capital during the year		-	-
As at 31st March, 2020		1,74,98,433	1,749.84

B. Other Equity

(Rs. In Lakh)

Particulars	Note No.	Reserves and Surplus					Other	Total
		Capital Reserve	Securities Premium	General Reserve	Statutory Reserve Fund	Retained Earnings	Other Comprehensive Income (OCI)	
Restated Balance As at 1st April, 2018		6.90	2,666.69	328.58	2,143.29	7,968.48	9,877.38	22,991.32
Profit/(Loss) for the year		-	-	-	-	38.65	-	38.65
Other Comprehensive Income		-	-	-	-	-	6,271.15	6,271.15
DTL on Above		-	-	-	-	-	(542.94)	(542.94)
Dividends Paid including Distribution Tax		-	-	-	-	(126.36)	-	(126.36)
Transferred to Statutory Reserve Fund		-	-	-	46.86	(46.86)	-	-
Balance As at 31st March, 2019	20	6.90	2,666.69	328.58	2,190.15	7,833.91	15,605.59	28,631.82
Profit/(Loss) for the year		-	-	-	-	(633.71)	-	(633.71)
Other Comprehensive Income		-	-	-	-	-	(4,421.90)	(4,421.90)
DTL on Above		-	-	-	-	-	352.29	352.29
Dividends Paid including Distribution Tax		-	-	-	-	(126.57)	-	(126.57)
Transferred from OCI Reserve on Realisation		-	-	-	-	239.71	(239.71)	-
Transferred to Statutory Reserve Fund		-	-	-	-	-	-	-
Balance As at 31st March, 2020		6.90	2,666.69	328.58	2,190.15	7,313.34	11,296.27	23,801.93
Significant Accounting Policies	2							
See accompanying notes on Consolidated Ind AS Financial Statements	1 to 48							

As per our report of even date

For J. Kala & Associates

Chartered Accountants

FRN 118769W

Vaibhav Patodi

Partner

M.No. 420935

Place :- Mumbai

Date :- 29th June, 2020

For and on behalf of the Board

Yogendra Chaturvedi

(Executive Director & CEO) (DIN 00013613)

Daya Bhalia

(Executive Director & Company Secretary) (DIN 07049483)

Devesh Vasavada

(Director) (DIN 00273128)

Charul Abuwala

(Director) (DIN 00071142)

Lalit Shah

(Director) (DIN 08473788)

Prashant Chaturvedi

(CFO)

Consolidated Cash Flow Statement for the year ended 31st March, 2020

		(Rs. In Lakh)	
Particulars	2019-20	2018-19	
A. Cash Flow from Operating Activities			
Net Profit / (Loss) before tax, as per Statement of Profit and Loss	(888.16)	78.83	
Adjusted for:			
Depreciation and Amortisation Expenses	38.52	40.81	
Contingent Provisions against Standard Assets	(1.18)	-	
(Profit) / Loss on sale of Investments	(104.12)	(86.08)	
Provision for Gratuity	0.03	(0.13)	
Rent Income	(91.73)	(86.85)	
Net (Gain)/Loss on Fair Value Changes	1,139.59	235.92	103.67
Operating Profit / (Loss) before working capital changes	92.95	182.50	
Adjusted for:			
Net Bank Balance other than Cash and Cash Equivalents	(5.32)	(4.85)	
Loans	470.00	-	
Other Financial Assets	10.89	(17.50)	
Other Non-Financial Assets	0.82	(0.14)	
Trade & Other Receivables	2.88	89.44	
Trade & Other Payables	(39.03)	(55.80)	
Other Financial Liabilities	0.76	-	
Other Non-Financial Liabilities	1.47	0.16	11.31
Cash generated from / (used in) operations	535.42	193.81	
Income Tax (Paid)/Refund	6.62	(69.36)	
Net Cash from / (used) in Operating Activities	542.04	124.45	
B. Cash Flow from Investing Activities			
Purchase of Property, Plant & Equipment and Intangible Assets	(0.40)	(5.09)	
Purchase of investments at FVPL	(607.28)	(3,309.62)	
Sale of investments at FVPL	401.56	3,338.99	
Purchase of investments at FVOCI	(765.27)	-	
Sale of investments at FVOCI	850.97	103.10	
Rent Income	91.73	86.85	
Net Cash from / (used) in investment activities	(28.69)	214.23	
C. Cash Flow from Financing Activities			
Dividend paid on Equity Shares including tax	(126.81)	(129.28)	
Net cash from / (used) in Financing Activities	(126.81)	(129.28)	
Net increase / (decrease) in cash and cash equivalents	386.54	209.40	
Opening Balance of Cash and Cash Equivalents	666.56	457.16	
Closing Balance of Cash and Cash Equivalents	1,053.10	666.56	

Notes: 1. The above Cash flow statement has been prepared under the indirect method set out in IndAS - 7 Statement of Cash Flows.
2. Components of cash and cash equivalents are disclosed in note no. 3.
3. Disclosure pursuant to para 44A to 44E of IndAS - 7 Statement of Cash Flows are not applicable as Company does not have any Borrowings or Debt Securities.

As per our report of even date

For J. Kala & Associates

Chartered Accountants

FRN 118769W

Vaibhav Patodi

Partner

M.No. 420935

Place :- Mumbai

Date :- 29th June, 2020

For and on behalf of the Board

Yogendra Chaturvedi

(Executive Director & CEO) (DIN 00013613)

Daya Bhalia

(Executive Director & Company Secretary) (DIN 07049483)

Devesh Vasavada

(Director) (DIN 00273128)

Charul Abuwala

(Director) (DIN 00071142)

Lalit Shah

(Director) (DIN 08473788)

Prashant Chaturvedi

(CFO)

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 1 - Background

Shardul Securities Limited ('the Parent Company') is registered as Non-Banking Financial Company (NBFC) as defined under Section 45-IA of the Reserve Bank of India Act, 1934 (RBI). It's a Non-Systemically Important Non-Deposit taking NBFC Company.

These consolidated financial statement of the Parent Company for the year ended March 31, 2020 were authorised for issue by the board of directors on June 29, 2020. Pursuant to the provision of the Companies Act, 2013 (the 'Act') the Central Government, Income tax authorities, Securities and Exchange Board of India, other statutory regulatory body.

The Parent Company is Public Limited Company listed on recognised stock exchange in India. The registered office of the Company is located at G-12, Tulsiani Chambers, Nariman Point, Mumbai - 400021.

The Parent Company together with its subsidiaries and its associates (hereinafter collectively referred as the 'Group') are engaged in Investment and Finance activities including Broking activities.

Note 2 - Significant Accounting Policies

The principal accounting policies applied in the preparation of these Consolidated Ind AS financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Basis of preparation of Consolidated Financial Statements:
(i) Compliance with Ind AS

- 1) The Consolidated Ind AS financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015 (as amended)] and other relevant provisions of the Act.
- 2) These Consolidated Ind AS financial statements are the first Consolidated Ind AS financial statements of the Group under Ind AS. Explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows has been given under notes to Consolidated Ind AS financial statements.
- 3) These consolidated Ind AS financial statements are presented in 'Indian Rupees', which is also the Parent Company's functional currency and all amounts, are rounded to the nearest Rupees in Lakh, unless otherwise stated.
- 4) The consolidated Ind AS financial statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III to the Act, applicable Ind AS, other applicable pronouncements and regulations.
- 5) The consolidated Ind AS financial statements have been prepared on a going concern basis.

(ii) Historical cost convention

The Consolidated Ind AS financial statements have been prepared on a historical cost basis, except for the following:

- 1) Certain financial assets and liabilities (including derivatives instruments) are measured at fair value.
- 2) Defined benefit plans – plan assets measured at fair value.

(B) Principles of consolidation and equity accounting
(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the financial statements of the Parent Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions within the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of changes in equity and balance sheet respectively.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020**(ii) Associates**

Associates are all entities over which the Group has significant influence but not control or joint control.

This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iii) below), after initially being recognised at cost.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

(iv) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(C) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(D) Financial instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through statement of profit and loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions.

Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at fair value through statement of profit and loss, which results in an accounting loss being recognised in statement of profit and loss.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognizes the difference as follows:

- 1) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
- 2) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in statement of profit and loss.

(E) Financial assets

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

1) Classification and subsequent measurement

- a The Group has applied Ind AS 109 and classifies its financial assets in the following measurement categories:
 - Fair value through profit or loss (FVPL);
 - Fair value through other comprehensive income (FVOCI); or
 - Amortised cost.
- b **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in Statement of Profit and Loss in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.
- c **Fair value through other comprehensive income:** Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.
- d **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets is recognised using the effective interest rate method.
- e **Fair value option for financial assets:** The Group may also irrevocably designate financial assets at fair value through profit or loss if doing so significantly reduces or eliminates an accounting mismatch created by assets and liabilities being measured on different bases.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
f Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for:

- a) Purchased or originated credit impaired (POCI) financial assets, for which the original credit-adjusted effective interest rate is applied to the amortised cost of the financial asset.
- b) Financial assets that are not 'POCI' but have subsequently become credit-impaired (or 'stage 3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For FVOCI financial assets – assets that are credit-impaired at initial recognition – the Group calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

g Equity instruments

- i) Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.
- ii) The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.
- iii) Changes in the fair value of financial assets at fair value through profit or loss are recognised in net gain/loss on fair value changes in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.
- iv) Gains and losses on equity investments at FVPL are included in the statement of profit and loss.
- v) Equity instruments at FVOCI are not subject to an impairment assessment.

2) Impairment

The Group assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost and with the exposure arising from loan commitments and financial guarantee contracts. The Company recognizes a loss allowance for such losses at each reporting date.

The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of the ECL allowance is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses).

3) Write-off policy

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Group's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020**4) Derecognition other than on a modification**

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Group transfers substantially all the risks and rewards of ownership, or (ii) the Group neither transfers nor retains substantially all the risks and rewards of ownership and the Group has not retained control. The Group directly reduces the gross carrying amount of a financial asset when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

- 5) Loans:** Advances are classified into performing advances and non-performing advances ('NPAs') as per the RBI guidelines and are stated net of specific provision made towards NPAs. Further, NPAs are classified into substandard, doubtful and loss assets based on the criteria stipulated by the RBI. Provisions for NPAs are made at rates as prescribed by the RBI.

(F) Financial liabilities

Financial liabilities include liabilities that represent a contractual obligation to deliver cash or another financial assets to another entity, or a contract that may or will be settled in the entities own equity instruments. Few examples of financial liabilities are trade payables, debt securities and other borrowings.

1) Classification and subsequent measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

After initial recognition, all financial liabilities are subsequently measured at amortised cost using the EIR. Any gains or losses arising on derecognition of liabilities are recognised in the Statement of Profit and Loss.

2) Derecognition

Financial liabilities are derecognised when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expires).

3) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Parent Company or the counterparty.

(G) Financial guarantee obligation

- 1)** Financial guarantee obligation are obligation that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities.
- 2)** For financial guarantee obligation, the loss allowance is recognised as a provision, if any.

(H) Repossessed collateral

Repossession collateral represents financial and non-financial assets acquired by the Group in settlement of overdue loans. The assets are initially recognised at book value when acquired and included in premises and equipment, other financial assets, investment properties or inventories within other assets depending on their nature and the Group's intention in respect of recovery of these assets, and are subsequently remeasured and accounted for in accordance with the accounting policies for these categories of assets.

(I) Derivatives and hedging activities

- 1)** Derivatives are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at fair value. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.
- 2)** The method of recognising the resulting fair value gain or loss depends on whether the derivative is designated and qualifies as a hedging instrument, and if so, the nature of the item being hedged.

Derivatives that are not designated as hedges

The Group may enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in statement of profit and loss.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
(J) Revenue Recognition

- 1) Revenue is measured at fair value of the consideration received or receivable. Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good or service to a customer. An asset is transferred when (or as) the customer obtains control of that asset.
- 2) When (or as) a performance obligation is satisfied, the Group recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.
 - i) **Interest income**
Interest income is recognised using the effective interest rate.
 - ii) **Dividend income**
Dividend income is recognised when the right to receive payment is established.
 - iii) **Income from investments**
Profit / (Loss) earned from sale of securities is recognised on trade date basis. The cost of securities is computed based on First in First out (FIFO) method.
 - iv) **Discount on investments**
The difference between the acquisition cost and face value of debt instruments is recognised as interest income over the tenor of the instrument on straight-line basis.
 - v) **Redemption premium on investments**
Redemption premium on investments is recognised as income over the tenor of the investment.
 - vi) **Management fee income and/or Advisory Fees and Services**
Management fee income towards support services and/or income from Advisory Fees and Services is accounted as and when services are rendered and it becomes due on contractual terms with the parties.
 - vii) **Rental income**
Lease rental income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

(K) Income Tax

- i) **Current Taxes**
Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognised outside profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.
- ii) **Deferred Taxes**
Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets, if any, are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity.
Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020**(L) Leases****i) As a Lessor**

Leases for which the Group is a lessor is classified as finance lease or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the lease contract is classified as finance lease. All other leases is classified as operating lease.

For Operating Lease, lease rentals are recognised on a straight line basis over the term of lease.

ii) Transition

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the retrospective with cumulative effect method of initially applying the standard recognized at the date of initial application without any adjustment to opening balance of retained earnings. The Group did not have any material impact on the standalone financial statements on application of the above standard.

(M) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(N) Property, Plant & Equipment

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 'Property, Plant and Equipment'.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property plant and equipment recognised as at April 01, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of property plant and equipment.

Depreciation methods, estimated useful lives & residual value

Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets as prescribed in Schedule II to the Companies Act, 2013 to allocate their cost, net of their residual values, over their estimated useful lives as follows:

The estimated useful lives for the different types of assets are :

- (i) Furniture and Fixtures - 10 years
- (ii) Office equipments - 5 years
- (iii) Computers - 3 years
- (iv) Vehicles - 8 years
- (v) Buildings - 60 years

The Group provides pro-rata depreciation from the day the asset is put to use and for any asset sold, till the date of sale. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the statement of profit and loss.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020**(O) Intangible assets**

Intangible assets are recognised where it is probable that the future economic benefit attributable to the assets will flow to the Group and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation. In case of Stock Exchange Membership Card the subsidiary Company has recognised fair values as deemed cost on the date of transition to Ind AS.

Intangible Assets are amortised on straight-line basis over the useful life of the asset up to a maximum of 5 years commencing from the month in which such asset is first installed except in case of Stock Exchange Membership Card.

The Group provides pro-rata amortization from the day the asset is put to use and for any asset sold, till the date of sale. Stock Exchange Membership Card is not amortised.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at April 01, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

On transition to Ind AS, in case of Stock Exchange Membership Card the subsidiary Company has recognised fair values as deemed cost.

(P) Investment properties

An investment property is accounted for in accordance with cost model. The cost of any shares in a co-operative society or a company, the holding of which is directly related to the right to hold the investment property, is added to the carrying amount of the investment property.

Depreciation on investment property is provided in accordance with the provisions of Schedule II of the Companies Act, 2013. Tangible assets are depreciated on straight line basis method over the useful life of assets, as prescribed in Part C of Schedule II of the Companies Act, 2013.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its investment properties recognised as at April 01, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

(Q) Borrowing costs

Borrowing costs, which are directly attributable to the acquisition / construction of property plant and equipment, till the time such assets are ready for intended use, are capitalised as part of the cost of the assets. Other borrowing costs are recognised as an expense in the year in which they are incurred. Brokerage costs directly attributable to a borrowing are expensed over the tenure of the borrowing.

(R) Impairment of non-financial assets

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

(S) Provisions, contingent liabilities and contingent assets

The Group creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation. Contingent liabilities are not recognised but are disclosed in the notes to the Consolidated Ind AS financial statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised nor disclosed in the Consolidated Ind AS financial statements.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020**(T) Foreign currency translation**

The Group's financial statements are presented in Indian Rupee, which is also the Parent Company's functional currency.

Initial recognition: Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction.

Conversion: Monetary assets and liabilities denominated in foreign currencies at the year end are restated at year end rates.

Exchange differences: All exchange differences are accounted in the Statement of Profit and Loss.

(U) Employee benefits**1) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

2) Post-employment obligations**i) Defined benefit plans****Gratuity**

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Accrued Benefit Method (same as Projected Unit Credit Method), which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

ii) Defined contribution plans**Provident fund**

Group's contributions to the recognised provident fund, which is a defined contribution scheme, are charged to the Statement of Profit and Loss.

(V) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(W) Earnings per share**1) Basic earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to owners of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year, if any.

2) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020**(X) Rounding of Amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh upto two decimal points as per the requirements of Schedule III, unless otherwise stated.

(Y) Critical estimates and judgements

The Company makes estimates and assumptions that affect the amounts recognised in the Standalone Ind AS financial statements, and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have the most significant effect on the amounts recognised in the Standalone Ind AS financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include the following:

1) Estimation of fair value of unlisted investments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions.

2) Current tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. For the purpose of preparing Income Tax working, the Group has opted for the new taxation rates u/s 115BAA of the Income Tax Act, 1961.

3) Estimation of fair value of investments property

The Group has carried out the valuation activity to assess fair value of its Investment in land and property. Accordingly, fair value estimates for investment in land and property is classified as level 3.

The Group has obtained a Valuation Report from valuer to assess fair value of its Investment of property.

4) Estimation of fair value of Stock Exchange Membership Card

The subsidiary Company has carried out the valuation activity to assess fair value of its Stock Exchange Membership Card. Accordingly, fair value estimates for Stock Exchange Membership Card is classified as level 3.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 3 - Cash and Cash Equivalents

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Cash on Hand	-	-	0.50
Balances with Banks	978.10	666.56	456.66
Fixed Deposits with Bank #	75.00	-	-
Total	1,053.10	666.56	457.16

Notes:

The Group has taken bank overdraft facility against FDs but not utilised it as on 31.03.2020, therefore the cash and cash equivalents for the cash flow statement is same as cash and cash equivalents given above.

Note 4 - Bank Balance other than Cash and Cash Equivalents above

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Balances with Banks			
In Earmarked Accounts			
Unclaimed Dividend	26.28	26.52	29.44
Fixed Deposits with Bank **	388.33	382.77	375.00
Total	414.61	409.29	404.44

Notes:

** Rs. 363.33 Lakh as at March 31, 2020 (Rs. 382.77 Lakh as at March 31, 2019 and Rs. 375 Lakh as at April 1, 2018) are marked as lien for issuing Bank guarantees.

** Rs. 25 Lakh as at March 31, 2020 (Rs. Nil Lakh as at March 31, 2019 and Rs. Nil Lakh as at April 1, 2018) placed as margin favouring Bombay Stock Exchange (BSE).

Note 5- Receivables

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Trade Receivables			
Receivables considered good - Unsecured	19.84	22.72	112.16
Total	19.84	22.72	112.16
Other Receivables			
Total	-	-	-
Total	19.84	22.72	112.16

Notes:

1. No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

2. Impairment loss allowance recognised on trade and other receivables is Rs. Nil Lakh (Previous year: Rs. Nil Lakh)

Note 6 - Loans

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
At Amortised Cost			
(Unsecured and Considered good)			
Loans to Others	30.00	500.00	500.00
Less: Impairment loss allowance	-	-	-
Total	30.00	500.00	500.00
Loans in India:			
Others	30.00	500.00	500.00
Loans outside India	-	-	-

Note 6.1 - Summary of loans by stage distribution

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
	Stage 1	Stage 1	Stage 1
Gross carrying amount	30.00	500.00	500.00
Less: Impairment loss allowance	-	-	-
Net carrying amount	30.00	500.00	500.00

Analysis of changes in the gross carrying amount by stages in relation to loans and its corresponding impairment loss allowance (ECL) is Nil.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020

Note 7 - Investments

(Rs. In Lakh)

Particulars	Amount		
	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Investments			
(A) Investment measured at Cost	-	-	-
Total (A)	-	-	-
(B) Investments measured at Fair Value through Other Comprehensive Income #			
In Equity shares - Quoted - Fully Paid-up *	16,241.59	20,719.15	14,537.16
Sub Total	16,241.59	20,719.15	14,537.16
In Equity shares - Unquoted - Fully Paid-up	776.58	801.80	801.80
Sub Total	776.58	801.80	801.80
Total (B)	17,018.17	21,520.95	15,338.96
(C) Investments measured at Fair Value through Profit & Loss			
In Equity shares - Quoted - Fully Paid-up (held for Trade)	1,500.56	3,977.81	3,014.09
Sub Total	1,500.56	3,977.81	3,014.09
In Equity shares - Quoted - Fully Paid-up	2,913.66	1,375.38	2,495.58
Sub Total	2,913.66	1,375.38	2,495.58
In Preference shares - Unquoted - Fully Paid up	225.00	225.00	225.00
Sub Total	225.00	225.00	225.00
In Bullion - (Gold & Silver)	550.86	406.43	390.47
Sub Total	550.86	406.43	390.47
Investment in Funds -Unquoted	85.19	120.40	167.52
Sub Total	85.19	120.40	167.52
Total (C)	5,275.27	6,105.02	6,292.66
Total Investments (A+B+C)	22,293.44	27,625.97	21,631.62
Less: Allowance for impairment Loss	-	-	-
Total Investments Net	22,293.44	27,625.97	21,631.62
Investments Outside India	-	-	-
Investments in India	22,293.44	27,625.97	21,631.62
Note 7.1 Category-wise Investment			
Investment measured at Cost	-	-	-
Investments measured at Fair Value through Other Comprehensive Income	17,018.17	21,520.95	15,338.96
Investments measured at Fair Value through Profit & Loss	5,275.27	6,105.02	6,292.66

#The equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value through OCI rather than profit or loss as these are strategic investments and the Group considered this to be more relevant.

* Includes Lien/Pledge with the banks and corporates against loan / margins.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020

Note 8 - Other Financial Assets
(Unsecured and Considered Good)

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Security Deposits	263.45	263.58	263.04
Others	-	15.83	3.07
Interest Receivables	24.36	19.29	15.09
Total	287.81	298.70	281.20

Note 9 - Current Tax Assets (Net)

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Advance Income Tax (Net of Provision)	79.84	98.53	67.57
Total	79.84	98.53	67.57

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 10 - Investment Property

(Rs. In Lakh)

Description	Gross Block				Depreciation / Amortisation				Net Block
	As at 1st April, 2019	Additions	Deductions/ Adjustments	As at 31st March, 2020	Upto 31st March, 2019	For the Year	Deductions/ Adjustments	As at 31st March, 2020	As at 31st March, 2020
Tangible Assets:									
Office Premises (Building)	632.52	-	-	632.52	164.79	9.93	-	174.72	457.80
Total	632.52	-	-	632.52	164.79	9.93	-	174.72	457.80

Description	Gross Block				Depreciation / Amortisation				Net Block
	As at 1st April, 2018	Additions	Deductions/ Adjustments	As at 31st March, 2019	Upto 1st April, 2018	For the Year	Deductions/ Adjustments	As at 31st March, 2019	As at 31st March, 2019
Tangible Assets:									
Office Premises (Building)	632.52	-	-	632.52	154.86	9.93	-	164.79	467.73
Total	632.52	-	-	632.52	154.86	9.93	-	164.79	467.73

Notes:

i) The Company has obtained a Valuation Report from valuer to assess fair value of its Investment of property which is Rs. 1,068.33 Lakhs as on 31.03.2020 (Rs. 1,040.07 Lakhs as on 31.03.2019 and Rs. 949.19 Lakhs as on 01.04.2018). Accordingly, Fair value estimates for investment property is classified as Level 3.

ii) Office Premises includes 10 shares of Rs. 50/- each of Laxmi Finance & Leasing Companies Commercial Premises Co-op. Society Limited.

iii) Information regarding Income & Expenditure of Investment property

	(Rs. In Lakh)	
Particulars	2019-20	2018-19
Rental income derived from investment property	91.13	86.25
Direct operating expenses (including repairs and maintenance) associated with rental income	(21.11)	(19.94)
Profit/ (Loss) arising from sale of investment property	-	-
Impairment during the year	-	-
Depreciation for the year	(9.93)	(9.93)
Profit/ (Loss) arising from investment property before indirect expenses	60.09	56.38

Note 11 - Property, Plant & Equipment

(Rs. In Lakh)

Description	Gross Block				Depreciation / Amortisation				Net Block
	As at 1st April, 2019	Additions	Deductions/ Adjustments	As at 31st March, 2020	Upto 31st March, 2019	For the Year	Deductions/ Adjustments	As at 31st March, 2020	As at 31st March, 2020
Tangible Assets:									
Office Premises (Building)	1,565.58	-	-	1,565.58	306.59	23.53	-	330.12	1,235.46
Furniture and Fixtures	139.02	-	-	139.02	132.07	-	-	132.07	6.95
Vehicles	51.54	-	-	51.54	43.32	1.24	-	44.56	6.98
Office Equipment	95.04	-	-	95.04	87.31	0.75	-	88.06	6.98
Computers	8.50	0.40	-	8.90	5.34	2.50	-	7.84	1.06
Total	1,859.68	0.40	-	1,860.08	574.63	28.02	-	602.65	1,257.43

Description	Gross Block				Depreciation / Amortisation				Net Block
	As at 1st April, 2018	Additions	Deductions/ Adjustments	As at 31st March, 2019	Upto 1st April, 2018	For the Year	Deductions/ Adjustments	As at 31st March, 2019	As at 31st March, 2019
Tangible Assets:									
Office Premises (Building)	1,565.58	-	-	1,565.58	283.07	23.52	-	306.59	1,258.99
Furniture and Fixtures	139.02	-	-	139.02	128.20	3.87	-	132.07	6.95
Vehicles	51.54	-	-	51.54	41.84	1.48	-	43.32	8.22
Office Equipment	91.07	3.97	-	95.04	87.08	0.23	-	87.31	7.73
Computers	8.10	0.40	-	8.50	4.05	1.29	-	5.34	3.16
Total	1,855.31	4.37	-	1,859.68	544.24	30.39	-	574.63	1,285.05

Note:

i) Office Premises includes :

- 25 shares of Rs. 50/- each of Tulsiani Chamber Premises Co-op. Society Limited.
- 5 shares of Rs. 50/- each of Parekh Vora Chamber Premises Co-op. Society Limited.

Note 12 - Other Intangible Assets

(Rs. In Lakh)

Description	Gross Block				Depreciation / Amortisation				Net Block
	As at 1st April, 2019	Additions	Deductions/ Adjustments	As at 31st March, 2020	Upto 31st March, 2019	For the Year	Deductions/ Adjustments	As at 31st March, 2020	As at 31st March, 2020
Computer Software	3.77	-	-	3.77	1.88	0.57	-	2.45	1.32
Stock Exchange Membership Card	0.10	-	-	0.10	-	-	-	-	0.10
Total	3.87	-	-	3.87	1.88	0.57	-	2.45	1.42

Description	Gross Block				Depreciation / Amortisation				Net Block
	As at 1st April, 2018	Additions	Deductions/ Adjustments	As at 31st March, 2019	Upto 1st April, 2018	For the Year	Deductions/ Adjustments	As at 31st March, 2019	As at 31st March, 2019
Computer Software	3.05	0.72	-	3.77	1.39	0.49	-	1.88	1.89
Stock Exchange Membership Card	0.10	-	-	0.10	-	-	-	-	0.10
Total	3.15	0.72	-	3.87	1.39	0.49	-	1.88	1.99

Note:

i) Represents Software other than self generated.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 13 - Other Non-Financial Assets
(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Prepaid Expenses	4.56	5.13	4.81
Gratuity Balance receivable	-	3.39	8.76
Others	0.16	0.41	0.59
Total	4.72	8.93	14.16

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 14 - (a) Trade Payables

The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Principal amount due and remaining unpaid	-	-	-
Interest due on above and the unpaid interest	-	-	-
Interest paid	-	-	-
Payment made beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay	-	-	-
Interest accrued and remaining unpaid	-	-	-
Amount of further interest remaining due and payable in succeeding years	-	-	-
Total	-	-	-

Note 14 - (b) Other Payables

The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Principal amount due and remaining unpaid	-	-	-
Interest due on above and the unpaid interest	-	-	-
Interest paid	-	-	-
Payment made beyond the appointed day during the year	-	-	-
Interest due and payable for the period of delay	-	-	-
Interest accrued and remaining unpaid	-	-	-
Amount of further interest remaining due and payable in succeeding years	-	-	-
Total	-	-	-

Note 15 - Other Financial Liabilities

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Security Deposit - Rental Deposit	45.00	45.00	45.00
Unclaimed Dividends *	26.28	26.52	29.44
Other Payables	4.73	3.97	3.97
Total	76.01	75.49	78.41

* These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

Note 16 - Provisions

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Provision for Gratuity	1.45	-	-
Contingent Provisions against Standard Assets	0.08	1.25	1.25
Total	1.53	1.25	1.25

Note 17 - Deferred Tax Liability/(Asset) (net)

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Deferred Tax Liability/(Asset)			
Related to Non-Financial Assets (Fixed Assets)	185.97	208.28	187.17
Related to Non-Financial Assets (Unabsorbed Depreciation)	(18.46)	(10.11)	-
Related to Provision for Gratuity	(0.37)	-	-
Related to Investments Appreciation through OCI	77.32	429.61	(113.33)
Related to Investments Appreciation through P&L	(122.42)	113.07	122.28
Total	122.04	740.85	196.12

Note 18 - Other Non-Financial Liabilities

(Rs. In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Statutory Liabilities	4.74	4.16	4.18
Other Payables	23.46	22.57	22.39
Total	28.20	26.73	26.57

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 19 - Equity Share Capital

Note 19: Equity Share Capital

							(Rs. In Lakh)
(A)	Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
		No. of Shares			Amount		
	Authorised Share Capital: Equity Shares of Rs. 10 each	10,00,00,000	10,00,00,000	10,00,00,000	10,000.00	10,000.00	10,000.00
		10,00,00,000	10,00,00,000	10,00,00,000	10,000.00	10,000.00	10,000.00
	Issued, Subscribed and Paid up: Equity Shares of Rs. 10 each (Fully Paid up)	1,74,98,433	1,74,98,433	1,74,98,433	1,749.84	1,749.84	1,749.84
		1,74,98,433	1,74,98,433	1,74,98,433	1,749.84	1,749.84	1,749.84
	Total						
(B)	The reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the year:						
	Particulars				2019-20	2018-19	2017-18
	No. of Shares outstanding at the beginning of the year				1,74,98,433	1,74,98,433	1,74,98,433
	Addition during the year				-	-	-
	Deletion during the year				-	-	-
	No. of Shares outstanding at the end of the year				1,74,98,433	1,74,98,433	1,74,98,433
(C)	Par value per share: The par value of Equity Shares is Rs.10/-.						
(D)	The rights, preferences and restrictions attached to each class of shares including to restrictions on the distribution of dividends and repayment of capital: Equity Shares- The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The equity shareholders are entitled to dividend only if dividend in a particular financial year is recommended by the Board of Directors and approved by the members at the annual general meeting of that year. In case of winding up of Parent Company, if the assets available for distribution are less than the paid up share capital, then the shortfall will be borne by the members proportionately. Where there is an excess, the same shall be distributed proportionately among the members.						
(E)	Details of Shares held by Holding or Ultimate Holding Company (including their Subsidiary or Associates) Shares Held Nil (P.Y. Nil)						
(F)	The details of Shareholders holding more than 5% shares : Equity Shares:						
Sr. No.	Name of Shareholder	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
(i)	Gagan D Chaturvedi	28,36,185	16.21	28,36,185	16.21	28,36,185	16.21
(ii)	Devesh D Chaturvedi	19,02,419	10.87	19,02,419	10.87	19,02,419	10.87
(iii)	Brijesh D Chaturvedi	9,99,867	5.71	9,99,867	5.71	9,99,867	5.71
(iv)	Angular Trading Pvt Ltd	9,81,843	5.61	9,81,843	5.61	9,81,843	5.61
(v)	Rajesh D Chaturvedi	26,05,586	14.89	26,05,586	14.89	26,05,586	14.89
(vi)	A to Z Broking Services LLP	21,18,400	12.11	21,18,400	12.11	21,18,400	12.11
(vii)	Shriyam Commodities Intermediary LLP	9,32,000	5.33	9,32,000	5.33	9,32,000	5.33

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 20 - Other Equity

		(Rs. In Lakh)			
	Particulars	As at 31st March, 2020		As at 31st March, 2019	
		As at 1st April, 2018			
(A)	Capital Reserve				
	Balance as per the last financial statement	6.90	6.90	6.90	6.90
	Addition/(Deletion) during the year	-	6.90	-	6.90
(B)	Securities Premium Account				
	Balance as per the last financial statement	2,666.69	2,666.69	2,666.69	2,666.69
	Addition/(Deletion) during the year	-	2,666.69	-	2,666.69
(C)	General Reserve				
	Balance as per the last financial statement	328.58	328.58	328.58	328.58
	Add : Amount transferred from surplus balance in the Statement of Profit and Loss	-	328.58	-	328.58
(D)	Statutory Reserve Fund (As per RBI Guidelines)				
	Balance as per the last financial statement	2,190.15	2,143.29	2,143.29	2,143.29
	Add : Amount transferred from surplus balance in the Statement of Profit and Loss	-	46.86	-	2,143.29
	(Created pursuant to Section 45-IC of Reserve Bank of India Act, 1934)	2,190.15	2,190.15	-	2,143.29
(E)	Other Comprehensive Income (OCI)				
	Balance as per the last financial statement	15,605.59	9,877.38	-	-
	Add: Op IndAS Adjustments through OCI	-	-	9,760.44	-
	Add: Op Remeasurements of post-employment benefit obligations	-	-	3.61	-
	Add/(Less): DTA/(DTL) Effect on Above	-	-	113.33	-
	Restate Balance at the beginning of reporting period	15,605.59	9,877.38	9,877.38	-
	Items that will not be reclassified to Profit/ (Loss)	(4,421.90)	6,271.15	-	-
	Add/(Less): DTA/(DTL) Effect on Above	352.29	(542.94)	-	-
	Less: Transferred to Retained Earnings on Realisation	(239.71)	-	-	-
		11,296.27	15,605.59	-	9,877.38
(F)	Retained Earnings				
	Balance as per the last financial statement	7,833.91	7,968.48	7,630.57	-
	Add: Op IndAS Adjustments through P&L	-	-	455.04	-
	Add: Op Remeasurements of post-employment benefit obligations	-	-	5.15	-
	Add/(Less): DTA/(DTL) Effect on Above	-	-	(122.28)	-
	Add: Transferred from OCI Reserve on Realisation	239.71	-	-	-
	Add : Profit/(Loss) for the year	(633.71)	38.65	-	-
	Amount available for Appropriations	7,439.91	8,007.13	7,968.48	-
	Less : Appropriations				
	Transferred to Statutory Reserve Fund (As per RBI Guidelines)	-	46.86	-	-
	Dividend on Equity Shares	104.99	104.99	-	-
	Tax Paid on Dividend	21.58	21.37	-	-
		7,313.34	7,833.91	-	7,968.48
	Total	23,801.93	28,631.82	22,991.32	

Nature and purpose of reserve:
a) Capital Reserve

Capital Reserves are mainly the reserves created during business combination for the gain on bargain purchase.

b) Securities Premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

c) General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

d) Statutory Reserve Fund (As per RBI Guidelines)

Statutory reserve fund is created pursuant to section 45-IC of the Reserve Bank of India Act, 1934 for NBFC Companies.

e) Other Comprehensive Income (OCI)

FVOCI equity investments: The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

f) Retained Earnings

Retained earnings represents the surplus/(deficit) in profit and loss account and appropriations.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 21 - Revenue from Operations

(Rs. In Lakh)

Particulars	2019-20	2018-19
Brokerage Income	89.71	88.34
Interest Income	47.18	81.50
- Interest on Loans	15.02	51.68
- Interest on Deposits with Banks	31.74	29.82
- Other Interest Income	0.42	-
Dividend Income	161.37	133.77
Rent Income	91.73	86.85
Profit/ (loss) on dealing in securities (Net)	55.52	210.70
Net Profit on Sale of Investments	104.12	86.08
Total	549.63	687.24

Note 22 - Other Income

(Rs. In Lakh)

Particulars	2019-20	2018-19
Interest on Income Tax Refund	7.13	-
Reversal of Contingent Provisions against Standard Assets	1.18	-
Bad Debt Recovery	-	0.77
Miscellaneous Income	2.55	2.78
Total	10.86	3.55

Note 23 - Net Loss on Fair Value Changes

(Rs. In Lakh)

Particulars	2019-20	2018-19
Net Loss on Fair Value Changes (Refer Note 23.1)	1,139.59	235.92
Total	1,139.59	235.92

Note 23.1 - Net Gain/(Loss) on Fair Value Changes

(Rs. In Lakh)

Particulars	2019-20	2018-19
Net Gain/(Loss) on Fair Value Changes on Investments measured at Fair Value through Profit & Loss		
On Investments	(1,139.59)	(235.92)
Total Net Gain/(Loss) on Fair Value Changes	(1,139.59)	(235.92)
Fair Value Changes		
Realised	-	-
Unrealised	(1,139.59)	(235.92)
Total Net Gain/(Loss) on Fair Value Changes	(1,139.59)	(235.92)

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 24 - Finance Cost

(Rs. In Lakh)

	Particulars	2019-20	2018-19
(a)	Interest Expenses		
	Other Interest Expenses	-	58.77
	Total	-	58.77

Note 25 - Employee Benefits Expenses

(Rs. In Lakh)

	Particulars	2019-20	2018-19
(a)	Salaries and Wages	140.75	130.42
(b)	Contribution to Provident and Other Funds	3.06	2.96
(c)	Staff Welfare Expenses	0.04	0.03
(d)	Contribution to Gratuity	1.75	1.13
	Total	145.60	134.54

Note 26 - Depreciation and Amortisation Expenses

(Rs. In Lakh)

	Particulars	2019-20	2018-19
(a)	On Investment Property	9.93	9.93
(b)	On Property, Plant & Equipment	28.02	30.39
(c)	On Other Intangible Assets	0.57	0.49
	Total	38.52	40.81

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 27 - Other Expenses

		(Rs. In Lakh)	
	Particulars	2019-20	2018-19
(A)	Payment to Auditors (excluding GST)		
(a)	Statutory Audit Fees	2.91	2.91
(b)	Tax Audit Fees	0.70	0.70
(c)	Other Services	0.35	0.35
(B)	Operating / Administrative and General Expenses		
(a)	Rates and Taxes	32.56	31.51
(b)	Rent	2.40	2.40
(c)	Other Repairs :		
	i) Equipments	3.73	3.67
	ii) Office Premises	-	2.66
(d)	Travelling & Conveyance Expenses	3.06	3.34
(e)	Telephone and lease line charges	3.71	7.29
(f)	Bank Guarantee Commission	10.74	11.07
(g)	Stamp Duty Charges	9.53	9.18
(h)	Directors Sitting Fees	1.15	1.24
(i)	Business Promotion	2.45	0.78
(j)	Printing & Stationery	2.44	2.42
(k)	Electricity Charges	8.76	9.18
(l)	Securities Transaction Tax	4.02	7.77
(m)	Fees & Subscription	10.22	11.68
(n)	Professional Fees	4.90	9.04
(o)	Transaction Charges	3.30	3.67
(p)	Exchange General Charges	0.12	0.52
(q)	Advertisement	1.16	1.01
(r)	Insurance	4.37	4.30
(s)	Motor Car Expenses	2.77	7.13
(t)	Bank Charges	0.15	0.33
(u)	Demat Charges	5.19	4.16
(v)	Miscellaneous Expenses	4.25	3.61
	Total	124.94	141.92

Note 28 - Earnings Per Equity Share

	Particulars	2019-20	2018-19
(A)	Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. In Lakhs)	(633.71)	38.65
(B)	Weighted average number of equity shares used as denominator for calculating EPS (in Nos.)	1,74,98,433	1,74,98,433
(C)	Basic and diluted earnings/ (loss) per share of face value of Rs. 10 each:		
	(a) Basic (In Rs.)	(3.62)	0.22
	(b) Diluted (In Rs.)	(3.62)	0.22

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 29 - Income tax
29.1 The components of income tax expense for the year ended are:

		(Rs. In Lakh)	
	Particulars	2019-20	2018-19
	Current Tax	23.40	38.40
	Adjustment of Current Tax Relating to Prior Years	(11.33)	-
	Deferred Tax	(266.52)	1.78
	Total	(254.45)	40.18

29.2 Reconciliation of the total tax charge

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended March 31, 2020 and March 31, 2019 is, as follows:

		(Rs. In Lakh)	
	Particulars	2019-20	2018-19
	Reconciliation of Profit Before Tax to Taxable Profit		
	Accounting profit/(loss) before tax	(888.16)	78.83
(A)	Tax at India's statutory income tax rate of 25.168% (previous year 26%)	(223.53)	20.50
(B)	Tax effect of the amount which are not taxable in calculating taxable income :		
	On Porperty Plant and Equipoment	(24.45)	(3.22)
	On Financial Instruments	154.15	30.10
	Effect of incomes which are exempt from tax	(40.62)	(34.78)
	Adjustment on account of ICDS impact	(110.18)	13.81
	Other deductions / allowances	1.51	13.77
	Adjustment of Current Tax Relating to Prior Years	(11.33)	-
(C)	Income tax expense at effective tax rate	(254.45)	40.18

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 30 As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(i) List of related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Shriyam Broking Intermediary Limited	Subsidiary
2	Shriyam Realtors Private Limited	Step-down Subsidiary
3	Mr. R. Sundaresan - Executive Chairman	Key Managerial Personnel (KMP)
4	Mr. Yogendra Chaturvedi - Executive Director	Key Managerial Personnel (KMP)
5	Ms. Daya Bhalia - Executive Director & Company Secretary	Key Managerial Personnel (KMP)
6	Mr. Charul Abuwala - Non-Executive Director	Key Managerial Personnel (KMP)
7	Mr. Lalit Shah - Non-Executive Director (w.e.f. 06.06.2019)	Key Managerial Personnel (KMP)
8	Mr. Devesh Vasavada - Non-Executive Director	Key Managerial Personnel (KMP)
9	Mr. Kantilal Shah - Non-Executive Director (upto 31.03.2019)	Key Managerial Personnel (KMP)
10	Mr. Prashant Chaturvedi - CFO	Key Managerial Personnel (KMP)
11	Mr. Suresh Chaturvedi - Executive Chairman (Subsidiary)	Key Managerial Personnel (KMP)
12	Mr. Gaurav Chaturvedi - CFO (Subsidiary)	Key Managerial Personnel (KMP)

(ii) Transactions during the year with related parties (excluding reimbursements):

(Rs. In Lakh)

Sr. No.	Nature of Transactions	(KMP)	Total
1	Directors Sitting Fees	1.15 (1.24)	1.15 (1.24)
2	Payment for remuneration and services	66.46 (63.67)	66.46 (63.67)

Figures in bracket represents previous year's amount.

(iii) Disclosure in respect of material related party transactions during the year:

(Rs. In Lakh)

Sr. No.	Particulars	Relationship	2019-20	2018-19
3	Directors Sitting Fees			
	Mr. Charul Abuwala	KMP	0.53	0.52
	Mr. Lalit Shah	KMP	0.33	-
	Mr. Devesh Vasavada	KMP	0.29	0.27
	Mr. Kantilal Shah	KMP	-	0.45
4	Payment for remuneration and services			
	Mr. R. Sundaresan	KMP	6.50	6.50
	Mr. Yogendra Chaturvedi	KMP	14.06	13.67
	Ms. Daya Bhalia	KMP	10.68	10.78
	Mr. Prashant Chaturvedi	KMP	13.56	12.78
	Mr. Suresh Chaturvedi	KMP	13.10	12.16
	Mr. Gaurav Chaturvedi	KMP	8.56	7.78

Note 31 Global Health Pandemic from COVID – 19 (“Covid – 19”)

Covid-19 have been declared as a global pandemic, the Indian Government has declared the complete lock down since March 24, 2020 and the same is continuing with minor exemptions and essential services were allowed to operate with limited capacity. Capital markets and banking services have been declared as essential services and accordingly, the Group has been continuing the operations with minimal permitted staff. However other employees were encouraged to work from home. All operations and servicing of clients were smoothly ensured without any interruptions as the activities of trading, settlement, DP, Stock Exchanges and depositories functions have been fully automated. Based on the facts and circumstances, there is no major impact on the business of the Group. The Group is closely monitoring any material changes on a continuous basis.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 32 Employee Benefits

The Group has classified the various benefits provided to employees as under:

(A) Defined contribution plans

The Group has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(Rs. In Lakh)		
Particulars	2019-20	2018-19
Employer's Contribution to Provident Fund (includes administration charges) Refer Note No. 25	3.06	2.96

(B) Defined Benefit Plans:
Gratuity:

The employees' gratuity fund scheme managed by LIC (insurer) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Accrued Benefit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Employee Benefit Obligation (Gratuity)

(Rs. In Lakh)

Particulars	Gratuity Benefits (Funded)	
	2019-20	2018-19
I. Change in present value of obligation:		
Present value of obligations at the beginning of the year	12.81	9.13
Interest Cost	0.96	0.57
Current Service Cost	2.06	1.83
Liability for Transferred In / (out)	-	-
Benefit Paid	-	(3.04)
Actuarial loss / (gain) arising from change in financial assumptions	0.85	-
Actuarial loss / (gain) arising on account of experience changes	5.48	4.32
Present value of obligations at the end of the year	22.17	12.81
II. Change in the fair value of Plan Assets :		
Fair Value of Plan Assets at the beginning of the year	16.20	17.89
Interest income	1.28	1.27
Contributions	1.72	1.25
Benefit Paid	-	(3.04)
Actuarial gain/(loss) on Plan Assets	1.52	(1.17)
Fair Value of Plan Assets at the end of the year	20.71	16.20
III. Reconciliation of present value of obligation and fair value of		
Liability at the end of the year	22.17	12.81
Fair value of plan assets at the end of the year	20.71	16.20
(Asset)/Liability Recognised in the Balance Sheet (Refer Note 16 & 13)	1.45	(3.39)
IV. Expenses recognised during the year :		
Current Service Cost	2.06	1.83
Interest Cost	(0.31)	(0.70)
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/Loss recognised	-	-
Expense Recognised in Statement of profit and loss	1.75	1.13
V. Amount recorded in Other comprehensive Income (OCI)		
Actuarial (Gains)/Losses on Obligation For the Period	6.34	4.32
Return on Plan Assets, Excluding Interest Income	(1.52)	1.17
Net (Income)/Expense For the Period Recognized in OCI	4.82	5.49
VI. Investment details :		
Total value of investments for employees gratuity fund scheme is managed by insurance company (LIC).		
VII. Actuarial Assumptions :		
Discount Rate (per annum)	6.30%	7.50%
Expected Return on Plan Assets	6.30%	7.50%
Salary Escalation	4.00%	4.00%
Rate of employee turnover	Categorywise	Categorywise
Mortality rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
VIII. Sensitivity analysis:

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

(Rs. In Lakh)

Particulars	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Discount Rate	1%	1%	1.89	1.69	2.26	1.99
Salary growth rate	1%	1%	2.26	2.00	1.89	1.69
Withdrawal Rate	50%	50%	2.06	1.83	2.05	1.82
Mortality Rate	10%	10%	2.06	1.83	2.06	1.83

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

IX. Major Category of Plan Asset as a % of total Plan Assets

(Rs. In Lakh)

Category of Assets (% Allocation)	2019-20	2018-19	2017-18	2019-20	2018-19	2017-18
	%			Amount		
Insurer managed funds	100%	100%	100%	20.71	16.20	17.89
Total	100%	100%	100%	20.71	16.20	17.89

X. Risk exposure

Through its defined benefit plans, the group is exposed to a number of risks, like credit rise, discount rate risk, liquidity risk, etc

XI. Estimated Liability in Future Years (Maturity)

The Company generally eliminates the deficit in the defined benefit gratuity plan with in next one year.

The expected maturity analysis of undiscounted post employment benefit plan (gratuity) is as follows :

(Rs. In Lakh)

Particulars	1st Year	Between 2-5 years	Between 6-10 years	Over 10 years	Total
2019-20	9.57	1.45	12.12	14.20	37.34
Defined benefit obligation (gratuity)					
2018-19	4.96	2.31	1.41	14.19	22.87
Defined benefit obligation (gratuity)					
2017-18	3.64	1.82	0.79	10.52	16.77
Defined benefit obligation (gratuity)					

Note 33 Dividend paid and proposed during the year by Parent Company

(Rs. In Lakh)

Particulars	2019-20	2018-19
A. Declared and paid during the year by Parent Company		
Dividend on equity shares		
Final dividend [for March 2019: Re. 0.60 per share (March 2018: Re. 0.60 per share)]	104.99	104.99
Dividend distribution tax on final dividend	21.58	21.37
	126.57	126.36
B. Proposed for approval at Annual General Meeting (not recognised as a liability as at Balance sheet date)		
Dividend on equity shares [for March 2020: Re. Nil per share (March 2019: Re. 0.60 per share)]	-	104.99
Dividend distribution tax on proposed dividend	-	21.58
	-	126.57

Note 34 Events after reporting date

There have been no events after the reporting date that require adjustment/disclosure in these financial statements.

(Rs. In Lakh)

Foreign Currency Transactions	2019-20	2018-19
Details of foreign currency transactions are as follows:		
Expenditure incurred in foreign currency*	NIL	NIL
Income earned in foreign currency*	NIL	NIL
*During the year the Group had no unhedge foreign currency exposures.		

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 36 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

1) Fair value hierarchy:

The Group determines fair value of its financial instruments according to following hierarchy:

Level 1: Category includes financial assets and liabilities that are measured in whole or significant part by reference to published quotes in an active market.

Level 2: Category includes financial assets and liabilities that are measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions.

Level 3: Category includes financial assets and liabilities that are measured using valuation techniques based on nonmarket observable inputs. This means that fair value are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. The main asset classes in this category are unlisted equity investments as well as unlisted funds. Group has used discounted cash flow, comparable company analysis, net asset value method and valuation report of independent valuers where ever possible.

2) An explanation of each level follows underneath the table:

As at March 31, 2020

(Rs. In Lakh)

Financial assets and liabilities at fair value	Level 1	Level 2	Level 3	Amortised cost /Deemed Cost	Total
Financial Assets					
Financial Assets at FVTPL					
Investments	4,965.08	-	85.19	225.00	5,275.27
Trade Receivables	-	-	-	19.84	19.84
Financial Assets at FVOCI					
Investments	16,241.59	-	776.58	-	17,018.17
Financial Assets at Amortised cost					
Cash and Cash Equivalents	-	-	-	1,053.10	1,053.10
Bank Balance other than Cash and Cash Equivalents above	-	-	-	414.61	414.61
Loans	-	-	-	30.00	30.00
Other Financial Assets	-	-	-	287.81	287.81
Total Financial Assets	21,206.67	-	861.77	2,030.36	24,098.80
Financial Liabilities					
Financial Liabilities at Amortised cost					
Trade Payables	-	-	-	120.46	120.46
Other financial liabilities	-	-	-	76.01	76.01
Total Financial Liabilities	-	-	-	196.47	196.47

As at March 31, 2019

(Rs. In Lakh)

Financial assets and liabilities at fair value	Level 1	Level 2	Level 3	Amortised cost /Deemed Cost	Total
Financial Assets					
Financial Assets at FVTPL					
Investments	5,759.62	-	120.40	225.00	6,105.02
Trade Receivables	-	-	-	22.72	22.72
Financial Assets at FVOCI					
Investments	20,719.15	-	801.80	-	21,520.95
Financial Assets at Amortised cost					
Cash and Cash Equivalents	-	-	-	666.56	666.56
Bank Balance other than Cash and Cash Equivalents above	-	-	-	409.29	409.29
Loans	-	-	-	500.00	500.00
Other Financial Assets	-	-	-	298.70	298.70
Total Financial Assets	26,478.77	-	922.20	2,122.27	29,523.24
Financial Liabilities					
Financial Liabilities at Amortised cost					
Trade Payables	-	-	-	159.49	159.49
Other financial liabilities	-	-	-	75.49	75.49
Total Financial Liabilities	-	-	-	234.98	234.98

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020

As at April 01, 2018

(Rs. In Lakh)

Financial assets and liabilities at fair value	Level 1	Level 2	Level 3	Amortised cost /Deemed Cost	Total
Financial Assets					
Financial Assets at FVTPL					
Investments	5,900.14	-	167.52	225.00	6,292.66
Trade Receivables	-	-	-	112.16	112.16
Financial Assets at FVOCI					
Investments	14,537.16	-	801.80	-	15,338.96
Financial Assets at Amortised cost					
Cash and Cash Equivalents	-	-	-	457.16	457.16
Bank Balance other than Cash and Cash Equivalents above	-	-	-	404.44	404.44
Loans	-	-	-	500.00	500.00
Other Financial Assets	-	-	-	281.20	281.20
Total Financial Assets	20,437.30	-	969.32	1,979.96	23,386.58
Financial Liabilities					
Financial Liabilities at Amortised cost					
Trade Payables	-	-	-	215.29	215.29
Other financial liabilities	-	-	-	78.41	78.41
Total Financial Liabilities	-	-	-	293.70	293.70

Fair value of cash and cash equivalents, bank balances, trade & other receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to current maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above.

Note 37 Financial risk management

The Group is exposed to market risk, credit risk, liquidity & interest rate risk and capital management risk. The Group's risk management function is carried out by the Risk Management Committee by evaluating financial risks and the appropriate governance framework for the Group. The Risk Management Committee provides assurance to the Board that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The major risks are summarised below:

Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group has quoted investments and investment in bullions which are exposed to fluctuations in stock prices. The Group continuously monitors market exposure and, in appropriate cases, also uses various derivative instruments as a hedging mechanism to limit volatility. The unquoted redeemable non-convertible Preference Shares and unquoted investment in various funds are measured at fair value through profit or loss. The fair values of these investments are regularly monitored.

Credit risk management:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises mainly from loans and advances, and loan commitments arising from such lending activities, but can also arise from credit enhancement provided, such as financial guarantees, letters of credit, endorsements and acceptances. The Group has very insignificant exposure to loans given or taken hence exposure to such risk is very negligible.

Liquidity and Interest Rate Risk:

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. While interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is not exposed to liquidity or interest rate risk, however the Management is continuously evaluating the risks, if any.

Currency Risk:

Exchange rate volatility imparts a new dimension to the risk profile of an NBFC's balance sheets having foreign assets or liabilities. The Group is not exposed to currency risk as it has no foreign assets or liabilities.

Capital Management Risk:

The Reserve Bank of India (RBI) sets and monitors capital adequacy requirements for the Parent Company from time to time. As per regulations prescribed by Reserve Bank of India, the Parent Company's minimum prescribed regulatory capital is holding Net Owned Funds of Rs. 200 Lakh. The Group's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors and hence, increase in capital is planned well in advance to ensure adequate funding for its growth.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020**Expected credit loss measurement:**

Ind AS 109 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below. The objective of the impairment requirements is to recognise lifetime expected credit losses for all financial instruments for which there have been significant increases in credit risk since initial recognition - whether assessed on an individual or collective basis - considering all reasonable and supportable information, including that which is forward-looking.

A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Group.

If significant increases in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired.

If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. Financial instruments in Stage 1 have their ECL measured at an amount equal to 12 month ECLs. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. Purchased or originated credit-impaired financial assets are those financial assets that are credit impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

The measurement of ECL is calculated using three main components: (i) Probability of Default (PD) (ii) Loss Given Default (LGD) and (iii) the Exposure At Default (EAD).

The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

i) Probability of default (PD) represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

ii) Exposure At default (EAD) is the total amount of an asset the entity is exposed to at the time of default. EAD is defined based on the characteristics of the asset. EAD is dependent on the outstanding exposure of an asset, sanctioned amount of a loan and credit conversion factor for non-funded exposures.

iii) Loss given default (LGD) It is the part of an asset that is lost provided the asset default. The recovery rate is derived as a ratio of discounted value of recovery cash flows (incorporating the recovery time) to total exposure amount at the time of default. Recovery rate is calculated for each segment separately. Loss given default is computed as $(1 - \text{recovery rate})$ in percentage terms.

The Group assesses when a significant increase in credit risk has occurred based on quantitative and qualitative assessments. Exposures are considered to have resulted in a significant increase in credit risk and are moved to Stage 2 when:

i. Quantitative test: Accounts that are 30 calendar days or more past due move to Stage 2 automatically. Accounts that are 90 calendar days or more past due move to Stage 3 automatically.

ii. Qualitative test: Accounts that meet the portfolio's 'high risk' criteria and are subject to closer credit monitoring. High risk customers may not be in arrears but either through an event or an observed behavior exhibit credit distress.

iii. Reversal in Stages: Exposures will move back to Stage 2 or Stage 1 respectively, once they no longer meet the quantitative criteria set out above. For exposures classified using the qualitative test, when they no longer meet the criteria for a significant increase in credit risk.

Collateral and other credit enhancements:

The Group employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for funds advanced. The principal collateral types for loans and advances are:

- i) Charges over business assets such as premises, inventory and accounts receivable; and
- ii) Charges over financial instruments such as debt securities and equities.

Longer-term finance and lending to corporate entities are generally secured.

The Group's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Group since the prior period.

The Group closely monitors collateral held for financial assets considered to be credit-impaired, as it becomes more likely that the Group will take possession of collateral to mitigate potential credit losses. Financial assets that are credit-impaired and related collateral held in order to mitigate potential losses.

Write-off policy:

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Group's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 38 - Segment Reporting

The Group has reported segments as per the Ind AS 108 dealing with "Operating Segments" specified under Section 133 of the Act. The Operating Segments have been reported as under:

	(Rs. In Lakh)	
Particulars	2019-20	2018-19
Segment Revenue		
Investment and Finance activity	384.83	527.70
Other activity	176.81	165.25
Total	561.64	692.95
Inter Segment	(1.15)	(2.16)
Net Income	560.49	690.79
Segment Results		
Investment and Finance activity	(878.37)	44.77
Other activity	(9.79)	34.06
Total Profit/ (Loss) before Tax	(888.16)	78.83
Segment Assets		
Investment and Finance activity	20,107.27	24,584.21
Other activity	5,792.74	6,801.26
Total Segment Assets	25,900.01	31,385.47
Segment Liabilities		
Investment and Finance activity	196.70	722.14
Other activity	151.54	281.67
Total Segment Liabilities	348.24	1,003.81
Depreciation / Amortisation		
Investment and Finance activity	27.80	31.62
Other activity	10.72	9.19
Total	38.52	40.81

Notes:

(a) The reportable segments of the Group are further described below:

- i) Being NBFC Company, Investment and Finance activities includes investment and lending activities.
- ii) Other activities includes Broking activities.

(b) Since all the operations of the Group are conducted within India, as such there is no separate reportable geographical segment.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 39 - Interests in other entities

Subsidiaries: The Group's subsidiaries as at March 31, 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly either by Parent Company or its subsidiaries, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Particulare	Principal Activities	Country of Incorporation		Controlling interest held by the Group	
		As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Name of Subsidiaries					
Shriyam Broking Intermediary Limited	Stock Borking	India	India	100.00%	100.00%
Shriyam Realtors Private Limited	Others	India	India	100.00%	100.00%
Name of Associates	-	-	-	-	-

As Group hold 100% of Controlling interest of all subsidiaries, these is no Non-controlling interest exists.

Note 40 - Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates.

Name of the Enterprises	Net Assets i.e. total assets minus total liabilities		Share in Profit/(loss) after Taxation	
	As % of Consolidated net assets	Amount (Rs. In Lakh)	As % of Consolidated profit/(loss) after tax	Amount (Rs. In Lakh)
As at 31st March, 2020				
(a) Parent				
Shardul Securities Limited	77.92	19,910.57	102.03	(646.59)
(b) Subsidiaries - Indian				
Shriyam Broking Intermediary Limited	21.43	5,475.32	(0.88)	5.56
Shriyam Realtors Private Limited	0.65	165.88	(1.16)	7.32
(b) Associates	-	-	-	-
Total	100.00	25,551.77	100.00	(633.71)
As at 31st March, 2019				
(a) Parent				
Shardul Securities Limited	78.54	23,862.07	17.49	6.76
(b) Subsidiaries - Indian				
Shriyam Broking Intermediary Limited	20.94	6,361.03	62.98	24.34
Shriyam Realtors Private Limited	0.52	158.56	19.53	7.55
(b) Associates	-	-	-	-
Total	100.00	30,381.66	100.00	38.65

Name of Subsidiary which are yet to commence operation - Shriyam Realtors Private Limited.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
Note 41 Capital management:

The Group's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment. The Group aims to maintain a strong capital base to support the risks inherent to its business and growth strategies. The Group endeavours to maintain a higher capital base than the mandated regulatory capital at all times. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

The Group's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks– which include credit, liquidity and interest rate.

The Group monitors its capital regularly, and hence, increase in capital is planned well in advance to ensure adequate funding for its growth.

Note 42 The profit or loss on account of dealing errors such as incorrect punching of prices or client/ custodial codes is considered as business expenditure, it is the company's policy not to carry out any speculative activities.

Note 43 Directors Remuneration :

Salary to Executive Directors as under (include under the head payment to employees):

(Rs. In Lakh)

Particulars	2019-20	2018-19
Mr. R. Sundaresan	6.50	6.50
Mr. Yogendra Chaturvedi	14.06	13.67
Ms. Daya Bhalia	10.68	10.78
Mr. Suresh Chaturvedi	13.10	12.16

During the year, remuneration paid to the directors are within the prescribed limit of section 196,197 & 203 read with Schedule V of the Companies Act, 2013.

Note 44 Contingent Liabilities:

(Rs. In Lakh)

Sr. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
1	Bank Guarantees Outstanding of Group*	1,400.00	1,400.00

*Bank Guarantee of Rs. 1,400 Lakh (P.Y. Rs 1,400 Lakh) is executed by the Shriyam Broking Intermediary Limited (SBIL), the subsidiary company and backed up by the Company in the form of Corporate Guarantee. Out of that Rs. 1,400 Lakh (P.Y. Rs 1,400 Lakh) is backed up by FD & Lien of Shares held as Investments by SBIL.

Note 45 Disputed Tax Liabilities:

The Income-Tax assessments of the Group have been completed up to the assessment year 2017-18. The disputed demand outstanding up to the said assessment year is Rs. 55.39 Lakh against which company has paid Rs. 9.84 Lakh under protest. Based on the decision of the Appellate Authorities and the interpretations of the relevant provisions, the Group has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.

Note 46

CSR Expenditure include expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof: Rs. Nil Lakh (P.Y. Rs. Nil Lakh).

Gross amount required to be spent as per aforesaid provision is Rs. Nil Lakh.

Note 47 Previous year's figures have been regrouped, rearranged and / or reclassified wherever necessary.

Note 48 First-time adoption of Ind AS:
Transition to Ind AS

These are the Group's first Consolidated Ind AS financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note No. 2 have been applied in preparing the Consolidated Ind AS financial statements for the year ended 31st March, 2020 the comparative information presented in these Consolidated Ind AS financial statements for the year ended 31st March, 2019 and in the preparation of an opening Ind AS balance sheet at 1st April, 2018 (the Group's date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in Consolidated Ind AS financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP or IGAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the following tables and notes:

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020**a) Optional exemptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS, which were considered to be material or significant by the Group:

i) Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment (including capital work-in-progress) as recognised in the Standalone Ind AS financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities and capital grant, if applicable. This exemption can also be used for intangible assets and investment properties covered by Ind AS 38 and Ind AS 40, respectively.

Accordingly, the Group has elected to measure all of its property, plant and equipment, intangible assets (excluding Stock Exchange Membership Card) and investment properties at their previous GAAP carrying value.

In case of Stock Exchange Membership Card the subsidiary Company has availed fair values as deemed cost on the date of transition to Ind AS.

ii) Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The Group has elected to apply this exemption for its investment in equity instruments.

b) Ind AS mandatory exceptions

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS, which were considered to be material or significant by the Group:

i) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for items in accordance with Ind AS at the date of transition as these were not required under Previous GAAP.

ii) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

iii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

iv) Impairment of financial assets

As set out in Ind AS 101, an entity shall apply the impairment requirements of Ind AS 109 retrospectively if it does not entail any undue cost or effort. The Group has assessed impairment of financial assets in conformity with Ind AS 109.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
c) Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires a first time adopter to reconcile equity, total comprehensive income and cash flows for prior periods.

The following tables represent the reconciliations from previous GAAP to Ind AS.

i) Reconciliation of Total Equity between previous GAAP and Ind AS:

(Rs. In Lakh)		
Particulars	As at 31st March, 2019	As at 1st April, 2018
Total Equity (Shareholder's funds) under Previous GAAP	14,664.72	14,525.86
Adjustments:		
Fair valuation of investments	16,256.22	10,215.49
Remeasurements of post employment benefit obligations	3.39	8.76
Tax Impact of Ind AS Adjustments	(542.67)	(8.95)
Total adjustments	15,716.94	10,215.30
Total equity as per Ind AS	30,381.66	24,741.16

ii) Reconciliation of profit as per Ind AS with profit reported under previous GAAP:

(Rs. In Lakh)	
Particulars	2018-19
Net profit after tax as per previous GAAP	265.22
Adjustments:	
Fair valuation of investments	(235.92)
Remeasurements of post employment benefit obligations	0.13
Deferred Tax effect on Fair Value of Investment	9.22
Total adjustments	(226.57)
Net Profit/ (Loss) as per IndAS	38.65
Other Comprehensive Income:	
Fair valuation of investment in equity shares measured at FVOCI	6,276.64
Remeasurements of post employment benefit obligations	(5.49)
Tax Impact on above items	(542.94)
Total Other Comprehensive Income	5,728.21
Total comprehensive income as per Ind AS	5,766.86

iii) Impact of Ind AS adoption on the Consolidated statements of cash flows for the year ended March 31, 2019

(Rs. In Lakh)			
Particulars	Previous GAAP	Adjustments	Ind AS
Net Cash from / (used) in Operating Activities	(726.93)	851.38	124.45
Net Cash from / (used) in investment activities	1,070.46	(856.23)	214.23
Net cash from / (used) in Financing Activities	(129.28)	-	(129.28)
Net increase / (decrease) in cash and cash equivalents	214.25	(4.85)	209.40
Opening Balance of Cash and Cash Equivalents as at 1st April, 2018	861.60	(404.44)	457.16
Closing Balance of Cash and Cash Equivalents as at 31st March, 2019	1,075.85	(409.29)	666.56

d) Notes to first-time adoption:
i) Fair valuation of investments

Under the previous GAAP, investments in equity instruments, preference shares, various funds, bullions were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings as at the date of transition and subsequently in the statement of profit and loss for the year ended March 31, 2019.

Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI – Equity investments reserve as at the date of transition and subsequently in the other comprehensive income for the year ended March 31, 2019.

Notes on Consolidated Ind AS Financial Statements for the year ended 31st March, 2020
ii) Fair valuation of Stock Exchange Membership Card (intangible asset)

Under the previous GAAP, Stock Exchange Membership Card was recorded at cost. Under Ind AS, this Stock Exchange Membership Card is measured at fair value. The resulting fair value changes of this has been recognised in retained earnings as at the date of transition.

iii) Loans to customer/related parties/employees

Under Indian GAAP, the company has created provision for impairment of receivables / loans to customer/related parties/employees consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL). Due to ECL model, the company, wherever applicable impaired its trade receivables / loans to customer/related parties/employees on April 1, 2018 which has been eliminated against retained earnings. The impact for year ended on March 31, 2019 has been recognised in the statement of profit and loss.

iv) Effective Interest Rate

Under Indian GAAP, transaction costs incurred on borrowings, wherever applicable was charged to statement of profit and loss upfront and brokerage costs directly attributable to a borrowing were expensed over the tenure of the borrowing while under Ind AS, such costs are included in the initial recognition amount of financial asset and recognised as interest income using the effective interest method. Consequently borrowings wherever applicable on date of transition date have decreased.

v) Deferred tax

Indian GAAP requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

vi) Investment property

Under the previous GAAP, investment properties were presented as part of Property, Plant & Equipment. Under Ind AS, investment properties are required to be separately presented on the face of the balance sheet. The company has carried out the valuation activity to assess fair value of its Investment in Office Premises (Building).

vii) Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

viii) Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans, foreign exchange differences arising on translation of foreign operations and fair value gains or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

As per our report of even date

For J. Kala & Associates

Chartered Accountants

FRN 118769W

Vaibhav Patodi

Partner

M.No. 420935

Place :- Mumbai

Date :- 29th June, 2020

For and on behalf of the Board

Yogendra Chaturvedi

(Executive Director & CEO) (DIN 00013613)

Daya Bhalia

(Executive Director & Company Secretary)

(DIN 07049483)

Devesh Vasavada

(Director) (DIN 00273128)

Charul Abuwala

(Director) (DIN 00071142)

Lalit Shah

(Director) (DIN 08473788)

Prashant Chaturvedi

(CFO)

Statement containing salient features of the financial statement of subsidiaries / associate companies

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

(Rs. in Lakh)												
Names	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed dividend	% of Shareholding
Subsidiaries												
Shriyam Broking Intermediary Limited	INR	1,000.00	4,621.05	5,776.80	155.75	4,276.25	167.31	(17.96)	(24.67)	6.71	-	100%
Shriyam Realtors Private Limited	INR	150.00	15.88	165.88	0.41	-	9.50	9.32	2.00	7.32	-	100%
Associates	-	-	-	-	-	-	-	-	-	-	-	-

Names of Subsidiary which are yet to commence operation - Shriyam Realtors Private Limited.

For and on behalf of the Board

Yogendra Chaturvedi

(Executive Director & CEO) (DIN 00013613)

Daya Bhalia

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