



SKP Securities Limited

**ANNUAL REPORT
2013-2014**



moneywise[®]
creating prosperity

Educating, Engaging & Empowering Investors ...



Educating, Engaging & Empowering Investors ...





Our Corporate Personality

The moneywise logo, symbol and colours truly reflect our growth and vigour, and what SKP does-using its knowledge and wisdom acquired over decades of experience, to help people to be moneywise, creating a sense of prosperity in them, bringing happiness to their lives.

Our vision

Bringing happiness in society by creating prosperity through financial solutions.

Our Core Values

- Customers First
- Ethical & Transparent
- Speed with Quality and Economy
- Knowledge sharing & Innovation
- Passion & Ownership
- Empowerment and Meritocracy within Team Work

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BOARD OF DIRECTORS

- S. K. Mitra - *Independent, Non-Executive*
 Kishore Bhimani - *Independent, Non-Executive*
 Ravi Todi - *Independent, Non-Executive*
 G. L. Sultania - *Independent, Non-Executive*

Resigned on 26.06.2014

Manju Pachisia - *Non-Executive Director*
Appointed Additional Director w.e.f 01.08.2014

Naresh Pachisia - *Managing Director*

Rajesh Pachisia - *Managing Director*
Resigned w.e.f 01.08.2014

Nikunj Pachisia - *Whole Time Director*
Appointed w.e.f 01.08.2014

Auditors

G. P. Agrawal & Co.
 7A, Kiran Shankar Roy Road
 Kolkata - 700 001

Bankers

HDFC Bank Ltd
 Axis Bank Ltd
 State Bank of India
 Vijaya Bank
 Central Bank of India

Registered Office & Correspondence Address

Chatterjee International Centre, Level 21
 33A, Jawahar Lal Nehru Road
 Kolkata - 700 071, India
 Phone : (033) 4007 7000, Fax : (033) 4007 7007
 E-mail : cs@skpmoneywise.com

Mumbai Office

52, Kewal Industrial Estate
 Senapati Bapat Marg, Lower Parel (West)
 Mumbai - 400 013 India
 Phone: (022) 4922 6006, Fax: (022) 4922 6066
 Email: mumbai@skpmoneywise.com

Registrar & Share Transfer Agent

Maheshwari Datamatics (P) Ltd.
 6, Mangoe Lane 2nd Floor, Kolkata - 700 001
 Phone : (033) 2243 5029 / 5809
 Fax : (033) 2248 4787
 Email : mdpl@cal.vsnl.net.in

Company Secretary

Dipak Kadel

CHARTER MEMBER

Financial Planning Standards Board, India

MEMBER

National Stock Exchange of India Ltd.
Bombay Stock Exchange Ltd.
MCX Stock Exchange Ltd.
National Commodities & Derivatives Exchange Ltd.*
Multi Commodity Exchange of India Ltd.*
National Spot Exchange Ltd.*

DEPOSITORY PARTICIPANT

National Securities Depository Ltd.
Central Depository Services (I) Ltd.

AMFI REGISTERED MUTUAL FUND ADVISOR

Association of Mutual Funds of India

OUR CLIENT SEGMENTS

Banks
Insurance Companies
Mutual Funds
Corporates & Business House
Charitable / Educational / Health Institutions
Non-Profit Organisations
Individuals from all socio-economic strata

OUR SERVICE

Broking
Distribution
Investment Banking
Wealth Advisory and Prosperity Management

NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of the Company will be held at MCC Chamber of Commerce & Industry, 15B Hemanta Basu Sarani, Kolkata 700 001 on Saturday, the 27th day of September 2014, at 10 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit & Loss for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Naresh Pachisia (DIN: 00233768), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provision of Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force), M/s G.P. Agrawal & Co., Chartered Accountants, Kolkata (Registration No. - 302082E) be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at remuneration to be determined by the Board.”

SPECIAL BUSINESS:

4. Appointment of Mr. Subrata Kumar Mitra as an Independent Director

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement, (including any statutory modifications(s) or enactments thereof, for the time being in force), Mr. Subrata Kumar Mitra (DIN: 00029961) in respect of whom the Company has received a notice under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this

Annual General Meeting up to 29th Annual General Meeting of the Company to be held in the calendar year 2019, and whose office shall not, henceforth, be liable to retire by rotation.”

5. Appointment of Mr. Ravi Todi as an Independent Director

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement, (including any statutory modifications(s) or enactments thereof, for the time being in force), Mr. Ravi Todi (DIN: 00080388) in respect of whom the Company has received a notice under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting up to 29th Annual General Meeting of the Company to be held in the calendar year 2019, and whose office shall not, henceforth, be liable to retire by rotation.”

6. Appointment of Mr. Kishore Bhimani as an Independent Director

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement, (including any statutory modifications(s) or enactments thereof, for the time being in force), Mr. Kishore Bhimani (DIN:00013617) in respect of whom the Company has received a notice under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting up to 29th Annual General Meeting of the Company to be held in the calendar year 2019, and whose office shall not, henceforth, be liable to retire by rotation.”

7. Appointment of Mrs. Manju Pachisia as a Non-Executive Director:

To consider and, if thought fit, to pass with or without modification(s), the following resolutions as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement, (including any statutory modifications(s) or enactments thereof, for the time being in force), Mrs. Manju Pachisia (DIN: 00233821) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 1st August, 2014, in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at

the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company and whose period of office shall be liable to retire by rotation.”

“**RESOLVED FURTHER** that the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, expedient and desirable for the purpose of giving effect of this resolution.”

8. Appointment and Remuneration of Mr. Nikunj Pachisia as a Whole Time Director

To consider and, if thought fit, to pass with or without modification(s), the following resolutions as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 196, 197, 198, 203, Schedule V and all other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Nikunj Pachisia (DIN: 06933720), who was appointed as a Whole Time Director of the Company by the Board of Directors with effect from 1st August, 2014, subject to the approval of the shareholders at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Whole Time Director, be and is hereby appointed as a Whole Time Director for a period of Three years effective from 1st August, 2014, on the terms and conditions of appointment including remuneration (for a period of Three years) (including minimum remuneration to be paid in the event of loss or inadequacy of profit in any financial year during his tenure) as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors (hereinafter referred to as Board which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary such terms of appointment and remuneration as it may deem fit and as may be acceptable to Mr. Nikunj Pachisia, subject to the limits specified in Schedule V to the Companies Act, 2013 for the time being in force.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, expedient and desirable for the purpose of giving effect of this resolution.”

9. Payment of Commission to Non Whole Time Directors of the Company

To consider and, if thought fit, to pass with or without modification(s), the following resolutions as an Ordinary Resolution:

“**RESOLVED THAT** in supersession of all the earlier resolutions passed by the members in this regard and pursuant to the provisions of Sections 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013, read with 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), the consent of the Company be and is hereby accorded for the payment of remuneration to the Non-Executive Directors (including Independent Directors) of the Company i.e. Directors other than the Managing Director and /or Whole-time Directors, in addition to the sitting fees paid for attending the meetings of the Board of Directors and / or Committee(s) thereof and reimbursement of expenses for attending the meetings, as the Board may from time to time determine in such proportion and manner, not exceeding 1% (one percent) of the Net Profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Act or any statutory modification(s) or re-enactments thereof.”

“RESOLVED FURTHER THAT the Board of Directors of the Company, including the Nomination and Remuneration Committee, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

10. To consider and, if thought fit, to pass with or without modification(s), the following resolutions as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 181 of the Companies Act, 2013 and other provisions, if any, of the Companies Act, 2013 or rules made there under, consent of the members of the Company be and is hereby granted to the Board of Directors to contribute, donate, subscribe or otherwise provide assistance from time to time to any charitable, public, social, benevolent or general fund, society, association, Institutions, trust, organization, not directly relating to the business of the Company or the welfare of its employees, for taking up any programme, activities of social, cultural, educational, economic, rural development of people at large and/or incur any expenditure on their behalf, up to an amount not exceeding ₹ 10 Lacs (Rupees Ten Lacs only), notwithstanding the fact that said amount may exceed 1% of the Company’s average net profit as determined in accordance with the provisions of section 198 of the Companies Act, 2013 during the three immediately preceding Financial Years.”

11. To consider and, if thought fit, to pass with or without modification(s), the following resolutions as Special Resolution:

“RESOLVED THAT in supersession to the Ordinary Resolution passed on 2nd September, 1994 and pursuant to the provisions of the section 180(1)(c) of the Companies Act, 2013 and subject to any other applicable provisions of the said Act (including any statutory modification or re-enactment thereof, for the time being in force and the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which expression shall also include a committee thereof) to borrow such sum or sums of monies, in any manner, from time to time, from anyone or more of the Company’s bankers and/or from any one or more other persons, firms, bodies corporate or financial institutions, whether in India or Abroad and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company’s assets and properties and all or any of the undertakings of the company notwithstanding that the monies to be borrowed together with moneys already borrowed by Company (apart from

temporary loans obtained from the Company's Bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose but, so however, that the total amount upto which the moneys may be borrowed by the Board of Directors and outstanding at anytime shall not exceed the sum of ₹ 25.00 crores (Rupees Twenty Five crores only) over and above the Paid-up Capital and Free Reserves of the company.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby severally authorized to take such steps and actions and give such directions as may be in its absolute discretion deem necessary and to settle any question that may arise in this regard.”

12. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 180(1)(a) and all other applicable provisions of the Companies Act 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof), to charge all or any of the properties of the Company, present and future, and/or whole or part of the undertaking(s) of the Company by way of pledge, hypothecation, mortgage, creation of lien or otherwise encumber the same, in addition to the charge(s) already created / to be created by the Company, in such form and manner and with such ranking and at such terms, as the Board may determine from time to time to secure the sum of moneys borrowed or to be borrowed aggregating up to ₹ 25 crores (Rupees Twenty Five crores only) over and above the Paid-up Capital and Free Reserves of the company from Banks, Financial Institutions and other lenders.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions of all charges created or to be created on any of the properties of the Company, present and future, and/or on the whole or part of the undertaking(s) of the Company by way of hypothecation, mortgage, creation of lien or otherwise encumber as it may think fit and to do all such acts, deeds and things as they may deem necessary to give effect to the above resolution and / or to sign/execute all such documents, instruments and writings as may be required.”

By order of the Board
For SKP Securities Ltd.

Dipak Kadel
Company Secretary

Dated: 1st August, 2014
Registered Office:
Chatterjee International Centre, Level 21
33A, Jawaharlal Nehru Road,
Kolkata 700 071

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (HEREINAFTER REFERRED TO AS ‘THE MEETING’) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company and carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Brief Resume of the Directors seeking appointment/reappointment at the Meeting along with the details of other Directorship and shareholding in the Company pursuant to Clause 49 of the Listing Agreement with the Stock exchange are provided as an Annexure to this Notice.
4. 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.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 20th September, 2014 to 27th September, 2014 (both days inclusive)
6. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, all unclaimed dividends till the financial years 2005-2006 and 2006-2007 have already been transferred to the Investor Education and Protection Fund (IEPF) and all subsequent unpaid / unclaimed dividends will be transferred to the said Fund from time to time. Shareholders who have not yet en-cashed their dividend warrant(s) relating to the financial year 2007-2008 to 2012-2013 are therefore, advised to approach the Company for the payment thereof.
7. The Ordinary Shares of the Company are listed on Bombay Stock Exchange Limited. The Company confirms that it has paid Annual Listing Fees to the said Exchanges for the year 2014-2015.
8. Members holding shares in physical form are requested to notify any change in their address including Pin Code, Bank Mandate, Income Tax Permanent Account Number, etc. to the Company's Registrar & Share Transfer Agent **M/s. Maheshwari Datamatics Pvt. Ltd.** (Unit: SKP Securities Ltd), 6, Mangoe Lane (Surendra Mohan Ghosh Sarani), 2nd Floor, Kolkata - 700 001

Members holding shares in dematerialized form are requested to furnish this information to their respective depository participants for updation of the records

9. Members who hold shares in physical form in multiple folios in identical name or joint holding in the same order of names are requested to send the share certificates to its RTA for

consolidating into single folio. The share certificates will be returned to the Members after making requisite changes thereon.

10. Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company. Request may be made to the Company or its RTA for the Nomination Form.
11. The SEBI has vide Circular no. MRD/DoP/Cir-05/2009 dated 20th May, 2009 mandated the submission of PAN by every participant in the security market. Members holding shares in electronic form /physical form are therefore, requested to submit their PAN to the Company or its RTA.
12. The SEBI has made it mandatory for all the Companies to use bank details furnished by the investors for distributing dividends or other cash benefits through National Electronic Clearing Services (NECS). In the absence of NECS facility, Companies are required to print the bank details on the payment instrument for distribution of dividend. Members holding shares in physical mode are requested to provide their bank details to the RTA in the NECS Mandate form, which is being sent along with the Annual Report. Whereas, members holding shares in demat mode are requested to record the same with respective Depository.
13. Shareholders seeking any information with regard to Accounts are requested to write to the Company at least one week in advance so as to enable the management to keep the information ready.
14. Members attending the Annual General Meeting are requested to bring with them the following:
 - (a) DP & Client ID Numbers or Folio Numbers
 - (b) Attendance Slip and
 - (c) Copy of the Annual Report and Notice, as no copies thereof would be distributed at the Meeting.
15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours on all working days except Saturdays.
16. **Voting through electronic means**
 - 1 The procedure and instructions for members for e-voting are as under:-
 - (i) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
 - (ii) Click on “Shareholders” tab.
 - (iii) Now, select the “SKP Securities Limited” from the drop down menu and click on “SUBMIT”
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

- PAN** Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
 - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
- DOB** Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
- Dividend Bank Details** Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

(viii) After entering these details appropriately, click on “SUBMIT” tab.

- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant “SKP Securities Limited” on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
2. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQS”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
 3. The voting rights of the shareholders shall be proportion to their shares of the paid up equity share capital of the Company.
 4. Mr. A.K. Labh of A.K. Labh & Co., Practicing Company Secretaries (Membership No. FCS 4848), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 5. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 6. The e-voting period commences on 22nd September, 2014 at 9:00 a.m. and ends on 23rd September, 2014 at 6.00 p.m. During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 22, 2014, may cast their vote electronically in the manner and process set out herein above. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 7. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.skpmoneywise.com and on the website of CDSL within two days of the passing of the resolutions at the Twenty Fourth AGM of the Company on Saturday, 27th September, 2014 and communicated to the Stock Exchanges where the shares of the Company are listed.

ANNEXURE TO THE NOTICE

BRIEF RESUME OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

ITEM NO. 2

Mr. Naresh Pachisia, in the past, was a non-retiring director. However, in terms of the provisions of the Companies Act, 2013, the Board at its meeting categorized him as a Director liable to retire by rotation and he is now due for re-appointment at this Annual General Meeting, being eligible, he offers himself for re-appointment. As regards re-appointment of Mr. Naresh Pachisia referred to in Item No. 2 of the Notice, following necessary disclosures are made for the information of the members:

Brief profile of Mr. Naresh Pachisia is given below:

Name of the Director	Mr. Naresh Pachisia
Date of Birth	26.09.1962
Director Identification Number	00233768
Date of Joining the Board	18.05.1990
Qualifications	B.Com, CFP, AMP (ISB, Hyderabad)
Experience/expertise	Mr. Naresh Pachisia (51) is Managing Director of SKP Securities Ltd, carrying a rich experience of over 32 years in capital markets, especially in investment banking, wealth management and stock broking services. He is actively associated with Entrepreneurs' Organization, CII and Financial Planning Standards Board, India.
No. of Shares held in the Company	16,46,700
Directorships and Committee Memberships in other companies	<ol style="list-style-type: none"> 1. SKP Commodities Limited 2. SKP Insurance Brokers & Advisors Pvt Ltd 3. Linc Pen & Plastics Ltd 4. Sarda Plywood Industries Ltd. 5. Gillanders Arbuthnot & Co. Ltd 6. Electrosteel Steels Limited 7. Murlidhar Ratan Lal Exports Ltd. 8. Orbit Regency Maintenance Co. Pvt Ltd

Mr. Naresh Pachisia is not disqualified from being appointed as a Director in terms of section 164 of the Act. None of the Directors, except Mr. Naresh Pachisia, Mr. Nikunj Pachisia, Mrs. Manju Pachisia and their relatives are concerned or interested in the said resolution.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4 TO 6

Pursuant to Sections 149, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed to appoint Mr. Subrata Kumar Mitra, Mr. Ravi Todi and Mr. Kishore Bhimani as Independent Directors of the Company for up to 5 (five) consecutive years, appointed to hold office from the conclusion of this Annual General Meeting up to 29th Annual General Meeting of the Company to be held in the calendar year 2019. The Company has also received notice pursuant to Section 160 of the Companies Act, 2013 from members proposing the appointment of aforesaid Independent Directors.

Brief profiles along with other details of the Independent Directors are as follows:

Name of the Director	Mr. Subrata Kumar Mitra
Date of Birth	16.01.1948
Director Identification Number	00029961
Date of Joining the Board	26.01.2008
Qualifications	M.Sc, Master of Management Science (USA)
Experience/expertise	S.K. Mitra (66) retired as Director, Financial Services, Aditya Birla Group. He carries 37 years' experience in creating/heading various financial verticals like Investment Banking, Asset Management, Life Insurance, Financial Services, Stock Broking and Wealth Management. Now serving as a Director/Advisor to a few companies and a private equity fund.
No. of Shares held in the Company	Nil
Directorships and Committee memberships in other companies	<ol style="list-style-type: none"> 1. QSK Advisory Pvt. Ltd. 2. Destimony Securities Pvt. Ltd 3. Usha Martin Education & Solutions Ltd 4. LIC Nomura Mutual Fund AMC Ltd 5. First Rand Bank (India) 6. Indian Merchants' Chamber 7. United Way of Mumbai(NGO) 8. American India Foundation (NGO) 9. Mangal Keshav Securities Ltd 10. Wires & Fabriks (S.A) Ltd

Name of the Director	Mr. Ravi Todi
Date of Birth	01.05.1969
Director Identification Number	00080388
Date of Joining the Board	29.10.2011
Qualifications	B. Com (Hons)
Experience/expertise	Ravi Todi (45) of Shrachi Group is engaged in Real Estate, manufacturing of engineering goods and hospitals and carries a rich experience of over 25 years in financial services, capital markets and other industries.
No. of Shares held in the Company	Nil
Directorships and Committee memberships in other companies	<ol style="list-style-type: none"> 1. Liberty Pharma Ltd 2. Bengal Tools Ltd 3. AMRI Hospitals Ltd 4. Accent Industries Ltd 5. Bengal Shrachi Housing Development Ltd 6. Godavari Leasing & Finance Ltd. 7. Sunflower Engineering Industries Pvt. Ltd 8. Juhi Investments Pvt. Ltd. 9. Shrachi Burdwan Developers Pvt. Ltd. 10. Supreme Shrachi Infrastructures Pvt Ltd 11. SBR Credit Private Ltd 12. Sakura Exim Private Ltd 13. Rosedale Developers Pvt Ltd 14. Indian Chamber of Commerce Calcutta

Name of the Director	Mr. Kishore Bhimani
Date of Birth	28.02.1939
Director Identification Number	00013617
Date of Joining the Board	26.04.2002
Qualifications	B.Com from St. Xavier's College, Kolkata and B.Sc. (Econ) from London School of Economics
Experience/expertise	Mr. Kishore Bhimani (75) is a renowned columnist, commentator and author and an expert in sports, especially cricket, foreign affairs and economics. He was associated with The Statesman

	as Senior Assistant Editor for long years and is also connected with a number of NGOs dealing with environment and social causes.
No. of Shares held in the Company	Nil
Directorships and Committee memberships in other companies	Hindustan National Glass & Industries Ltd.

None of the Directors/Key managerial personnel and/or their relatives, except the concerned Independent Director, is directly or indirectly concerned or interested, financially or otherwise, except to the extent of their respective shareholding, if any, in the Company, in the resolution set out in Item No. 4 to 6 of the Notice.

ITEM NO. 7

The Board of Directors at their meeting held on 1st August, 2014 appointed Mrs. Manju Pachisia as an Additional Director in terms of Section 161 of the Companies Act, 2013 who holds office upto the date of this Annual General Meeting. The Company has received notice pursuant to Section 160 of the Companies Act, 2013 from a member proposing the appointment of Mrs. Manju Pachisia as a Non-Executive Director.

Brief profile of Mrs. Manju Pachisia is given below:

Name of the Director	Mrs. Manju Pachisia
Date of Birth	14.09.1965
Director Identification Number	00233821
Date of Joining the Board	01.08.2014
Qualifications	Under Graduate, Associate Financial Planner (AFP); Certification in Psychological Counselling
Experience/expertise	8 years in financial markets and 5 years in emotional wellness and psychological counselling.
No. of Shares held in the Company	2,00,000
Directorships and Committee memberships in other companies	Nil

Mrs. Manju Pachisia is not disqualified from being appointed as a Director in terms of section 164 of the Act.

None of the Directors, except Mrs. Manju Pachisia, Mr. Naresh Pachisia, Mr. Nikunj Pachisia, and their relatives are concerned or interested in the said resolution.

ITEM NO. 8

The Board of Directors at their meeting held on 1st August, 2014 appointed Mr. Nikunj Pachisia as a Whole time Director subject to the approval of shareholders at the ensuing Annual General Meeting. The Company has received notice pursuant to Section 160 of the Companies Act, 2013 from a member proposing the appointment of Mr. Nikunj Pachisia as a Whole time Director at the remuneration recommended by the Nomination & Remuneration Committee and approved by the Board.

Mr. Nikunj Pachisia is not disqualified from being appointed as a Director in terms of section 164 of the Act.

It is proposed to seek the members' approval for the appointment of and remuneration payable to Mr. Nikunj Pachisia as a Whole time Director, in terms of the applicable provisions of the Act. Broad particulars of the terms of appointment of and remuneration payable to Mr. Nikunj Pachisia are as under:

1. Tenure	3 Years w.e.f 1st August, 2014
2. Remuneration	
Basic Salary	₹ 1,50,000 (Rupees One Lac fifty thousand only) per month. The Board may at the recommendation of the Nomination & Remuneration Committee consider and grant an increment as it may deem fit.
Residential Accomodation	The Company will provide Rent free Accomodation to Mr. Nikunj Pachisia.
3. Sitting Fees	Mr. Nikunj Pachisia, so long as he functions as the Whole time Director shall not be paid any sitting fees for attending the meetings of the Company's Board of Directors or Committee thereof.
4. Minimum Remuneration	Notwithstanding the above, wherein in any financial year during the currency of tenure of the Whole time Director, the Company has no profits or its profits are inadequate, it may pay him remuneration by way of salary, perquisites and any other allowance not exceeding the overall limit prescribed in Schedule V and other applicable provisions of the Companies Act, 2013 or any amendment thereof as minimum remuneration subject to the conditions stipulated therein in addition to the amount

	mentioned above and encashment of leave at the end of the tenure which shall not be included in the computation of the ceiling of remuneration.
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None of the Directors except Mr. Nikunj Pachisia, Mr. Naresh Pachisia, Mrs. Manju Pachisia and their relatives are concerned or interested in the said resolution

ADDITIONAL INFORMATION RELEVANT TO THE APPOINTMENT OF THE WHOLE TIME DIRECTOR IN ACCORDANCE WITH THE PROVISIONS OF SCHEDULE V OF THE COMPANIES ACT 2013, IS AS FOLLOWS FOR ITEM NO. 8:-

I. General Information:

1. Nature of Industry: Stock broking and allied services.
2. Date of commencement of business activities: The Company was incorporated on 18th May, 1990 and commenced its business immediately.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus: Not Applicable.
4. Financial performance based on given indicators: (₹ in lakhs)

Sl. No.	Particulars	Audited figure for the year ended 31.03.2014	Audited figure for the year ended 31.03.2013	Audited figure for the year ended 31.03.2012
1.	Revenue from Operations	868.37	1005.13	2571.73
2.	Other Income	6.85	6.89	1.36
3.	Total Expenditure (including adjustment of stock)	831.40	916.96	1479.49
4.	Profit/(Loss) Before Tax & Exceptional Items	43.82	95.06	1093.60
5.	Add : Exceptional Items	-	-	-
6.	Profit/ (Loss) Before Tax	43.82	95.06	1093.60
7.	Tax Provision/ (Write Off)	32.10	12.47	333.82
8.	Net Profit/ (Loss)	11.72	82.59	759.78
9.	Special Dividend (%)	-	-	20
9.	Dividend (%)	-	10	10
10.	Amount of Dividend	-	56.15	168.45

5. Foreign investments or collaborators, if any: Nil.

II. Information about the Whole time Director:

1. Brief profile of Mr. Nikunj Pachisia is given below:

Name of the Director	Mr. Nikunj Pachisia
Date of Birth	04.02.1987
Director Identification Number	06933720
Date of Joining the Board	01.08.2014
Qualifications	BBA from George Washington University, USA
Experience/expertise	5 years' of experience in financial markets
No. of Shares held in the Company	50,850
Directorships and Committee memberships in other companies	SKP Commodities Ltd. SKP Insurance Brokers & Advisors Pvt. Ltd.

2. **Past remuneration drawn:** ₹ 1,09,656/= during the Financial Year ended 31st March, 2014
3. **Recognition or awards :** SKP Hall of Fame Award 2013, SKP Excellence Award 2012.
4. **Job profile and suitability :**

Mr. Nikunj Pachisia is associated with the Company as an employee since 2010 and was promoted to Whole time Director w.e.f. 1st August, 2014. He is responsible for business development, branch management and financial and internal control. Considering his qualification, expertise and experience, the Whole time Director is best suited for the responsibilities carried out by him.

5. **Remuneration proposed :**

Mr. Nikunj Pachisia, Whole time Director is entitled to salary of ₹ 1,50,000/- per month with an increment, benefits, perquisites, allowances as prescribed in Item No. 8 of the Explanatory Statement and as may be determined by the Board/ Nomination and Remuneration Committee of the Board from time to time.

Minimum Remuneration :

Where in any financial year, during the currency of tenure of the Executive Director, the profits of the Company are inadequate, the Company will pay the Executive Director remuneration by way of salary, perquisites and allowances as specified in Item No. 8 of the Explanatory Statement.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

Taking into consideration the size of the Company, the job profile of the Whole time Director, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level appointees in other companies.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:-

Mr. Nikunj Pachisia is holding 50,850 equity shares of the Company and he is also having trading and Demat accounts with the Company in his name and in the name of his relatives. Mr. Nikunj Pachisia is son of the Managing Director and Additional Non-Executive Director (Mrs. Manju Pachisia). Except above there is no other pecuniary relationship with the Company.

III. Other information

1. Reasons for inadequate profits:

The business of the company consists of stock broking and allied services, the fortunes of which are dependent upon the overall economic scenario and conditions in the financial markets. These having been subdued over the last few years, the income of the company has also been subdued.

2. Steps taken by the company to improve performance:

The company has consolidated its business operations, rationalized costs, worked upon optimal utilization of its resources and enhance value addition in services to an increasing number of clients.

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

The Company expects to improve its profits by 100% over FY14, through measures stated above.

IV. Disclosures:

The necessary information with regard to the remuneration and other information of the Directors are provided in the Board of Director's Report.

The Board recommends the special resolution set out at Item No. 8 of the Notice for approval of the Members.

ITEM NO. 9

In the current competitive business environment and under the Companies Act, 2013, Non-Executive and Independent Directors have been entrusted with new responsibilities to make their role more objective and purposeful. Keeping in mind their enhanced role, duties and responsibilities, it would be appropriate that the remuneration payable to them by the Company be commensurate with their increased role, duties and responsibilities and company's performance.

Section 197 of the Act provides for payment of remuneration to Non-Executive Directors i.e. Directors who are neither Managing Directors nor Whole time Directors, not exceeding 1 (one) percent of the Net profits of the Company. The Board of Directors of the Company, subject to the approval of the members of the Company, proposes to pay remuneration to the Non-executive Directors (Including Independent Directors) not exceeding in aggregate 1(one) per cent of the Net Profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Act.

Save and except all the Non-Executive Directors (Including Independent Directors) of the Company and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Director/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the resolution set out at item no. 9 of the Notice.

The Board recommends the ordinary resolution set out at Item No. 9 of the Notice for approval of the Members.

ITEM NO. 10

It is proposed to obtain the approval of members of the Company authorizing Board of Directors to contribute an amount up to ₹ 10 Lacs (Ten Lacs only) to any charitable, public, social, benevolent or general fund, society, association, institutions, trust, organization, not directly relating to the business of the Company or the welfare of its employees, for taking up any programme, activities of social, cultural, educational, economic, rural development of people at large notwithstanding the fact that the said amount may exceed 1% of the Company's average net profit as determined in accordance with the provisions of Section 198 of the Companies Act, 2013 during the three immediately preceding Financial Years.

The Directors recommend the Ordinary Resolution for approval of shareholders. None of the Directors/Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 10.

ITEM NO. 11

The members of the Company had, vide their Ordinary Resolution passed under Section 293(1) (d) of the Companies Act, 1956 at the Annual General Meeting of the Company held on 2nd September, 1994, inter alia, accorded their approval to the Board of Directors of the Company to borrow upto ₹ 25.00 crores (Rupees Twenty Five crores only) over and above the Paid-up Capital and Free Reserves of the company.

Ministry of Corporate Affairs Vide General Circular 04/2014 dated March 25, 2014, clarified that the resolutions passed by the companies under section 293 of the Companies Act, 1956, shall be valid for a period of one year only i.e. upto September 11, 2014.

Pursuant to Section 180 of the Companies Act, 2013, Special Resolution of members is required for authorizing the Board of Directors to borrow moneys exceeding the aggregate of the paid-up capital and free reserves, and creation of mortgage/charge on any of the properties of the Company.

In the circumstances, approval of the shareholders is being requested to enable the directors to borrow money to the extent of ₹ 25.00 crores (Rupees Twenty Five crores only) over and above the Paid-up Capital and Free Reserves of the company.

The Directors recommend the Resolution for approval of shareholders. None of the Directors/Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 11.

ITEM NO. 12

In the normal course of business, the company may from time to time required to avail term loans, working capital, external borrowings, or any other financial accommodation from the financial institutions, banks and other lenders. A charge on the assets / properties of the Company, both present and future may be given as security for such borrowings. All the powers relating to execution of documents for the creation of such charges / mortgages from time to time would be vested in the hands of Board of Directors/ of the Company or the Committee of the Board, subject to the approval of members by way of passing a special resolution as per the requirement of section 180(1)(a) of the Companies Act, 2013.

DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure in presenting the Twenty Fourth Annual Report and Audited Accounts of SKP Securities Ltd. (SKP) for the year ended March 31, 2014.

Financial Highlights

(In ₹ Lacs)

Particulars	Financial Year	
	2013-2014	2012-2013
Total Income	875.22	1011.68
Total Expenditure	813.28	882.33
Operating Profit	61.94	129.35
Depreciation	18.12	34.29
Profit Before Tax	43.82	95.05
Provision for Tax (including Deferred Tax Liability) for the year	14.01	12.46
Tax adjustment for earlier year	18.09	-
Profit After Tax	11.72	82.58
Appropriations	-	-
Transferred to General Reserve	-	5.00
Proposed Dividend	-	56.15
Tax on Proposed Dividend	-	9.11
Earning Per Share (Rs.)	0.21	1.47
Net Worth	2211.39	2199.67

Dividend

Due to inadequacy of profits, your Directors do not recommend any dividend for the year.

Business Performance

Business environment in capital markets continued to be challenging during 2013-2014. Equity, debt, currency and money markets, all faced major headwinds in July-August 2013, shaking investor confidence, portfolio values and business turnover, all taking a long time to recover. Increasing competition and structural regulatory changes is making business conditions more challenging. We have continued to consolidate our operations, as reflected in our reduced expenditure, expected to help us improve our efficiency and profitability in future.

Subsidiary company

SKP Commodities Ltd, a subsidiary, reported a Profit before Tax of ₹ 2.83 Lacs. However, after making a Provision of Tax including tax for earlier year amounting to ₹ 4.03 Lacs, Loss after Tax was ₹ 1.20 Lacs.

Consolidated Financial Statements

In compliance with the Accounting Standards 21 of the Companies (Accounting Standards) Rules, 2006 and pursuant to the Listing Agreement with the stock exchanges, the consolidated financial statements form a part of this Annual Report.

Future Outlook

Political stability after the recent General Elections in India augurs well for the economy, business environment and financial markets, making us cautiously optimistic for our business. While making efforts to expand business, we shall keep an eye on improving efficiency and rationalizing costs.

Corporate Governance

Your Company has always striven to maintain the highest standards of Corporate Governance. All the stipulations set out in the Listing Agreement have been adhered to by your Directors. A Report on Corporate Governance and a Certificate from the Auditors of the Company, M/s. G. P. Agrawal & Co., confirming compliance of Corporate Governance is annexed to this Report.

Auditors' Report

All the items on which the Auditors have commented in their report are self-explanatory.

Directors

In light of the provisions of article 121 of the Articles of Association, Mr. Naresh Pachisia has now become a retiring director. Thus, Mr. Naresh Pachisia retires from the Board by rotation this year and being eligible, offers himself for re-appointment. The information as required to be disclosed under clause 49 of the listing agreement in case of re-appointment of director is provided in the Notice of the ensuing Annual General Meeting.

In terms of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors can hold office for a term of up to five (5) consecutive years on the Board of Directors of your Company and are not liable to retire by rotation. Accordingly, it is proposed to appoint Mr. Girdhari Lal Sultania, Mr. Subrata Kumar Mitra, Mr. Ravi Todi and Mr. Kishore Bhimani as Independent Directors of your Company to hold office for five consecutive years from the conclusion of this Annual General Meeting, up to 29th Annual General Meeting of the Company to be held in the calendar year 2019.

As required under the said Act and the Rules made there under, the same is now put up for approval of shareholders at the ensuing Annual General Meeting. Necessary details have been annexed to the Notice of the meeting in terms of section 102(1) of the Companies Act, 2013.

The Independent Directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6).

Listings

The equity shares of the company are listed on The Bombay Stock Exchange Ltd, to which your company has paid the Listing Fees.

Auditors

M/s G. P Agrawal & Co, Chartered Accountants, Statutory Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting of the Company and, being eligible, offer themselves for reappointment. Your Directors on the recommendation of the Audit Committee, have recommended their re-appointment for a term of one year in accordance with Section 139 of the Companies Act, 2013.

Fixed Deposits

Your Company did not accept any fixed deposits u/s 58A of the Companies Act 1956, during the year.

Employee Stock Option Plan:

During the year none of the employees of the Company have exercised their stock options granted under the SKP ESOP PLAN 2010. The Disclosure pursuant to the provisions of Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Option Purchase Scheme) guidelines, 1999 in the respect of Employee Stock Option plan is given in the Annexure to this Report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earning/Outgo

The information relating to energy conservation, technology absorption and foreign exchange earnings and outgo as required to be disclosed under section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure forming part of this Report.

Information under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975

As required under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of employees are as under:

Name	Designation	Qualification	Age	Joining Date	Experience (Years)	Gross Remuneration (₹)	Previous Employment
Naresh Pachisia	Managing Director	B.Com, CFP	51	Since Incorporation	32	30,00,000	None
Rajesh Pachisia	Managing Director	B.Com(H), CFP	48	Since Incorporation	30	30,00,000	None

Director's Responsibility Statement

As required by sub-section (2AA) of section 217 of the Companies Act, 1956, directors state:

- i. in the preparation of annual accounts, all applicable accounting standards have been followed with proper explanations relating to material departures.
- ii. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2014 and of the profit of the Company for the accounting year ended on that day.
- iii. the directors had taken proper and sufficient care for maintenance of adequate

accounting records in accordance with the provision of the Act so as to safeguard the assets of the Company and for preventing and detecting fraud and other irregularities;

- iv. the directors have approved the annual accounts on a going concern basis.

Acknowledgement

The Board expresses its deep gratitude to the clients, business associates, principals, bankers, regulators, exchanges, depositories, and shareholders for their valuable contribution towards the progress of the Company. Your Directors particularly wish to place on record their sincere appreciation of the best efforts put in by the employees at all levels, but for which, the Company could not have achieved what it did during the year under review.

Registered Office:
Chatterjee International Centre, Level 21
33A, Jawaharlal Nehru Road,
Kolkata 700 071
Dated: 22nd May, 2014

For and on behalf of the Board

Naresh Pachisia
Managing Director

Annexure to the Directors' Report

Information as per Section 217 (1) (e) read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2014.

DISCLOSURES

A. CONSERVATION OF ENERGY

The Company is engaged in the financial services sector; hence its operations do not account for substantial energy consumptions. Accordingly, the Company is not required to furnish information in Form A under the head "Conservation of Energy" under Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988. However, the Company is taking all possible measures to conserve energy. Several environment friendly measures to conserve energy have been adopted by the Company such as:

- Power shutdown of idle monitors.
- Minimising air-conditioning usage.
- Shutting off all the lights when not in use.
- Educating and making the employees aware to save power.

B. TECHNOLOGY ABSORPTION

FORM B for disclosure of particulars with respect to absorption.

Research and Development (R&D) :

1	Specific areas in which R&D carried out by the Company.	The Company is engaged in financial services and so there were no activities in the nature of research and development in the business. However, we conduct financial and equity research which is not in the nature of research and development.
2	Benefits derived as a result of the above R & D.	Nil
3	Future plan of action.	Nil
4	Expenditure on R & D :	
	(a) Capital	Nil
	(b) Recurring	Nil
	(c) Total	Nil
	(d) Total R&D expenditure as a percentage of total turnover.	Nil

Technology absorption, adaptation and innovation :

- | | | |
|---|---|--|
| 1 | Efforts, in brief, made towards technology absorption, adaptation and innovation. | The management keeps itself abreast of the technological advancements in the industry and ensures continued and sustained efforts towards absorption as well as development of the same to meet business needs and objectives. |
| 2 | Benefits derived as a result of the above efforts, e.g. Product improvement, cost reduction, product development, product substitution, etc. | The technological absorption has resulted in improvement in services. However, the benefits derived from the technological advancements are not quantifiable. |
| 3 | In case of imported technology (imported during the last 5 years, reckoned from the beginning of the financial year) following information may be furnished : | |
| | (a) Technology imported. | Nil |
| | (b) Year of import. | Not Applicable |
| | (c) Has technology been fully absorbed? | Not Applicable |
| | (d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action. | Not Applicable |

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the period under review, the Company's foreign exchange earning and outgo was Rs.Nil.

Registered Office:
Chatterjee International Centre
33A, J. L. Nehru Road, Level 21
Kolkata 700 071
Dated: May 22, 2014

For and on behalf of the Board

Naresh Pachisia
Managing Director

ANNEXURE TO THE DIRECTORS' REPORT 2014

Disclosure pursuant to the provisions of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 in respect of Employee Stock Option Plans.

Sl. No.	Particulars	
1.	Options Granted	1,00,000
2.	The pricing formula	The Book value of the shares which is marginally above the Market Price of the Shares on the date of grant.
3.	Options vested up-to 31.03.2014	33,600
4.	Options exercised up-to 31.03.2014	Nil
5.	The total no of shares arising as a result of exercise of Option	Nil
6.	Options Lapsed as at 31.03.2014	44,000
7.	Variation of terms of Options	Nil
8.	Money released by exercise of Options	Nil
9.	Total no of Options in force as at 31.03.2014	56,000
10.	Employee wise details of Options granted to :	Nil
	- Senior Managerial Personnel including Directors	Nil
	- Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Nil
	- Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	Nil
11.	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20- 'Earnings Per Share'.	Nil
12.	i. Method of calculation of employee compensation cost.	Intrinsic value being excess of the Market Price of the share over the exercise price of option
	ii. Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognized if it had used the fair value of the options.	Negative
	iii. The impact of this difference on profits and on EPS of the Company.	N.A.
13.	i. Weighted-average Exercise Price of options	₹ 29.00
	ii. Weighted-average Fair Value of options	₹ 4.73
14.	Fair value of options based on Black Scholes methodology- Assumptions used:	
	- Risk free interest rate	8.33%
	- Expected life of options	1 to 3 years
	- Expected volatility	40.62%
	- Expected dividends (dividend yield)	5.75%
	- Closing market price of share on the date of option grant.	₹ 27.10

CORPORATE GOVERNANCE REPORT

Corporate Governance is about running the company, in letter and spirits, according to the legal framework provided by Clause 49 of Listing Agreement and other guidelines as laid down by SEBI from time to time, which aims at ethical and transparent business conduct, meeting stakeholders' aspirations and societal expectations, strengthening internal control, building trust amongst shareholders, employees, customers, suppliers and diverse stakeholders on four key elements- transparency, fairness, disclosure and accountability.

Your Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under Clause 49 of the Listing Agreement as on 31.03.2014, in letter and spirits, and presents the following Corporate Governance Report based on the said disclosure requirements:

Company's Philosophy on Code of Governance

The Company's Philosophy on Corporate Governance envisages the attainment of high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including its interaction with employees, shareholders, creditors, and lenders and places due emphasis on regulatory compliances. The Company believes that its systems and actions must be dovetailed for enhancing corporate performance and maximizing shareholder value in the long term.

Board of Directors

Composition and Category

Your company has an optimum combination of Executive and Non-Executive Directors with 67 percent of the Board of Directors comprising of Non-Executive Directors.

- 2 Promoter, Executive Directors
- 4 Independent, Non Executive Directors

The composition of the Board of Directors as on 31.03.2014 and also the number of other directorships and committee positions held by them are as under:

Name of Director	DIN No.	Category	No. of other Directorship	Committee Chairmanship#
Mr. Naresh Pachisia	00233768	Chairman, Managing Director	8	NIL
Mr. Rajesh Pachisia	00233798	Managing Director	1	NIL
Mr. G.L. Sultania	00060931	Independent, Non-Executive	8	2
Mr. Kishore Bhimani	00013617	Independent, Non-Executive	1	NIL
Mr. Subrata Kumar Mitra	00029961	Independent, Non-Executive	6	2
Mr. Ravi Todi	00080388	Independent, Non-Executive	7	NIL

#For reckoning the limit, the chairmanship of the Audit Committee and Shareholders' Grievance Committee of Indian Public Limited Companies were considered only. Private limited companies, foreign companies and section 25 companies have been excluded for the above purpose.

Attendance of each Director at the Board Meetings and the last Annual General Meeting

During the Financial Year ended March 31 2014, four Board Meetings were held on 28th April 2013, 3rd August 2013, 14th November 2013, and 1st February 2014. Maximum time gap between two meetings complies with the mandated requirement of not more than 4 months. The attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under:

Name of the Director	Number of Board Meeting held during the Year	Number of Board Meetings attended	Attendance at last AGM (Yes/No)
Mr. Naresh Pachisia	4	4	Yes
Mr. Rajesh Pachisia	4	4	Yes
Mr. G.L. Sultania	4	4	Yes
Mr. Kishore Bhimani	4	4	No
Mr. Ravi Todi	4	4	No
Mr. Subrata Kumar Mitra	4	3	No

No Director is related to any other Director, except Mr. Naresh Pachisia and Mr. Rajesh Pachisia, who are brothers. Further, the Board periodically reviews compliance reports of all laws applicable to the Company and necessary steps are being taken to ensure compliance in law and spirit.

Non Executive Directors' compensation and Disclosures

Non Executive Directors were not paid any compensation other than sitting fees. None of the Non Executive Directors hold any shares in the Company.

Code of Conduct and Ethics for Directors and Senior Executives

In line with the amended Clause 49 of the Listing Agreement, the Company adopted a Code of Conduct and Ethics for its Directors and Senior Executives and the same has been posted on the Company's website. The purpose of this code is to promote conduct of business ethically in an efficient and transparent manner.

COMMITTEES OF THE BOARD

A. Audit Committee

Composition

The Audit Committee of the Company comprises of two Independent, Non-Executive Directors and one Executive Director. All the members of the committee possess knowledge of Corporate Finance, Accounts, Audit and Company Law. The Chairman of the Committee is an Independent, Non Executive Director nominated by the Board. The Company Secretary acts as the secretary to the Committee. The Statutory Auditor and the Internal Auditor of the Company are permanent invitees at the meetings of the Committee.

Brief description of the terms of reference

The Audit Committee of the Company, inter-alia, provides guidance to the Board on the adequacy of the internal control and financial disclosures. They also provide guidance to liaise with the Internal Auditors as well as the Statutory Auditors of the Company. The terms of reference of the Audit Committee include:

1. 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.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. 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.
8. Discussion with internal auditors any significant findings and follow up there on.
9. 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.
10. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
11. To review the functioning of the Whistle Blower mechanism, in case the same is existing.

12. To approve the 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.
13. Carrying out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company.
14. The Audit Committee also reviews the following information:
 - The management’s discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions submitted by the management;
 - Management letters/letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses;
 - The appointment, removal and terms of remuneration of the Internal Auditor; and
 - Review of uses/ application of funds raised.

Meetings & Attendance

During the Financial Year ended March 31, 2014, four Audit Committee Meetings were held on 27th April 2013, 2nd August 2013, 13th November 2013, and 28th January 2014. The attendance at the Committee Meetings is as under:

Name of the member of Audit Committee	Designation	No. of meetings attended
Mr. G.L. Sultania	Chairman, Non-Executive Independent Director	4
Mr. Kishore Bhimani	Member, Non-Executive Independent Director	4
Mr. Naresh Pachisia	Member, Managing Director	4

B. Remuneration Committee

Composition

The Remuneration Committee comprises of two Independent, Non Executive Directors.

Brief description of terms of reference

- To periodically review the remuneration package of the Managing Director and Whole-time Directors and recommend suitable revision to the Board.
- To grant Employee Stock Options, if any, as approved by the shareholders.

Meetings & Attendance

In the absence of any relevant agenda, no meeting of the Remuneration Committee was held during the Financial Year 2013-2014.

Details of Remuneration to the Directors

A. Executive Directors

Name	Basic Salary (₹)	Allowances & Other Benefits (₹)	Commission Payable (₹)	Total (₹)	Service Contract period	Stock Options granted
Mr. Naresh Pachisia	19,99,992	10,00,008	NIL	30,00,000	3 Years	NIL
Mr. Rajesh Pachisia	19,99,992	10,00,008	NIL	30,00,000	3 Years	NIL

B. Non Executive Directors

Name	Commission Payable (₹)	Sitting Fee (₹)		Total (₹)
		Board Meeting	Audit Committee Meeting	
Mr. G L Sultania	NIL	40000	10000	50000
Mr. Kishore Bhimani	NIL	40000	10000	50000
Mr. Subrata Kumar Mitra	NIL	30000	–	30000
Mr. Ravi Todi	NIL	40000	–	40000

C. Shareholders'/Investor Grievance Committee

Composition

Shareholders Committee comprises of two Non-Executive, Independent Directors including the Chairman of the Committee, and one Executive Director.

Brief Description of Terms of Reference

The Shareholders'/Investors' Grievance Committee, inter-alia, approves transfer/transmission of shares, issues of duplicate share certificates, and reviews all matters connected with transfer of securities of the Company.

Meetings & Attendance

During the year, the Committee met 2 (two) times on 27th April, 2013 and 28th January, 2014. The attendance at the Committee Meetings is as under:

Name of the member of Audit Committee	Designation	No. of meetings attended
Mr. G.L. Sultania	Chairman, Non-Executive Independent Director	2
Mr. Kishore Bhimani	Member, Non-Executive Independent Director	2
Mr. Naresh Pachisia	Member, Managing Director	2

Details of complaints received and resolved during the year ended on 31.03.2014:

A	Number of complaints pending at the beginning of the year	NIL
B	Number of complaints received from shareholders	NIL
C	Number of complaints redressed	NIL
D	Number of complaints pending share transfers	NIL

Compliance Officer

The Board has designated Mr. Dipak Kadel as Company Secretary and Compliance Officer under the Listing Agreement with the Stock Exchanges in India.

Details of Annual General Meetings

Location and time, where the last three Annual General Meetings were held:

Financial Year	Date	Location of the Meeting	Time
2012-2013	03/08/2013	MCC Chamber of Commerce & Industry, Kolkata	10.30 A.M
2011-2012	28/07/2012		10.30 A.M
2010-2011	21/07/2011		12.00 Noon

No special resolution was put through Postal Ballot at any of the AGMs mentioned above. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

Special Resolution passed in previous three AGMs.

Financial Year	Special Resolution passed	Details of Special Resolutions passed in the AGM
2012-2013	No	Nil
2011-2012	Yes	<ol style="list-style-type: none"> 1. Reappointment of Mr. Naresh Pachisia as Managing Director. 2. Reappointment of Mr. Rajesh Pachisia as Managing Director. 3. Payment of Commission to Non-Executive Directors of the Company.
2010-2011	Yes	<ol style="list-style-type: none"> 1. Increase in remuneration of Mr. Naresh Pachisia, Managing Director of the Company. 2. Increase in remuneration of Mr. Rajesh Pachisia, Managing Director of the Company

Disclosures

- No material transaction has been entered into by the Company with the Promoters, Directors or Management, or their relatives etc, which might have a potential conflict with the interest of the Company. However, disclosure of transactions with related parties is set out in the Notes to Accounts-Note no 23.6(b), forming part of the Annual Report.
- The Company has broadly complied with the requirements of regulatory authorities on capital markets and no penalties/strictures have been imposed against it during the last three years, except insignificant amounts for minor faults made during the conduct of regular business.
- The Company has followed the guidelines of Accounting Standards prescribed under the companies (AccountingStandard) Rules, 2006 in preparation of its financial statements.

- The Company has complied with the entire mandatory requirements and has set up a Remuneration Committee to determine the company's policy on specific remuneration package for executive directors.
- The Company has laid down risk assessment and minimization procedures and the same is periodically reviewed by the Board. Further, the Company has adequate internal control systems to identify the risk at appropriate time and to ensure that the executive management controls the risk in a properly defined framework.

Subsidiary Company

SKP Commodities Ltd. is wholly owned non material non listed Indian subsidiary of the Company.

Means of Communication

The quarterly, half yearly and annual results of the Company are published in 'Business Standard/Financial Express/The Economic Times' and 'Duranta Barta' and are also displayed on the Company's website www.skpmoneywise.com. The Company has designated the email-id grievance.cell@skpmoneywise.com exclusively for redressal of the investor grievances and the necessary disclosure to this effect has also been made in the Company's website www.skpmoneywise.com. Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors Report and other information is circulated to members and others entitled thereto and are also available on the website of the Company in a user-friendly and downloadable form Management Discussion and Analysis Report forms part of the Annual Report.

General Information for Shareholders

Detailed information in this regard provided is provided below:

Annual General Meeting

Day & Date	: Saturday, 27th September, 2014
Time	: 10.00 A.M
Venue	: MCC Chamber of Commerce & Industry 15B, Hemanta Basu Sarani, Kolkata-700001

Financial Calendar : 1st April – 31st March

Financial Year calendar for 2014–15 (Tentative)

Results for the quarter ending June, 2014	Within Six weeks from the end of the quarter
Results for the quarter ending September, 2014	Within Six weeks from the end of the quarter
Results for the quarter ending December, 2014	Within Six weeks from the end of the quarter
Results for the quarter ending March, 2015	Within Eight weeks from the end of the quarter

Book Closure Date : 20th September to 27th September 2014
(Both days inclusive)

Dividend : The Company has not declared dividend for the Financial year ended 31.03.2014

Dividend Payment Date : NA

Previous Dividend

2012-2013 : 10%
2011-2012 (Special) : 20%
2011-2012 : 10%
2010-2011 : 10%

Listing on Stock Exchanges : Bombay Stock Exchange Ltd (531169)
(Stock Code) Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai-400023

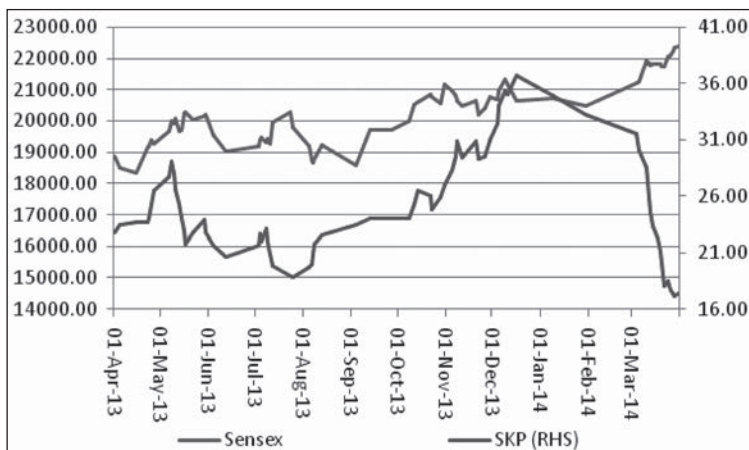
CIN : L74140WB1990PLC049032

Note:

The Company has paid Listing Fees for the year 2014-2015 to Bombay Stock Exchange Ltd.

Market Price Data : Monthly stock market data of High and Low prices of Equity shares of the Company during Financial year 2013-14 and their performance in comparison with broad based index compared

Market Price Data (Monthly High and Low in 2013-14)			
Month	Share Price (₹)		Number of Shares Traded
	High	Low	
Apr-13	26.45	22.75	1279
May-13	29.30	21.70	40
Jun-13	21.65	20.60	2
July-13	23.10	18.80	37
Aug-13	22.50	19.70	65
Sep-13	24.00	23.50	4
Oct-13	26.95	22.85	1663
Nov-13	32.35	27.90	61
Dec-13	36.75	30.85	327
Jan-14	34.95	33.25	102
Feb-14	–	–	–
Mar-14	31.60	16.80	4353



Registrar & Share Transfer Agent

: Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane (2nd Floor)
Kolkata-700071
Phone: 033-2243 5029
Email: mdpl@cal.vsnl.net.in

Share Transfer System

: Share transfer in physical and demat form are registered by Registrar & Share Transfer Agent and are returned to the respective transferees within a period ranging from fifteen days to one month provided the documents lodged with the Registrar/Company is clear in all respect.

Distribution of Shareholding as on 31.03.2014

Category of Shareholders	No. of Shareholders	Percentage	No of Shares	Percentage
1 to 500	1263	87.65	171684	3.06
501 to 1000	68	4.72	56878	1.01
1001 to 2000	41	2.85	63798	1.14
2001 to 3000	16	1.11	40797	0.72
3001 to 4000	5	0.35	16521	0.30
4001 to 5000	10	0.68	45007	0.80
5001 to 10000	19	1.32	138425	2.47
10001 to Above	19	1.32	5081890	90.50
Grand Total:	1441	100.00	5615000	100.00

Shareholding Pattern Category	No. of shares held	Percentage of Shareholding
Indian Promoters	42,09,700	74.97
Foreign Promoters	--	--
Banks, FIs, Insurance Companies	--	--
FIIIs	8,200	0.15
Private Corporate Bodies	2,85,626	5.09
Indian Public	11,05,988	19.69
NRIs / OCBs	5,486	0.10
Total	56,15,000	100.00

Dematerialisation of Shares

(ISIN- INE709B01016)

Electronic/Physical	Mode of Holding %
NSDL	9.99
CDSL	87.55
Physical	2.46
TOTAL	100.00

Number of Shareholders

: 1441

Outstanding GDR/ADRs/Warrants

: The Company doesn't have any plan and has not issued any GDRs /ADRs /Warrants or any other convertible instruments.

Shareholding Pattern (as on 31.03.2014)

Promoter Group : 74.97%

Public : 25.03%

Address for Correspondence

: **SKP Securities Ltd.**

Chatterjee International Center
33A Jawaharlal Nehru Road, Level-21
Kolkata-700071
Ph No: 033 4007 7000
Fax: 033 40077007
Email: cs@skpmoneywise.com

Date: 22nd May 2014
Place: Kolkata

Naresh Pachisia
Managing Director

Declaration by the Managing Director on the Code of Conduct

Pursuant to Clause 49 of the Listing Agreement with stock exchanges, I, Naresh Pachisia, Managing Director of SKP Securities Limited, declare that all the Board Members and Senior Executives of the Company have affirmed their compliance with the Code of Conduct during the year ended 31st March, 2014.

Place: Kolkata
Dated: 22nd May 2014

Naresh Pachisia
Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of SKP SECURITIES LIMITED

We have examined the compliance of the conditions of Corporate Governance by **SKP SECURITIES LIMITED** for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above-mentioned Listing Agreement.

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 G.P. Agrawal & Co.
Chartered Accountants
Firm Registration No. 302082E

For and on behalf of Board of Directors

CA SUNITA KEDIA
Partner
(Membership No. 60162)

Naresh Pachisia Rajesh Pachisia
Managing Directors

Place: Kolkata
Dated: 22nd May, 2014

Dipak Kadel
Company Secretary

Auditor's Certificate as required under Clause 14 of the SEBI (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999

We have examined the books of account and other relevant records of **SKP SECURITIES LIMITED** having its registered office at 'Chatterjee International Centre, Level 21, 33A, Jawahar Lal Nehru Road, Kolkata-700071' and based on the information and explanations given to us, we certify that in our opinion, the company has implemented the Employee Stock Option Scheme in accordance with SEBI (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and in accordance with the special resolution passed by the company in the Annual General Meeting held on 31st July 2010.

For G.P. Agrawal & Co.
Chartered Accountants
Firm Registration No. 302082E

CA SUNITA KEDIA
Partner
(Membership No. 60162)

Place: Kolkata
Dated: 22nd May, 2014

For and on behalf of Board of Directors

Naresh Pachisia Rajesh Pachisia
Managing Directors

Dipak Kadel
Company Secretary

CEO/CFO Certification under Clause 49(v) of the Listing Agreement

The Board of Directors
SKP Securities Limited

I, Naresh Pachisia, Managing Director and CEO of the Company on the basis of the review of financial statements and the cash flow statement of the Company for the year ended 31st March, 2014 and to the best of our knowledge and belief, hereby certify that :-

1. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
2. 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.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2014 which is fraudulent, illegal or violative of the Company's Code of Conduct.
4. I accept responsibility for establishing and maintaining internal controls for financial reporting. I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee those deficiencies in the design or operation of such internal controls of which, I am aware and the steps I have taken or propose to take to rectify these deficiencies.
5. I have indicated to the Auditors and the Audit Committee:
 - (a) there have been no significant changes, in internal control over financial reporting during the year.
 - (b) there have been no significant changes, in accounting policies during the year.
 - (c) there have been no instances of significant fraud of which I have become aware and the involvement therein, of the management or an employee having significant role in the Company's internal control systems over financial reporting.

Place: Kolkata
Date: 22nd May, 2014

Naresh Pachisia
Managing Director

Management Discussion and Analysis Report

Industry Trends & Development

Be it brokerage, wealth advisory or distribution of financial products, all the activities that your company is engaged in, have growth opportunities, but are facing competitive and regulatory headwinds. The mutual fund distribution industry is facing game changing structural changes. With the increasing role of technology, there is a paradigm shift in the running of these businesses. Your company is gearing up to face such developments and re-engineering the business strategy wherever necessary. Emergence of political stability in the country and its resultant benefits are likely to provide favorable business conditions for the company.

Opportunities & Threats

The rising economy leading to higher investible surplus with families, under penetration of all the company's services, amidst political stability, provide opportunities for the company. The rise of banks and large broking houses promoted/co-promoted by industrial conglomerates/global financial powerhouses, pose a threat to the company, alongwith game changing structural and regulatory changes in the industry.

Business Review

Under such pressures, although topline of your company has suffered in a static environment, we have struggled to maintain profitability, helped by its diversified portfolio of customer and product segments, whilst keeping costs in check.

Management of Risks

Company's business models and policies are being re-aligned to make the company withstand and grow within the highly competitive environment. Superior risk management measures have now been put in place to reduce risk in broking business. A comprehensive risk evaluation methodology and processes for early identification and mitigation of all kinds of risks have been put in place.

Internal Control Systems and their adequacy

The scope of work for internal auditors, which is reviewed and expanded as required, addresses issues related to internal control systems particularly those related to regulatory compliance. Pre-audit and post-audit checks and reviews ensure that audit observations are acted upon. The Audit Committee of the Board of Directors reviews the Internal Audit Reports and the adequacy of internal controls.

Financial Performance

A snapshot of financial performance is furnished in the Directors' Report. Business headwinds has resulted in declining topline, which has eroded bottomline.

Future Outlook

The company is looking at growth opportunities, while consolidating its current business in line with the challenging business environment. Outlook is that of cautious optimism.

Human Resource Management

Employees are vital to SKP and we are committed to our mission of making SKP a preferred place to work and a career growth oriented, professional environment where teamwork and meritocracy prevails.

Prevention of Sexual Harassment

As a good corporate citizen, SKP Securities Limited is committed to a gender friendly workplace. It seeks to enhance equal opportunities for men and women, prevent/stop/redress sexual harassment at the workplace and institute good employment practices.

SKP Securities Limited maintains an open door for reportees; encourages employees to report any harassment concerns and is responsive to employee complaints about harassment or other unwelcome and offensive conduct. The Company has constituted an Internal Complaint Committee (ICC) in pursuant to the provisions of Companies Act, 2013 for prevention, prohibition and redressal of complaints / grievances on the Sexual harassment of women at work place. This policy is communicated to all employees in an appropriate and meaningful manner.

INDEPENDENT AUDITORS' REPORT

To the Members of SKP SECURITIES LIMITED

REPORT ON THE FINANCIAL STATEMENTS

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

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute

of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

OPINION

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

the accounting principles generally accepted in India:

- (i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (ii) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and

Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;

- e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.
3. a) In our opinion proper books of accounts and records as specified in Rule 15 of Securities Contract (Regulation) Rules, 1957 have been kept so far as appears from our examination of such books.
 - b) The Company has complied with the requirements of the Stock Exchange so far as they relate to maintenance of accounts and was regular in submitting the required accounting information to the Stock Exchange.

For **G. P. AGRAWAL & CO.**
Chartered Accountants
Firm Registration No. 302082E

CA. SUNITA KEDIA
Partner
(Membership No.60162)

Kolkata,
22nd May, 2014

Annexure to the Auditors' Report

Statement referred to in our Report of even date to the members of
SKP SECURITIES LIMITED for the year ended 31st March, 2014.

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) The fixed assets have been physically verified by the management during the year. To the best of our knowledge, no material discrepancy was noticed on such verification.
- c) During the year, the Company has not disposed off substantial part of fixed assets.
- ii) The Company does not have inventory. Therefore, the provisions of Para ii(a), (b) and (c) of paragraph 4 of the said order are not applicable to the company.
- iii) As informed the Company has not taken / granted any loans, secured or unsecured from / to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of para (iii) of paragraph 4 of the said order are not applicable to the company.
- iv) On the basis of information and explanations given to us, we are of the opinion that the Company has an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for sale of services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have we been informed any instances of major weakness in the aforesaid internal control systems.
- v) a) Based on the audit procedure applied by us and according to information and explanations given to us, the particulars of contracts or arrangements, referred to in Section 301 of the Act have been so entered in the register required to be maintained under that Section.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposit within the meaning of Section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under.
- vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- viii) The provision regarding maintenance of cost records is not applicable to the Company.
- ix) a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable
- b) The disputed statutory dues aggregating to ₹ 56,90,264/- that have not been deposited on account of matters pending before appropriate authorities are as under:

Sl. No.	Name of the statute	Nature of dues	Period to which pertain	Amount (₹)	Authorities (Where the dispute is pending)
1.	Finance Act, 1994	Service Tax	2000-2001 to 2005-2006	50,56,827	Commissioner, Service tax Commissionerate
2.	Finance Act, 1994	Service Tax	2006-2007 to 2008-2009	6,33,437	Commissioner of Central Excise (Appeals-1)
	Total			56,90,264	

- x) The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
- xi) The Company has not defaulted in payment of dues to any of the banks. The Company has not taken any loan from financial institution and has not issued any debenture.
- xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
- xiii) The provisions of any Special Statute applicable to the chit fund, nidhi or mutual benefit society are not applicable to the Company.
- xiv) The Company has maintained proper records of the transactions and contracts regarding dealings in shares, securities, debentures and other investments and timely entries have been made thereon. The shares, securities, debentures and other investments have been held by the Company in its own name.
- xv) According to the records of the Company and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) Based on information and explanations given to us by the management, the
- Company has not taken any term loan during the year.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- xix) The Company has not issued any secured debentures.
- xx) The Company has not raised any money by public issue during the period covered by our audit report.
- xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **G.P. AGRAWAL & CO.**
Chartered Accountants
Firm Registration No. 302082E

CA. SUNITA KEDIA
Partner
(Membership No.60162)

Kolkata,
22nd May, 2014

BALANCE SHEET AS AT 31ST MARCH, 2014

PARTICULARS	Note No.	As at	As at
		31st March, 2014	31st March, 2013
		₹	₹
I EQUITY & LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	2	5,61,50,000	5,61,50,000
(b) Reserves and surplus	3	16,49,89,156	16,38,17,322
		<u>22,11,39,156</u>	<u>21,99,67,322</u>
(2) Non -Current Liabilities			
(a) Long-term borrowings	4	3,28,713	16,90,623
(3) Current Liabilities			
(a) Trade payables		2,15,20,641	1,37,26,438
(b) Other current liabilities	5	1,36,58,775	1,74,62,016
(c) Short -term provisions	6	17,08,359	72,15,994
		<u>3,68,87,775</u>	<u>3,84,04,448</u>
TOTAL		<u>25,83,55,644</u>	<u>26,00,62,393</u>
II ASSETS			
(1) Non-Current Assets			
(a) Fixed assets	7		
(i) Tangible assets		1,05,40,834	1,51,27,732
(ii) Intangible assets		5,86,206	15,63,170
		<u>1,11,27,040</u>	<u>1,66,90,902</u>
(b) Non -current investments	8	1,00,00,000	1,00,00,000
(c) Deferred tax assets	9	12,58,869	2,97,533
(d) Long-term loans & advances	10	2,86,56,131	3,58,27,876
(e) Other non-current assets	11	–	81,21,524
		<u>5,10,42,040</u>	<u>7,09,37,835</u>
(2) Current Assets			
(a) Current investments	12	1,00,00,000	–
(b) Trade receivables	13	2,39,26,103	96,08,513
(c) Cash and bank balances	14	16,64,72,022	17,46,85,325
(d) Short-term loans & advances	15	27,74,851	21,34,483
(e) Other current assets	16	41,40,628	26,96,237
		<u>20,73,13,604</u>	<u>18,91,24,558</u>
TOTAL		<u>25,83,55,644</u>	<u>26,00,62,393</u>
Significant Accounting Policies	1		
Other disclosures	23		

The accompanying notes 1 to 23 are an integral part of the Financial Statements.

As per our report of even date attached.

For **G. P. AGRAWAL & CO.**

Chartered Accountants

Firm's Registration Number - 302082E

CA. Sunita Kedia

Partner

(Membership No. 60162)

7A, Kiran Shankar Ray Road, Kolkata - 700 001

Kolkata, 22nd May, 2014

For and on behalf of Board of Directors

Naresh Pachisia Rajesh Pachisia

Managing Directors

Dipak Kadel

Company Secretary

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

Particulars	Note No.	Year Ended	Year Ended
		31st March, 2014	31st March, 2013
		₹	₹
I. Revenue/Income from operations	17	8,68,37,419	10,05,13,167
II. Other income	18	6,84,920	6,89,387
III. Total Revenue (I + II)		8,75,22,339	10,12,02,554
IV. Expenses			
Employee benefits expense	19	2,88,03,471	3,24,58,697
Finance costs	20	4,36,683	4,40,770
Depreciation and amortization expenses		18,12,020	34,29,211
Other expenses	21	5,20,88,454	5,53,68,358
Total Expenses		8,31,40,628	9,16,97,036
V. Profit before tax (III-IV)		43,81,711	95,05,518
VI. Tax Expenses			
(1) Current tax		23,62,000	20,00,000
(2) Deferred tax		(9,61,336)	(7,53,402)
(3) Tax in respect of earlier years		18,09,213	–
		32,09,877	12,46,598
Profit for the year (V-VI)		11,71,834	82,58,920
VIII. Earnings per equity share (Face value ₹ 10/- each):	22		
Basic		0.21	1.47
Diluted		0.21	1.47
Significant Accounting Policies	1		
Other disclosures	23		

The accompanying notes 1 to 23 are an integral part of the Financial Statements.

As per our report of even date attached.

For **G. P. AGRAWAL & CO.**

Chartered Accountants

Firm's Registration Number - 302082E

CA. Sunita Kedia

Partner

(Membership No. 60162)

7A, Kiran Shankar Ray Road, Kolkata - 700 001
Kolkata, 22nd May, 2014

For and on behalf of Board of Directors

Naresh Pachisia Rajesh Pachisia

Managing Directors

Dipak Kadel

Company Secretary

CASH FLOW STATEMENT FOR YEAR ENDED 31ST MARCH, 2014

PARTICULARS	Note No.	Year ended	Year Ended
		31st March, 2014	31st March, 2013
		₹	₹
A CASH FLOW FROM OPERATING ACTIVITIES			
<i>Profit before Exceptional Items and Extra Ordinary Items and Tax</i>		43,81,711	95,05,518
Adjustments to reconcile Profit before Exceptional Items, Extra Ordinary Items and Tax to Cash Flow provided by Operating Activities:			
Finance Cost		4,36,683	4,40,770
Depreciation & Amortisation Expense		18,12,020	34,29,211
Loss on Sale/Discard of Tangible Fixed Assets		40,67,894	16,38,413
Sundry Debit Balances/Advances Written off		1,00,000	–
Liabilities no longer required written back		(6,59,192)	(6,15,328)
Bad Debts Written off		3,93,951	88,780
		61,51,356	49,81,846
Operating Profit before Working Capital changes		1,05,33,067	1,44,87,36
<i>Adjustments to reconcile Operating Profit to Cash Flow provided by changes in Working Capital :</i>			
Trade Payables		84,53,395	15,06,087
Other Current Liabilities		(30,28,873)	(71,06,854)
Current investments		(1,00,00,000)	6,23,22,200
Trade Receivables		(1,47,11,541)	85,85,512
Long Term loans and advances		65,02,462	1,76,30,388
Short Term loans and advances		(7,40,368)	1,34,937
Other Non Current Assets		81,21,524	(53,60,376)
Other Current Assets		(11,89,179)	3,72,50,354
Short term provisions		(2,48,567)	6,47,988
		(68,41,147)	11,56,10,236
Cash Generated from Operations		36,91,920	13,00,97,600
Tax Expense		(21,92,992)	(83,57,682)
Cash Flow before Extraordinary Items		14,98,928	12,17,39,918
Exceptional / Extraordinary Items		–	–
Net Cash Generated / Used - Operating Activities		14,98,928	12,17,39,918

As per our report of even date attached.
For **G. P. AGRAWAL & CO.**
Chartered Accountants
Firm's Registration Number - 302082E

CA. Sunita Kedia
Partner
(Membership No. 60162)

7A, Kiran Shankar Ray Road, Kolkata - 700 001
Kolkata, 22nd May, 2014

For and on behalf of Board of Directors

Naresh Pachisia Rajesh Pachisia
Managing Directors

Dipak Kadel
Company Secretary

CASH FLOW STATEMENT FOR YEAR ENDED 31ST MARCH, 2014

PARTICULARS	Note No.	Year ended	Year Ended
		31st March, 2014	31st March, 2013
		₹	₹
B CASH FLOW FROM INVESTING ACTIVITIES			
Additions to Tangible Fixed Assets		(4,18,301)	(15,48,651)
Sale of Tangible Fixed Assets		1,02,249	2,75,432
Additions to Intangible Fixed Assets		-	-
Net Cash Generated / Used - Investing Activities		(3,16,052)	(12,73,219)
C CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Long Term Borrowings		-	13,18,096
Repayment of Long Term Borrowings		(21,29,106)	(20,71,699)
Finance Cost		(4,36,683)	(4,40,770)
Dividend Paid		(56,15,000)	(56,15,000)
Dividend Distribution Tax Paid		(9,53,006)	(9,10,894)
Net Cash Generated / Used - Financing Activities		(91,33,795)	(77,20,267)
Net Increase in Cash & Cash Equivalents (A+B+C)		(79,50,919)	11,27,46,432
Opening Cash and Cash Equivalents		11,86,03,460	58,57,028
Closing Cash and Cash Equivalents (Note 14)		11,06,52,541	11,86,03,460
Notes:			
1) Cash and Cash Equivalents at the end of the period consists of:			
a) Balance with Banks on Current Accounts		60,03,385	84,89,766
b) Cash on hand		1,73,706	1,13,694
c) Fixed deposits (maturity less than 3 months)		10,44,75,450	11,00,00,000
		11,06,52,541	11,86,03,460

2) Figure in brackets represent cash outflow from respective activities.

The accompanying notes 1 to 23 are an integral part of the Financial Statements.

As per our report of even date attached.

For **G. P. AGRAWAL & CO.**

Chartered Accountants

Firm's Registration Number - 302082E

CA. Sunita Kedia

Partner

(Membership No. 60162)

7A, Kiran Shankar Ray Road, Kolkata - 700 001

Kolkata, 22nd May, 2014

For and on behalf of Board of Directors

Naresh Pachisia Rajesh Pachisia

Managing Directors

Dipak Kadel

Company Secretary

Note No. 1**Significant Accounting Policies****1.1 Basis of preparation of Financial Statements**

The Financial Statements are prepared on an accrual basis and under the historical cost convention and in compliance with the provisions of the Companies Act, 1956, Companies Act, 2013 to the extent applicable and the Accounting Standards as specified in the Companies (Accounting Standard) Rules, 2006 notified by the Central Government of India.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.

All Assets and Liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule VI to the Companies' Act, 1956. Based on the nature of services provided and time between the rendering of services and their realization in cash and cash equivalents, the company has ascertained its operating cycle as less than 12 months for the purpose of current and non-current classification of assets and liabilities.

1.2 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

1.3 Fixed Assets and Intangible Assets

- a) Fixed Assets are stated at their original cost less accumulated depreciation and impairments, if any.
- b) Intangible assets expected to provide future enduring economic benefits are recorded at the consideration paid for acquisition of such assets and are carried at cost of acquisition less accumulated amortisation and impairment, if any.

1.4 Depreciation and Amortization

- a) Depreciation on Fixed Assets is provided on Straight Line method at the rates and in the manner as specified in Schedule XIV to the Companies Act, 1956.
- b) Depreciation/amortisation on assets added, sold or discarded during the year has been provided on pro-rata basis.
- c) Stock Exchange membership card is not being amortised.
- d) Computer Software (Acquired) are amortised on straight line basis over a period of four years.

1.5 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

1.6 Revenue Recognition

a) Income from broking activities and transactions in respect of dealing in shares and securities are recognised on the date of settlement on the respective stock exchange.

Income from depository and other services is recognized when the right to receive the same is established.

b) Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

c) Dividend income is recognized when the Company's right to receive dividend is established.

d) All other income are accounted for on accrual basis.

1.7 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date.

Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where 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, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Re-imburement expected in respect of expenditure to settle a provision is recognized only when it is virtually certain that the re-imburement will be received.

A Contingent Asset is not recognized in the Accounts.

1.8 Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in previous accounting period is reversed if there has been a change in the estimate of recoverable amount.

1.9 Foreign Currency Transactions

Transactions in Foreign currency are initially recorded at the exchange rate at which the transaction is carried out.

1.10 Employee Benefits

a) Defined Contribution Plan

Company's contribution towards Provident Fund is a Defined Contribution Plan. These contributions are charged to the Statement of Profit and loss for the year to which it relates.

b) Defined Benefit Plan

Company's liability towards gratuity is Defined Benefit Plan. The company has opted for a Group Gratuity cum Life Assurance Scheme of Birla Sun Life Insurance Company Limited and the contribution towards gratuity liability as determined by Birla Sun Life Insurance Company Limited is recognized as an expense in the Statement of Profit and Loss for the year to which it relates as required under Accounting Standard 15 -Employee Benefits.

1.11 Taxes on Income

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets, if any are reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realized.

1.12 Research Expenses

Research costs are expensed as incurred.

1.13 Earnings Per share

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of any extra ordinary items, if any) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

1.14 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

NOTES TO ACCOUNTS

2 SHARE CAPITAL	As at 31st March 2014		As at 31st March 2013	
	No.	₹	No.	₹
a) Authorised				
Equity shares of ₹ 10/- each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
b) Issued, subscribed and paid-up				
Equity shares of ₹ 10/- each fully paid up	56,15,000	5,61,50,000	56,15,000	5,61,50,000

c) **Terms / rights attached to equity shares:**

Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) **Shareholder's holdings more than 5% shares in the company:**

Name of Shareholders	As at 31st March 2014		As at 31st March 2013	
	No.	% holding	No.	% holding
Mr. Naresh Pachisia	16,46,700	29.33	16,46,700	29.33
Mr. Rajesh Pachisia	18,19,000	32.40	18,19,000	32.40

e) **Details of shares reserved for issuance:**

The company has reserved for issue 56,000 (Previous year 70,000) equity shares of par value ₹ 10/- each at a premium of ₹ 19/- each for offering to eligible employees of the company under Employee Stock Option Scheme 2010, out of which 33,600 shares have vested but not been exercised.

3 RESERVES AND SURPLUS	As at 31st March 2014	As at 31st March 2013
	₹	₹
General Reserve - opening balance	2,08,76,000	2,03,76,000
Add: Transferred from Surplus	—	5,00,000
	2,08,76,000	2,08,76,000
Share Premium- opening balance	2,31,65,000	2,31,65,000
Surplus in the Statement of Profit and Loss	11,97,76,322	11,85,85,408
Add: Profit for the year as per Statement of Profit and Loss	11,71,834	82,58,920
Amount available for appropriation	12,09,48,156	12,68,44,328
Appropriations:		
Proposed Dividend	—	56,15,000
Tax on Proposed dividend	—	9,53,006
Amount transferred to General Reserve	—	5,00,000
Net surplus in the Statement of Profit and Loss	12,09,48,156	11,97,76,322
Total Reserves and surplus	16,49,89,156	16,38,17,322

- i) During the previous year ended 31st March, 2013, Dividend @ ₹ 1/- per equity share was recognised as distribution to equity shareholders. The total dividend appropriation (including tax on dividend) for the year ended March 31, 2013 amounted to ₹ 65,68,006/-.

4 LONG TERM BORROWINGS	As at	As at
	31st March 2014	31st March 2013
	₹	₹
Vehicle Loans		
From banks - Secured	3,28,713	16,90,623
	3,28,713	16,90,623

a) **Nature of Security**

The vehicle loans are secured by way of hypothecation of the vehicle purchased. The loan carries interest within the range of 9.5% -10.5% p.a.

b) **Terms of repayment:**

Sl. No.	Name of the banks/entities	Amount outstanding as on 31.03. 2014		Period of maturity w.r.t. Balance Sheet date	Number of instalments due as on 31.03.14
		Current * ₹	Non current ₹		
1	HDFC Bank	77,459	–	3 months	3
		(2,89,248)	(77,459)	(1 year 2 months)	(15)
		–	–	–	–
		(2,75,839)	–	(7 months)	(7)
		–	–	–	–
		(2,57,045)	–	(11 months)	(11)
		5,19,915	3,28,713	1 year 7 months	19
		(8,37,506)	(7,64,536)	(1 year 9 months)	(22)
		7,64,536	–	10 months	10
	(4,69,468)	(8,48,628)	(2 years 6 months)	(31)	
	Total	13,61,910	3,28,713		
		(21,29,106)	(16,90,623)		

Figures in bracket pertains to previous year.

* Represents current maturities of long term debts shown under 'Other current liabilities (Note no. 5).

5 OTHER CURRENT LIABILITIES	As at 31st March 2014 ₹	As at 31st March 2013 ₹
Current maturities of long-term debt*	13,61,910	21,29,106
Unclaimed dividend**	4,06,044	4,13,216
Other payables		
Security/margin deposits	50,80,437	60,34,330
Advance from customers and others	2,16,907	6,80,326
Accrued expenses	47,26,856	37,91,830
Statutory liabilities	6,04,312	7,15,628
Book overdraft balances	12,51,187	35,26,328
Others	11,122	1,71,252
	1,36,58,775	1,74,62,016

* Refer note no. 4 (a) & (b) for nature of securities and terms of repayment respectively.

** There are no amounts due and outstanding to be credited to Investor Education & Protection Fund under Section 205 C of the Companies Act, 1956.

6 SHORT TERM PROVISIONS	As at 31st March 2014 ₹	As at 31st March 2013 ₹
Provision for employee benefit-Gratuity	3,99,421	6,47,988
Proposed dividend	-	56,15,000
Tax on dividend	-	9,53,006
Provision for		
Income taxes	4,14,46,430	-
Less: Advance tax	4,01,37,492	-
	13,08,938	-
	17,08,359	72,15,994

7 FIXED ASSETS

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	As at 1st April 2013	Additions during the year	Deductions/ Adjustments during the year	As at 31st March 2014	Upto 1st April 2013	Depreciation for the year	Deductions/ Adjustments during the year	Upto 31st March 2014	As at 31st March 2014	As at 31st March 2013
TANGIBLE ASSETS										
Office Equipments	1,80,657	2,41,890	67,289	3,55,258	14,060	15,335	15,672	13,723	3,41,535	1,66,597
Furniture and Fixtures	80,47,529	69,829	50,08,523	31,08,835	23,86,636	2,60,139	14,80,755	11,66,020	19,42,815	56,60,893
Computers, Servers and other Information Technology Equipments	6,75,286	1,06,582	-	17,81,868	96,155	2,73,167	-	3,69,322	14,12,546	15,79,131
Vehicles	92,33,406	-	-	92,33,406	15,12,295	8,77,173	-	23,89,468	68,43,938	77,21,111
Total	1,91,36,878	4,18,301	50,75,812	1,44,79,367	40,09,146	14,25,814	14,96,427	39,38,533	1,05,40,834	1,51,27,732
Corresponding figure for the previous year	2,10,39,840	15,48,651	34,51,613	1,91,36,878	37,03,959	18,42,953	15,37,766	40,09,146	1,51,27,732	

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	As at 1st April 2013	Additions during the year	Deductions/ Adjustments during the year	As at 31st March 2014	Upto 1st April 2013	Depreciation for the year	Deductions/ Adjustments during the year	Upto 31st March 2014	As at 31st March 2014	As at 31st March 2013
INTANGIBLE ASSETS										
Computer Software	1,61,26,425	-	1,45,81,600	15,44,825	1,47,63,255	3,86,206	1,39,90,842	11,58,619	3,86,206	13,63,170
Stock Exchange Card	2,00,000	-	-	2,00,000	-	-	-	-	2,00,000	2,00,000
Total	1,63,26,425	-	1,45,81,600	17,44,825	1,47,63,255	3,86,206	1,39,90,842	11,58,619	5,86,206	15,63,170
Corresponding figure for the previous year	1,63,26,425	-	-	1,63,26,425	1,31,76,997	15,86,258	-	1,47,63,255	15,63,170	

8 NON - CURRENT INVESTMENTS						
Name of the Company	As at 31 March 2014			As at 31 March 2013		
	Face Value ₹	Quantity Nos.	Amount ₹	Face Value ₹	Quantity Nos.	Amount ₹
Long Term Investments (At cost)						
Investment In Equity shares -Trade Unquoted - Fully Paid up						
Subsidiary company:						
SKP Commodities Pvt. Ltd.	10	10,00,000	1,00,00,000	10	10,00,000	1,00,00,000
			1,00,00,000			1,00,00,000
Aggregate value of unquoted Investments			<u>1,00,00,000</u>			<u>1,00,00,000</u>

9 DEFERRED TAX ASSETS	As at 31st March 2014 ₹	As at 31st March 2013 ₹
Depreciation/amortisation	12,58,869	2,97,533
	12,58,869	2,97,533

10 LONG-TERM LOANS AND ADVANCES (Unsecured, considered good)	As at 31st March 2014 ₹	As at 31st March 2013 ₹
Security deposits	2,86,56,131	3,51,58,593
Advance tax	–	5,16,03,024
Less : Provision for income tax	–	5,09,33,741
	–	6,69,283
	2,86,56,131	3,58,27,876

11 OTHER NON-CURRENT ASSETS	As at 31st March 2014 ₹	As at 31st March 2013 ₹
Fixed deposits with banks (Non current portion with original maturity period of more than 12 months)		
– Margin deposit	–	75,00,000
Interest accrued but not due on bank deposits	–	6,21,524
	–	81,21,524

12 Current investments (At lower of cost and fair value)	As at 31 March 2014			As at 31 March 2013		
	Face Value ₹	Quantity Nos.	Amount ₹	Face Value ₹	Quantity Nos.	Amount ₹
In mutual funds (Fully paid up)						
Unquoted:						
Templeton India Short Term Income Fund	1,000	4,229.51	1,00,00,000	–	–	–
			1,00,00,000			
Aggregate value of unquoted investments			1,09,64,625			–
Aggregate provision for increment/ diminution in value of investments			–			–

13 TRADE RECEIVABLES	As at 31st March 2014 ₹	As at 31st March 2013 ₹
a) Debts outstanding for a period exceeding six months		
- Unsecured		
Considered good (Refer note 23.8)	93,91,106	21,20,851
b) Other debts - Unsecured		
Considered good	1,45,34,997	74,87,662
	2,39,26,103	96,08,513

14 CASH AND BANK BALANCES	As at 31st March 2014 ₹	As at 31st March 2013 ₹
Cash and cash equivalents		
Balances with banks		
In current accounts	60,03,385	84,89,766
Fixed deposits (maturity less than 3 months)	10,44,75,450	11,00,00,000
Cash-on-hand	1,73,706	1,13,694
	11,06,52,541	11,86,03,460
Other bank balances		
Earmarked balances		
Unpaid dividend	4,06,044	4,13,216
Current deposits*	1,10,74,948	2,38,95,600
Margin deposit/Security		
Current portion of original maturity period more than 12 months		
– Fixed Deposit pledged as margin deposits with exchange	3,40,47,807	2,15,43,580
– Fixed Deposit pledged as security against borrowings	1,00,00,000	1,00,00,000
Stamps-on-hand	2,90,682	2,29,469
	16,64,72,022	17,46,85,325

*Balances with banks in Client Money accounts, not available for use of the Company.

15 SHORT TERM LOANS AND ADVANCES (Unsecured, considered good)	As at 31st March 2014 ₹	As at 31st March 2013 ₹
Security deposits	45,000	–
Other loans and advances		
Prepaid expenses	11,06,318	7,74,332
Advance to staff and others	16,23,533	13,60,151
	27,74,851	21,34,483

16 OTHER CURRENT ASSETS	As at 31st March 2014 ₹	As at 31st March 2013 ₹
Interest accrued but not due on bank deposits	36,65,388	23,98,151
TDS and other recoverable	4,75,240	2,98,086
	41,40,628	26,96,237

17 REVENUE/INCOME FROM OPERATIONS	Year Ended 31st March 2014 ₹	Year Ended 31st March 2013 ₹
Sale of services		
Distribution services	3,24,17,522	3,39,24,197
Broking services	3,55,23,238	4,16,90,618
Depository services	29,56,829	31,71,567
Advisory services	–	32,89,038
	7,08,97,589	8,20,75,420
Income from Arbitrage	2,14,272	8,63,599
Other operating revenues		
Dividend income on current investment	–	30,32,715
Profit on sale of current investment	66,40,920	43,30,819
Interest income (Gross)		
On fixed deposits	48,67,737	56,38,138
On margin deposits	14,59,447	15,50,879
On late payment from clients	27,57,454	30,21,597
	90,84,638	1,02,10,614
	8,68,37,419	10,05,13,167

18 OTHER INCOME	Year Ended 31st March 2014 ₹	Year Ended 31st March 2013 ₹
Other non-operating income		
Liabilities no longer required written back	6,59,192	6,15,328
Miscellaneous income	25,728	74,059
	6,84,920	6,89,387

19 EMPLOYEE BENEFIT EXPENSES	Year Ended 31st March 2014 ₹	Year Ended 31st March 2013 ₹
Salaries	2,73,62,160	3,02,68,145
Contribution to provident & other funds	3,99,505	6,54,864
Staff welfare expenses	10,41,806	15,35,688
	2,88,03,471	3,24,58,697

20 FINANCE COST	Year Ended 31st March 2014 ₹	Year Ended 31st March 2013 ₹
Interest expenses		
On short term borrowings	3,42,483	4,40,770
On late payment of advance tax	94,200	-
	4,36,683	4,40,770

21 OTHER EXPENSES	Year Ended	Year Ended
	31st March 2014	31st March 2013
	₹	₹
Rent	73,19,653	69,97,566
Rates and taxes	2,03,736	10,69,360
Insurance Expenses	78,707	79,022
Brokerage and commission	1,27,53,389	1,61,86,372
Broker Note Stamp	19,37,132	20,70,132
Bad debt written off	3,93,951	88,780
Connectivity charges	14,43,899	19,22,683
Computer Expenses	26,42,250	30,51,773
Director Sitting Fess	1,70,000	1,70,000
Electricity expenses	20,93,241	24,01,256
Legal & Professional Fees	13,08,334	12,11,319
Loss on sale/discard of Fixed Assets	40,67,894	16,38,413
Payment to auditors		
As auditor for statutory audit	75,000	75,000
For tax audit	25,000	25,000
For other services	25,000	25,000
Repairs - Others	42,60,961	9,48,478
Research Expenses	14,62,716	13,45,149
Subscription	6,22,745	9,62,075
Transaction Charges	11,84,788	15,28,675
Travelling Expenses	25,73,413	22,96,359
Service Charges	13,63,261	14,85,766
Advances written off	1,00,000	–
Vehicle Expenses	11,72,474	9,73,735
Miscellaneous Expenses	48,10,910	88,16,445
	5,20,88,454	5,53,68,358

Note No : 22

Earnings per Share - The numerators and denominators used to calculate Basic / Diluted Earnings per Share:

Particulars	Year Ended 31st March 2014 ₹	Year Ended 31st March 2013 ₹
a) Amount used as the numerator (₹) Profit after Tax - (A)	11,71,834	82,58,920
b) Weighted average number of Equity Shares Outstanding used as the denominator for computing Basic Earnings per Share - (B)	56,15,000	56,15,000
c) Weighted average number of Equity Shares Outstanding used as the denominator for computing Diluted Earnings per Share - (C)	56,15,000	56,15,000
d) Nominal value of Equity Shares (₹)	10	10
e) Basic Earnings per Share (₹) (A/B)	0.21	1.47
f) Diluted Earnings per Share (₹) (A/C)	0.21	1.47

Note No : 23

Other disclosures

23.1 Contingent liabilities :

Year Ended 31st March 2014 ₹	Year Ended 31st March 2013 ₹
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Claims against the Company not acknowledged as debts :

Service tax demand - under appeal	56,90,264	56,90,264
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The above amount represents the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be estimated accurately. The Company does not expect any reimbursements in respect of the above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the grounds that there are fair chances of successful outcome of appeals.

23.2 The company does not have any dues to Micro and Small Enterprises as per the requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (Previous year - ₹ NIL)

23.3 The Employee Stock Option Scheme (SKP ESOP Plan 2010) of the Company was formulated in the year 2010. Under the said Scheme, Options granted have vesting period of one to three years and exercise period of maximum five years. The details of Options granted, lapsed and exercised as on 31st March, 2014 are as under :

Particulars	Year Ended	Year Ended
	31st March 2014	31st March 2013
	₹	₹
Year of Issue	2010-11	2010-11
Date of grant of Option	21.05.2011	21.05.2011
Exercise Price (₹)	29.00	29.00
Market Price on the date of grant (₹)	27.10	27.10
Excess of Market Price over Exercise Price (₹)	(1.90)	(1.90)
Member of Options granted upto 31.03.2013	1,00,000	1,00,000
Number of Options exercised upto 31.03.2013	–	–
Number of Options lapsed upto 31.03.2013	30,000	23,000
Number of Options outstanding on 01.04.2013	70,000	77,000
Number of Options exercised during the year	–	–
Number of Options lapsed during the year	14,000	7,000
Number of Options outstanding on 31.03.2014	56,000	70,000

Note : Refer Director's Report for other disclosures.

23.4 Employee Benefits:

As per Accounting Standard - 15 "Employee Benefits", the disclosure of Employee Benefits as defined in the Accounting Standard are as follows:

Defined Contribution Plan:

Employee benefits in the form of Provident Fund and Employee State Insurance Scheme are considered as defined contribution plan.

The contributions to the respective fund are made in accordance with the relevant statute and are recognised as expense when employees have rendered service entitling them to the contribution. The contributions to defined contribution plan, recognised as expense in the Statement of Profit and Loss are as under:

Defined Contribution Plan	Year Ended	Year Ended
	31st March 2014	31st March 2013
	₹	₹
Employers' Contribution to Provident Fund	–	6,876

Defined Benefit Plan:

Long-term employee benefits in the forms of gratuity are considered as defined benefit obligation. The present value of obligation is determined based on actuarial valuation using projected unit credit method as at the Balance Sheet date. The amount of defined benefits recognised in the Balance Sheet represent the present value of the obligation as adjusted for unrecognised past service cost and as reduced by the fair value of plan assets.

Any asset resulting from this calculation is limited to the discounted value of any economic benefit available in the form of refunds from the plan or reduction in future contribution to the plan. The amount recognised in the Accounts in respect of Employees Benefit Schemes based on actuarial reports are as follows:

a) Details of funded post retirement plans are as follows:

(Amount in ₹)

Particulars	31st March, 2014 Gratuity	31st March, 2013 Gratuity
I. Components of Employer Expense:		
1 Current Service Cost	4,17,137	3,90,734
2 Past Service Cost		
3 Interest Cost	1,88,502	1,49,895
4 Expected return on Plan Assets	1,51,215	1,24,927
5 Actuarial (Gain) /Loss recognised in the year	(54,067)	2,06,762
6 Expense recognised in the Statement of Profit and Loss	4,00,357	6,47,988
II. Change in Present Value of Defined Benefit Obligation:		
1 Present value of Defined Benefit Obligation at the beginning of the year	23,75,224	21,19,538
2 Acquisition Adjustment	-	-
3 Interest Cost	1,88,502	1,49,895
4 Past Service Cost	-	-
5 Current Service Cost	4,17,137	3,90,734
6 Employees Contribution	-	-
7 Benefits Paid	4,41,839	4,91,705
8 Actuarial (Gain) / Loss	29,749	(24,588)
9 Present value of Defined Benefit Obligation at the end of the year	25,68,773	23,75,224
III. Change in Fair Value of Plan Assets during the period:		
1 Plan Assets at the beginning of the year	17,28,172	15,61,583
2 Expected return on Plan Assets	1,51,215	1,24,927
3 Actual Company Contribution	6,47,988	5,57,955
4 Benefits paid	4,41,839	4,91,705
5 Actuarial Gain / (Loss)	83,816	(24,588)
6 Plan Assets at the end of the year	21,69,352	17,28,17
IV. Net Asset / (Liability) recognised in the Balance Sheet as at year end:		
1 Present value of Defined Benefit Obligation	25,68,773	23,75,224
2 Fair value of Plan Assets	21,69,352	17,28,172
3 Funded Status [Surplus/(Deficit)]	(3,99,421)	(6,47,988)
4 Net Asset / (Liability) recognised in Balance Sheet	(3,99,421)	(6,47,988)

V. Actuarial Assumptions:

1	Discount Rate (per annum) %	8.75	8.00
2	Expected return on Plan Assets (per annum) %	8.75	8.00
3	Retirement/Superannuation Age (Year)	58	58
4	Mortality Rates	IALM 2006-08 ULTIMATE	LICI 1994-1996

VI. Major Category of Plan Assets as a % of the Total Plan Assets as at year end:

1	Administered by Insurance Companies (The details with respect to the composition of investment in the fair value of plan assets have not been disclosed in the absence of availability of information)	100%	100%
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VII. Expected employers' contribution for next year 41049 NA

VIII. Basis used to determine the expected Rate of return on Plan Assets :

The basis used to determine overall expected Rate of return on Plan Assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the Capital and optimise returns within acceptable risk parameters, the Plan Assets are well diversified.

b) Other disclosures:

i) Basis of estimates of Rate of escalation in salary:

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.

ii) The Gratuity and Provident Fund Expenses have been recognised under “Contribution to Provident Fund and Other Funds” under Note no. 19.

iii) The history of experience adjustments for funded post retirement plans are as follows :

(Amount in ₹)

Particulars	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2010
Gratuity					
Present value of defined benefit obligation	25,68,773	23,75,224	21,19,538	17,95,909	11,54,000
Fair value of plan assets	21,69,352	17,28,172	15,61,583	14,17,248	15,06,938
(Deficit)/Surplus	(3,99,421)	(6,47,988)	(5,57,955)	(3,78,661)	3,52,938

23.5 Segment information as per Accounting Standard - 17 on ‘Segment Reporting’:

The Company is primarily engaged in a single business segment of Broking & Dealing in Securities and related services. All the activities of the company revolves around the main business. As such there are no separate reportable segments as per Accounting Standard - 17 “Segment Reporting” notified by the Central Government under the Companies (Accounting Standard) Rules 2006.

23.6 Related party disclosures as per Accounting Standard - 18 are given below:

a) Name of the related parties and description of relationship:

- i) Subsidiaries : SKP Commodities Ltd.
(Control exists)
- ii) Key Managerial Personnel (KMP) : Mr. Naresh Pachisia, Managing director
Mr. Rajesh Pachisia, Managing director
- iii) Relatives of Key Managerial Personnel :
Mr. Naresh Pachisia : Mrs. Manju Pachisia (Wife)
Mr. Nikunj Pachisia (Son)
Mrs. Kanupriya Daga Pachisia (Son's Wife)
Mrs. Suraj Devi Pachisia (Mother)
- Mr. Rajesh Pachisia : Mrs. Vatsala Pachisia (Wife)
Mrs. Suraj Devi Pachisia (Mother)
Ms. Priyanka Pachisia (Daughter)
- iv) Concerns over which KMP and their relatives have substantial interest : M/s. Naresh Pachisia & Sons (HUF)
M/s. Rajesh Pachisia & Sons (HUF)
M/s. SKP Insurance Brokers & Advisors Pvt. Ltd.

b) Transactions with Related parties:

(Amount in ₹)

Nature of transaction/ Name of the related party	Subsidiaries	Concerns over which KMP their and relatives have substantial interest	Key Managerial Personnel (KMP)	Relatives of KMP	Total
i) Receiving of Services					
Naresh Pachisia	–	–	30,00,000	–	30,00,000
	–	–	(30,00,000)	–	(30,00,000)
Rajesh Pachisia	–	–	30,00,000	–	30,00,000
	–	–	(30,00,000)	–	(30,00,000)
Nikunj Pachisia	–	–	–	1,09,656	1,09,656
	–	–	–	(1,09,656)	(1,09,656)
ii) Rendering of Services					
Demat Charges Received	–	865	1747	2789	5,401
	–	(4,348)	(1,161)	(1,843)	(7,352)
Brokerage Earned	–	116	15980	37,708	53,804
	–	(2)	(19,271)	(2,116)	(21,389)
iii) Dividend Paid to Shareholders					
Naresh Pachisia	–	–	16,46,700	–	16,46,700
	–	–	(10,03,850)	–	(10,03,850)
Rajesh Pachisia	–	–	18,19,000	–	18,19,000
	–	–	(11,76,150)	–	(11,76,150)

Manju Pachisia	-	-	-	2,00,000	2,00,000
	-	-	-	(2,00,000)	(2,00,000)
Vatsala Pachisia	-	-	-	2,00,000	2,00,000
	-	-	-	(2,00,000)	(2,00,000)
Nikunj Pachisia	-	-	-	50,850	50,850
	-	-	-	(50,850)	(50,850)
Suraj Devi Pachisia	-	-	-	(-)	(-)
	-	-	-	(2,00,000)	(2,00,000)
Naresh Pachisia HUF	-	2,07,300	-	-	2,07,300
	-	(2,07,300)	-	-	(2,07,300)
Rajesh Pachisia HUF	-	85,850	-	-	85,850
	-	(85,850)	-	-	(85,850)
Surendra Kumar Pachisia & Sons (HUF)	-	-	-	-	-
	-	(10,85,700)	-	-	(10,85,700)
iv) Brokerage Paid					
SKP Commodities Limited	16,494	-	-	-	16,494
	(17,041)	-	-	-	(17,041)
v) Consultancy Charges Paid					
SKP Insurance Brokers & Advisors Pvt Ltd	-	3,00,000	-	-	3,00,000
	-	(3,50,000)	-	-	(3,50,000)
Kanupriya Daga Pachisia	-	-	-	1,06,000	1,06,000
	-	-	-	(-)	(-)
v) Balance Outstanding					
Accounts receivable					
Nikunj Pachisia	-	-	-	47,183	47,183
	-	-	-	(-)	(-)
SKP Commodities Limited	44,56,510	-	-	-	44,56,510
	(-)	-	-	-	(-)

- c) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.
- d) No amount has been written back / written off during the year in respect of due to / from related parties.
- e) The amount due from related parties is good and hence no provision for doubtful debts in respect of dues from such related parties is required (Refer note 23.8).
- f) Figures in brackets pertain to previous year.

23.7 Disclosure under clause 32 of the Listing Agreement:

There are no transactions with Subsidiary Company which are required to be disclosed under Clause 32 of the Listing Agreement with the Bombay Stock Exchange Limited.

- 23.8** Trade receivables include ₹ 44,56,510/- (Previous year Nil) receivable from its subsidiary with respect to trade entered into on its behalf in National Spot Exchange Ltd (NSEL). NSEL has not been able to adhere to its payment obligation over the past few months. However, since the payments are being received in instalments, no provisions has been made.

23.9 Dividend remitted in foreign currency:

The Company has not remitted any amount in foreign currency on account of dividend. The particulars of dividend payable to non-resident shareholders are as under:

	Year ended 31st March, 2014	Year ended 31st March, 2013
i) Year to which Dividend relates	31-03-2013	31-03-2012
ii) Number of non-resident shareholders	3	3
iii) Number of Ordinary Shares held by them	4,163	8,850
iv) Gross amount of Dividend (₹)	4,163	26,550

23.10 The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report of even date attached.
For **G. P. AGRAWAL & CO.**
Chartered Accountants
Firm's Registration Number - 302082E

CA. Sunita Kedia
Partner
(Membership No. 60162)

7A, Kiran Shankar Ray Road, Kolkata - 700 001
Kolkata, 22nd May, 2014

For and on behalf of Board of Directors

Naresh Pachisia Rajesh Pachisia
Managing Directors

Dipak Kadel
Company Secretary

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of SKP SECURITIES LIMITED

We have audited the accompanying consolidated financial statements of SKP SECURITIES LIMITED ("the Company") and its Subsidiary, which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to

the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements.

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

OPINION

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

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

FOR G. P. Agrawal & CO.

Chartered Accountants

Firm Registration No. – 302082E

CA. Sunita Kedia

Partner

(Membership No. 60162)

7A, Kiran Shankar Ray Road,

Kolkata – 700 001

Dated: 22nd May, 2014

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

PARTICULARS	Note No.	As at	As at
		31st March, 2014	31st March, 2013
		₹	₹
I EQUITY & LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	2	5,61,50,000	5,61,50,000
(b) Reserves and surplus	3	17,13,64,067	17,03,11,955
		<u>22,75,14,067</u>	<u>22,64,61,955</u>
(2) Non -Current Liabilities			
(a) Long-term borrowings	4	3,28,713	16,90,623
(3) Current Liabilities			
(a) Trade payables		5,13,56,562	1,37,55,678
(b) Other current liabilities	5	1,45,60,830	3,30,92,448
(c) Short -term provisions	6	16,77,724	72,15,994
		<u>6,75,95,116</u>	<u>5,40,64,120</u>
TOTAL		<u>29,54,37,896</u>	<u>28,22,16,698</u>
II ASSETS			
(1) Non-Current Assets			
(a) Fixed assets	7		
(i) Tangible assets		1,07,01,071	1,53,31,606
(ii) Intangible assets		5,86,206	15,63,170
		<u>1,12,87,277</u>	<u>1,68,94,776</u>
(b) Deferred tax assets	8	12,35,870	2,71,541
(c) Long-term loans & advances	9	3,35,64,131	4,15,09,564
(d) Other non-current assets	10	–	1,61,21,524
		<u>4,60,87,278</u>	<u>7,47,97,405</u>
(2) Current Assets			
(a) Current investments	11	1,00,00,000	–
(b) Trade receivables	12	4,98,41,765	98,76,434
(c) Cash and bank balances	13	18,21,29,081	19,15,83,120
(d) Short-term loans & advances	14	29,69,971	22,38,298
(e) Other current assets	15	44,09,801	37,21,441
		<u>24,93,50,618</u>	<u>20,74,19,293</u>
TOTAL		<u>29,54,37,896</u>	<u>28,22,16,698</u>

Basis of Consolidation & Significant Accounting Policies 1

Other disclosures 22

The accompanying notes 1 to 22 are an integral part of the Financial Statements.

As per our report of even date attached.

For **G. P. AGRAWAL & CO.**

Chartered Accountants

Firm's Registration Number - 302082E

CA. Sunita Kedia

Partner

(Membership No. 60162)

7A, Kiran Shankar Ray Road, Kolkata - 700 001

Kolkata, 22nd May, 2014

For and on behalf of Board of Directors

Naresh Pachisia Rajesh Pachisia

Managing Directors

Dipak Kadel

Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	Note No.	Year Ended	Year Ended
		31st March, 2014	31st March, 2013
		₹	₹
I. Revenue/Income from operations	16	9,58,45,734	11,74,88,981
II. Other income	17	8,26,137	6,89,387
III. Total Revenue (I + II)		9,66,71,871	11,81,78,368
IV. Expenses			
Employee benefits expense	18	2,96,26,579	3,30,53,905
Finance costs	19	4,36,683	4,40,770
Depreciation and amortization expenses		18,55,658	34,51,325
Other expenses	20	6,00,87,648	6,91,52,384
Total Expenses		9,20,06,568	10,60,98,384
V. Profit before tax (III-IV)		46,65,303	1,20,79,984
VI. Tax Expenses			
(1) Current tax		24,28,700	26,75,000
(2) Deferred tax		(9,64,329)	(7,43,604)
(3) Tax in respect of earlier years		21,48,819	–
		36,13,190	19,31,396
Profit for the year (V-VI)		10,52,113	1,01,48,588
VIII. Earnings per equity share (Face value Rs. 10/- each):			
Basic	21	0.19	1.81
Diluted	21	0.19	1.81
Basis of Consolidation & Significant Accounting Policies	1		
Other disclosures	22		

The accompanying notes 1 to 22 are an integral part of the Financial Statements.

As per our report of even date attached.
For **G. P. AGRAWAL & CO.**
Chartered Accountants
Firm's Registration Number - 302082E

CA. Sunita Kedia
Partner
(Membership No. 60162)

7A, Kiran Shankar Ray Road, Kolkata - 700 001
Kolkata, 22nd May, 2014

For and on behalf of Board of Directors

Naresh Pachisia Rajesh Pachisia
Managing Directors

Dipak Kadel
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR YEAR ENDED 31ST MARCH, 2014

Particulars	Year ended	Year ended
	31st March, 2014	31st March, 2013
	₹	₹
A CASH FLOW FROM OPERATING ACTIVITIES		
<i>Profit before Exceptional Items and Extra Ordinary Items and Tax</i>	46,65,303	1,20,79,984
<i>Adjustments to reconcile Profit before Exceptional Items, Extra Ordinary Items and Tax to Cash Flow provided by Operating Activities:</i>		
Finance Cost	4,36,683	4,40,770
Depreciation & Amortisation Expense	18,55,658	34,51,325
Loss on Sale/Discard of Tangible Fixed Assets	40,67,894	16,38,413
Liabilities no longer required written back	(8,00,409)	(6,15,328)
Sundry Debit Balances / Advances Written off	7,75,000	-
Bad Debts Written off	5,19,973	1,08,780
	<u>68,54,799</u>	<u>50,23,960</u>
<i>Operating Profit before Working Capital changes</i>	1,15,20,102	1,71,03,944
<i>Adjustments to reconcile Operating Profit to Cash Flow provided by changes in Working Capital:</i>		
Trade Payables	3,84,01,292	(1,21,29,376)
Other Current Liabilities	(1,77,57,251)	63,85,348
Short term provisions	(2,48,567)	6,47,988
Current investments	(1,00,00,000)	6,23,22,200
Trade Receivables	(4,04,85,304)	86,15,254
Long Term loans and advances	75,69,462	2,09,30,388
Short Term loans and advances	(15,06,673)	1,70,175
Other Non Current Assets	1,61,21,524	(53,60,376)
Other Current Assets	29,69,270	3,66,81,203
	<u>(49,36,247)</u>	<u>11,82,62,804</u>
Cash Generated from Operations	65,83,855	13,53,66,748
Tax Expense	(29,23,245)	(90,49,493)
Cash Flow before Extraordinary Items	36,60,610	12,63,17,255
Exceptional / Extraordinary Items	-	-
Net Cash Generated / Used - Operating Activities	36,60,610	12,63,17,255
B CASH FLOW FROM INVESTING ACTIVITIES		
Additions to Tangible Fixed Assets	(4,18,301)	(15,48,651)
Sale of Tangible Fixed Assets	1,02,249	2,75,433
Net Cash Generated / Used - Investing Activities	(3,16,052)	(12,73,218)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	-	13,18,096
Repayment of Long Term Borrowings	(21,29,106)	(20,71,699)
Finance Cost	(4,36,683)	(4,40,770)
Dividend Paid	(56,15,000)	(56,15,000)
Dividend Distribution Tax Paid	(9,53,006)	(9,10,894)
Net Cash Generated / Used - Financing Activities	(91,33,795)	(77,20,267)
Net Increase in Cash & Cash Equivalents (A+B+C)	(57,89,237)	11,73,23,770
Opening Cash and Cash Equivalents	12,43,20,172	63,81,074
Closing Cash and Cash Equivalents (Note 13)	11,85,30,935	12,43,20,172
Notes:		
1) Cash and Cash Equivalents at the end of the period consists of	As at 31st March, 2014	As at 31st March, 2013
a) Balance with Banks on Current Accounts	72,96,351	1,41,97,470
b) Cash on hand	1,76,134	1,22,702
c) Fixed deposits (maturity less than 3 months)	11,10,58,450	11,00,00,000
	<u>11,85,30,935</u>	<u>12,43,20,172</u>
2) Figure in brackets represent cash outflow from respective activities. The accompanying notes 1 to 22 are an integral part of the Financial Statements.		

As per our report of even date attached.
For **G. P. AGRAWAL & CO.**
Chartered Accountants
Firm's Registration Number - 302082E

CA. Sunita Kedia
Partner
(Membership No. 60162)

7A, Kiran Shankar Ray Road, Kolkata - 700 001
Kolkata, 22nd May, 2014

For and on behalf of Board of Directors

Naresh Pachisia Rajesh Pachisia
Managing Directors

Dipak Kadel
Company Secretary

Note No.1

Basis of Consolidation and Significant Accounting Policies

1.1 Basis of consolidation

The Consolidated Financial Statements relate to SKP Securities Limited (“ The Company”) and its Subsidiary. The Company and its Subsidiary constitute the Group.

i) Basis of Accounting:

- a) The Financial Statements of the Subsidiary Company used in the consolidation are drawn upto the same reporting date as of the Company i.e. 31st March, 2014.
- b) The Consolidated Financial Statements of the Group have been prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 read with General Circular No. 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and other Generally Accepted Accounting Principles in India. These Consolidated Financial Statements are, in so far as they relate to amounts included in respect of Subsidiary company in the audited financial statements, prepared for consolidation in accordance with the requirements of Accounting Standard - 21.

ii) Principles of Consolidation:

The Consolidated Financial Statements have been prepared on the following basis:

The Financial Statements of the Company and its Subsidiary have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealised profits or losses have been fully eliminated.

1.2 Basis of preparation of Financial Statements

The Financial Statements are prepared on an accrual basis and under the historical cost convention and in compliance with the provisions of the Companies Act, 1956 and the Accounting Standards as specified in the Companies (Accounting Standard) Rules, 2006 notified by the Central Government of India.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.

All Assets and Liabilities have been classified as current or non-current as per the company’s normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of services provided and time between the rendering of services and their realization in cash and cash equivalents, the company has ascertained its operating cycle as less than 12 months for the purpose of current and non-current classification of assets and liabilities.

1.3 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

1.4 Fixed Assets and Intangible Assets

- a) Fixed Assets are stated at their original cost less accumulated depreciation and impairments, if any.

- b) Intangible assets expected to provide future enduring economic benefits are recorded at the consideration paid for acquisition of such assets and are carried at cost of acquisition less accumulated amortisation and impairment, if any.

1.5 Depreciation and Amortization

- a) Depreciation on Fixed Assets is provided on Written down value method at the rates and in the manner as specified in Schedule XIV to the Companies Act, 1956.
- b) Depreciation/amortisation on assets added, sold or discarded during the year has been provided on pro-rata basis.
- c) Stock Exchange membership card is not being amortised
- d) Computer Software (Acquired) are amortised on straight line basis over a period of four years.

1.6 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

1.7 Revenue Recognition

- a) Income from broking activities and transactions in respect of dealing in shares , securities and commodities are recognised on the date of settlement on the respective stock and commodity exchanges Income from depositary and other services is recognized when the right to receive the same is established.
- b) Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.
- c) Dividend income is recognized when the Company's right to receive dividend is established.
- d) All other income are accounted for on accrual basis.

1.8 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date.

Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may ,but probably will not, require an outflow of resources. Where 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, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Re-imbusement expected in respect of expenditure to settle a provision is recognized only when it is virtually certain that the re-imbusement will be received.

A Contingent Asset is not recognized in the Accounts.

1.9 Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in previous accounting period is reversed if there has been a change in the estimate of recoverable amount.

1.10 Foreign Currency Transaction

Transactions in Foreign currency are initially recorded at the exchange rate at which the transaction is carried out.

1.11 Employee Benefits

- a) Define contribution plan Company's contribution towards Provident Fund are charged to the Statement of Profit and loss for the year to which it relates.
- b) Defined benefit plan

Company's liability towards gratuity is defined benefit plan. The company has opted for a Group Gratuity cum Life Assurance Scheme of Birla Sun Life Insurance Company Limited and the contribution towards gratuity liability as determined by Birla Sun Life Insurance Company Limited is recognized as an expense in the Statement of Profit and Loss for the year to which it relates as required under Accounting Standard 15 -Employee Benefits. Actuarial gains and losses in respect of such benefits are recognised in the Statement of Profit and Loss.

1.12 Taxes on Income

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets, if any are reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realized.

1.13 Research Expenses

Research costs are expensed as incurred.

1.14 Earnings Per share

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extra ordinary items, if any by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of any extra ordinary items, if any) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

1.15 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

NOTES TO CONSOLIDATED ACCOUNTS

2 SHARE CAPITAL	As at 31st March 2014		As at 31st March 2013	
	No.	₹	No.	₹
a) Authorised				
Equity shares of ₹ 10/- each	<u>1,00,00,000</u>	<u>10,00,00,000</u>	<u>1,00,00,000</u>	<u>10,00,00,000</u>
b) Issued, subscribed and paid-up				
Equity shares of ₹ 10/- each fully paid up	<u>56,15,000</u>	<u>5,61,50,000</u>	<u>56,15,000</u>	<u>5,61,50,000</u>

c) Terms / rights attached to equity shares:

Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Shareholder's holdings more than 5% shares in the company:

Name of Shareholders	As at 31st March 2014		As at 31st March 2013	
	No.	% holding	No.	% holding
Mr. Naresh Pachisia	16,46,700	29.33	16,46,700	29.33
Mr. Rajesh Pachisia	18,19,000	32.40	18,19,000	32.40

e) Details of shares reserved for issuance:

The company has reserved for issue 56,000 (Previous year 70,000) equity shares of par value ₹ 10/- each at a premium of ₹ 19/- each for offering to eligible employees of the company under Employee Stock Option Scheme 2010, out of which 33,600 shares have vested but not been exercised.

3 RESERVES AND SURPLUS	As at 31st March 2014	As at 31st March 2013
	₹	₹
General Reserve - opening balance	2,08,76,000	2,03,76,000
Add: Transferred from Surplus	—	5,00,000
	<u>2,08,76,000</u>	<u>2,08,76,000</u>
Share Premium- opening balance	2,31,65,000	2,31,65,000
Surplus in the Statement of Profit and Loss	12,62,70,954	12,31,90,373
Add: Profit for the year as per Statement of Profit and Loss	10,52,113	1,01,48,588
Amount available for appropriation	12,73,23,067	13,33,38,96
Appropriations:		
Proposed Dividend	—	56,15,000
Tax on Proposed dividend	—	9,53,006
Amount transferred to General Reserve	—	5,00,000
Net surplus in the Statement of Profit and Loss	<u>12,73,23,067</u>	<u>12,62,70,955</u>
Total Reserves and surplus	<u>17,13,64,067</u>	<u>17,03,11,955</u>

i) During the previous year ended 31st March, 2013, Dividend @ ₹ 1/- per equity share was recognised as distribution to equity shareholders. The total dividend appropriation (including tax on dividend) for the year ended March 31, 2013 amounted to ₹ 65,68,006/-.

4 LONG TERM BORROWINGS	As at	As at
	31st March 2014	31st March 2013
	₹	₹
Vehicle Loans		
From banks - Secured	3,28,713	16,90,623
	3,28,713	16,90,623

a) Nature of Security

The vehicle loans are secured by way of hypothecation of the vehicle purchased. The loan carries interest within the range of 9.5% -10.5% p.a.

b) Terms of repayment:

Sl. No.	Name of the banks/entities	Amount outstanding as on 31.03. 2014		Period of maturity w.r.t. Balance Sheet date	Number of instalments due as on 31.03.14
		Current * ₹	Non current ₹		
1	HDFC Bank	77,459	–	3 months	3
		(2,89,248)	(77,459)	(1 year 2 months)	(15)
		–	–	–	–
		(2,75,839)	–	(7 months)	(7)
		–	–	–	–
		(2,57,045)	–	(11 months)	(11)
		5,19,915	3,28,713	1 year 7 months	19
		(8,37,506)	(7,64,536)	(1 year 9 months)	(22)
		7,64,536	–	10 months	10
	(4,69,468)	(8,48,628)	(2 years 6 months)	(31)	
	Total	13,61,910	3,28,713		
		(21,29,106)	(16,90,623)		

Figures in bracket pertains to previous year.

* Represents current maturities of long term debts shown under 'Other current liabilities (Note no. 5).

5 OTHER CURRENT LIABILITIES	As at	As at
	31st March 2014	31st March 2013
	₹	₹
Current maturities of long-term debt*	13,61,910	21,29,106
Unclaimed dividend**	4,06,044	4,13,216
Other payables		
Security/margin deposits	55,90,739	65,56,024
Advance from customers and others	2,27,931	1,52,28,707
Accrued expenses	50,71,995	42,79,271
Statutory liabilities	6,39,902	7,88,546
Book overdraft balances	12,51,187	35,26,328
Others	11,122	1,71,250
	<u>1,45,60,830</u>	<u>3,30,92,448</u>

* Refer note no. 4 (a) & (b) for nature of securities and terms of repayment respectively.

** There are no amounts due and outstanding to be credited to Investor Education & Protection Fund under Section 205 C of the Companies Act, 1956.

6 SHORT TERM PROVISIONS	As at	As at
	31st March 2014	31st March 2013
	₹	₹
Provision for employee benefit-Gratuity	3,99,421	6,47,988
Proposed dividend	–	56,15,000
Tax on dividend	–	9,53,006
Provision for		
Income taxes	4,37,00,722	–
Less: Advance tax	4,24,22,419	–
	<u>12,78,303</u>	<u>–</u>
	<u>16,77,724</u>	<u>72,15,994</u>

7 FIXED ASSETS

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	As at 1st April 2013	Additions during the year	Deductions/ Adjustments during the year	As at 31st March 2014	Upto 1st April 2013	Depreciation for the year	Deductions/ Adjustments during the year	Upto 31st March 2014	As at 31st March 2014	As at 31st March 2013
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
TANGIBLE ASSETS										
Office Equipments	3,11,182	2,41,890	67,289	4,85,783	23,916	21,534	15,672	29,778	4,56,005	#REF!
Furniture and Fixtures	80,47,529	69,829	50,08,523	31,08,835	23,86,636	2,60,139	14,80,755	11,66,020	19,42,815	#REF!
Computers, Servers and other Information Technology Equipments	21,64,124	1,06,582	4,19,003	18,51,703	5,01,788	3,10,605	4,19,003	3,93,390	14,58,313	16,62,336
Vehicles	92,33,406	-	-	92,33,406	15,12,295	8,77,173	-	23,89,468	68,43,938	#REF!
Total	1,97,56,241	4,18,301	54,94,815	1,46,79,727	44,24,635	14,69,451	19,15,430	39,78,656	1,07,01,071	#REF!
Corresponding figure for the previous year	2,16,59,203	15,48,651	34,51,613	1,97,56,241	40,97,334	18,65,067	15,37,766	44,24,635	1,53,31,606	

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	As at 1st April 2013	Additions during the year	Deductions/ Adjustments during the year	As at 31st March 2014	Upto 1st April 2013	Depreciation for the year	Deductions/ Adjustments during the year	Upto 31st March 2014	As at 31st March 2014	As at 31st March 2013
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
INTANGIBLE ASSETS										
Computer Software	1,61,26,425		1,45,81,600	15,44,825	1,47,63,255	3,86,206	1,39,90,842	11,58,619	3,86,206	13,63,170
Stock Exchange Card	2,00,000			2,00,000				-	2,00,000	2,00,000
Total	1,63,26,425	-	1,45,81,600	17,44,825	1,47,63,255	3,86,206	1,39,90,842	11,58,619	5,86,206	15,63,170
Corresponding figure for the previous year	1,63,26,425	-	-	1,63,26,425	1,31,76,997	15,86,258		1,47,63,255	15,63,170	

8 DEFERRED TAX ASSETS	As at 31st March 2014	As at 31st March 2013
	₹	₹
Depreciation/amortisation	12,35,870	2,71,541
	12,35,870	2,71,541

9 LONG-TERM LOANS AND ADVANCES (Unsecured, considered good)	As at 31st March 2014	As at 31st March 2013
	₹	₹
Security deposits	3,35,64,131	4,11,33,593
Advance tax	–	5,39,68,122
Less : Provision for income tax	–	5,35,92,151
	–	3,75,971
	3,35,64,131	4,15,09,564

10 OTHER NON-CURRENT ASSETS	As at 31st March 2014	As at 31st March 2013
	₹	₹
Fixed deposits with banks (Non current portion with original maturity period of more than 12 months)		
– Margin deposit	–	1,55,00,000
Interest accrued but not due on bank deposits	–	6,21,524
	–	1,61,21,524

11 Current investments
(At lower of cost and fair value)

Particulars	As at 31 March 2014			As at 31 March 2013		
	Face Value ₹	Quantity Nos.	Amount ₹	Face Value ₹	Quantity Nos.	Amount ₹
In mutual funds (Fully paid up) Unquoted:						
Templeton India Short Term Income Fund	1,000	4,229.51	1,00,00,000	–	–	–
			1,00,00,000			
Aggregate value of unquoted investments			1,09,64,625			–
Aggregate provision for increment/ diminution in value of investments			–			–

12 TRADE RECEIVABLES	As at 31st March 2014 ₹	As at 31st March 2013 ₹
a) Debts outstanding for a period exceeding six months		
- Unsecured		
Considered good	3,53,06,711	21,20,851
b) Other debts - Unsecured		
Considered good	1,45,35,054	77,55,583
	4,98,41,765	98,76,434

13 CASH AND BANK BALANCES	As at 31st March 2014 ₹	As at 31st March 2013 ₹
Cash and cash equivalents		
Balances with banks		
In current accounts	72,96,351	1,41,97,470
Fixed deposits (maturity less than 3 months)	11,10,58,450	11,00,00,000
Cash-on-hand	1,76,134	1,22,702
	11,85,30,935	12,43,20,172
Other bank balances		
Earmarked balances		
Unpaid dividend	4,06,044	4,13,216
Current deposits*	1,33,22,574	3,20,76,683
Margin deposit/Security		
Current portion of original maturity period more than 12 months		
– Fixed Deposit pledged as margin deposits with exchange	3,95,47,807	2,45,43,580
– Fixed Deposit pledged as security against borrowings	1,00,00,000	1,00,00,000
Stamps-on-hand	3,21,721	2,29,469
	18,21,29,081	19,15,83,120

*Balances with banks in Client Money accounts, not available for use of the Company.

14 SHORT TERM LOANS AND ADVANCES (Unsecured, considered good)	As at 31st March 2014 ₹	As at 31st March 2013 ₹
Security deposits	45,000	–
Other loans and advances		
Prepaid expenses	12,66,709	8,05,405
Advance to staff and others	16,58,262	14,32,483
Taxes & duties	–	410
	29,69,971	22,38,298

15 OTHER CURRENT ASSETS	As at 31st March 2014 ₹	As at 31st March 2013 ₹
Interest accrued but not due on bank deposits	37,99,627	31,92,800
TDS and other recoverable	6,10,174	5,28,641
	44,09,801	37,21,441

16 REVENUE/INCOME FROM OPERATIONS	Year Ended 31st March 2014 ₹	Year Ended 31st March 2013 ₹
Sale of services		
Distribution services	3,24,17,522	3,39,24,197
Broking services	4,33,33,499	5,74,96,758
Depository services	29,56,829	31,71,567
Advisory services	–	32,89,038
	7,87,07,850	9,78,81,560
Income from Arbitrage	2,30,767	10,06,528
Other operating revenues		
Dividend income on current investment	84,838	30,32,715
Profit on sale of current investment	66,40,920	43,30,819
Interest income (Gross)		
On fixed deposits	59,64,458	66,64,883
On margin deposits	14,59,447	15,50,879
On late payment from clients	27,57,454	30,21,597
	1,01,81,359	1,12,37,359
	9,58,45,734	11,74,88,981

17 OTHER INCOME	Year Ended 31st March 2014 ₹	Year Ended 31st March 2013 ₹
Other non-operating income		
Liabilities no longer required written back	8,00,409	6,15,328
Miscellaneous income	25,728	74,059
	8,26,137	6,89,387

18 EMPLOYEE BENEFIT EXPENSES	Year Ended 31st March 2014 ₹	Year Ended 31st March 2013 ₹
Salaries	2,81,85,268	3,08,63,353
Contribution to provident & other funds	3,99,505	6,54,864
Staff welfare expenses	10,41,806	15,35,688
	2,96,26,579	3,30,53,905

19 FINANCE COST	Year Ended 31st March 2014 ₹	Year Ended 31st March 2013 ₹
Interest expenses		
On short term borrowings	3,42,483	4,40,770
On late payment of Advance tax	94,200	–
	4,36,683	4,40,770

20 OTHER EXPENSES	Year Ended	Year Ended
	31st March 2014	31st March 2013
	₹	₹
Rent	73,19,653	69,97,566
Rates and taxes	2,08,136	10,77,221
Repairs - Others	42,60,961	9,48,478
Broker Note Stamp	24,06,062	31,56,515
Insurance Expenses	80,674	88,130
Brokerage and commission	1,72,37,697	2,59,46,037
Computer Expenses	29,96,296	32,04,502
Research Expenses	14,62,716	13,77,253
Payment to auditors		
As auditor for statutory audit	90,000	90,000
For tax audit	27,000	27,000
For other services	25,000	25,000
Electricity expenses	20,93,241	24,01,256
Connectivity charges	18,20,991	19,58,109
Subscription	7,71,745	11,71,637
Transaction Charges	18,61,344	27,14,650
Service Charges	13,63,261	14,85,766
Travelling Expenses	28,57,703	26,97,659
Legal & Professional Fees	14,50,734	16,03,235
Vehicle expenses	11,72,474	9,73,735
Director Sitting Fess	1,70,000	1,70,000
Bad debt written off	5,19,973	1,08,780
Advances written off	7,75,000	-
Loss on sale/discard of Fixed Assets	40,67,894	16,38,413
Miscellaneous Expenses	50,49,093	92,91,442
	6,00,87,648	6,91,52,384

Note No : 21
Earnings per Share - The numerators and denominators used to calculate Basic / Diluted Earnings per Share:

Particulars	Year Ended 31st March 2014 ₹	Year Ended 31st March 2013 ₹
a) Amount used as the numerator (₹) Profit after Tax - (A)	10,52,113	1,01,48,588
b) Weighted average number of Equity Shares Outstanding used as the denominator for computing Basic Earnings per Share - (B)	5615000	5615000
c) Weighted average number of Equity Shares Outstanding used as the denominator for computing Diluted Earnings per Share - (C)	5615000	5615000
d) Nominal value of Equity Shares (₹)	10	10
e) Basic Earnings per Share (₹) (A/B)	0.19	1.81
f) Diluted Earnings per Share (₹) (A/C)	0.19	1.81

Note No : 22
Other disclosures
23.1 Contingent liabilities :

Year Ended 31st March 2014 ₹	Year Ended 31st March 2013 ₹
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Claims against the Company not acknowledged as debts :

Service tax demand - under appeal	56,90,264	56,90,264
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The above amount represents the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be estimated accurately. The Company does not expect any reimbursements in respect of the above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the grounds that there are fair chances of successful outcome of appeals.

22.2 The company does not have any dues to Micro and Small Enterprises as per the requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (Previous year - ₹ NIL)

22.3 The Employee Stock Option Scheme (SKP ESOP Plan 2010) of the Company was formulated in the year 2010. Under the said Scheme, Options granted have vesting period of one to three years and exercise period of maximum five years. The details of Options granted, lapsed and exercised as on 31st March, 2014 are as under :

Particulars	Year Ended	Year Ended
	31st March 2014	31st March 2013
	₹	₹
Year of Issue	2010-11	2010-11
Date of grant of Option	21.05.2011	21.05.2011
Exercise Price (₹)	29.00	29.00
Market Price on the date of grant (₹)	27.10	27.10
Excess of Market Price over Exercise Price (₹)	(1.90)	(1.90)
Number of Options granted upto 31.03.2013	1,00,000	1,00,000
Number of Options exercised upto 31.03.2013	–	–
Number of Options lapsed upto 31.03.2013	30,000	23,000
Number of Options outstanding on 01.04.2013	70,000	77,000
Number of Options exercised during the year	–	–
Number of Options lapsed during the year	14,000	7,000
Number of Options outstanding on 31.03.2014	56,000	70,000

Note : Refer Director's Report for other disclosures.

22.4 Employee Benefits :

As per Accounting Standard - 15 "Employee Benefits", the disclosure of Employee Benefits as defined in the Accounting Standard are as follows:

Defined Contribution Plan :

Employee benefits in the form of Provident Fund and Employee State Insurance Scheme are considered as defined contribution plan.

The contributions to the respective fund are made in accordance with the relevant statute and are recognised as expense when employees have rendered service entitling them to the contribution. The contributions to defined contribution plan, recognised as expense in the Statement of Profit and Loss are as under :

Defined Contribution Plan	Year Ended	Year Ended
	31st March 2014	31st March 2013
	₹	₹
Employers' Contribution to Provident Fund	–	6,876

Defined Benefit Plan:

Long-term employee benefits in the forms of gratuity are considered as defined benefit obligation. The present value of obligation is determined based on actuarial valuation using projected unit credit method as at the Balance Sheet date. The amount of defined benefits recognised in the Balance Sheet represent the present value of the obligation as adjusted for unrecognised past service cost and as reduced by the fair value of plan assets.

Any asset resulting from this calculation is limited to the discounted value of any economic benefit available in the form of refunds from the plan or reduction in future contribution to the plan. The amount recognised in the Accounts in respect of Employees Benefit Schemes based on actuarial reports are as follows :

a) Details of funded post retirement plans are as follows:

(Amount in ₹)

Particulars	31st March, 2014 Gratuity	31st March, 2013 Gratuity
I. Components of Employer Expense:		
1 Current Service Cost	4,17,137	3,90,734
2 Past Service Cost		
3 Interest Cost	1,88,502	1,49,895
4 Expected return on Plan Assets	1,51,215	1,24,927
5 Actuarial (Gain) /Loss recognised in the year	(54,067)	2,06,762
6 Expense recognised in the Statement of Profit and Loss	4,00,357	6,47,988
II. Change in Present Value of Defined Benefit Obligation :		
1 Present value of Defined Benefit Obligation at the beginning of the year	23,75,224	21,19,538
2 Acquisition Adjustment	-	-
3 Interest Cost	1,88,502	1,49,895
4 Past Service Cost	-	-
5 Current Service Cost	4,17,137	3,90,734
6 Employees Contribution	-	-
7 Benefits Paid	4,41,839	4,91,705
8 Actuarial (Gain) / Loss	29,749	(24,588)
9 Present value of Defined Benefit Obligation at the end of the year	25,68,773	23,75,224
III. Change in Fair Value of Plan Assets during the period :		
1 Plan Assets at the beginning of the year	17,28,172	15,61,583
2 Expected return on Plan Assets	1,51,215	1,24,927
3 Actual Company Contribution	6,47,988	5,57,955
4 Benefits paid	4,41,839	4,91,705
5 Actuarial Gain / (Loss)	83,816	(24,588)
6 Plan Assets at the end of the year	21,69,352	17,28,172
IV. Net Asset / (Liability) recognised in the Balance Sheet as at year end:		
1 Present value of Defined Benefit Obligation	25,68,773	23,75,224
2 Fair value of Plan Assets	21,69,352	17,28,172
3 Funded Status [Surplus/(Deficit)]	(3,99,421)	(6,47,988)
4 Net Asset / (Liability) recognised in Balance Sheet	(3,99,421)	(6,47,988)

V. Actuarial Assumptions:

1	Discount Rate (per annum) %	8.75	8.00
2	Expected return on Plan Assets (per annum) %	8.75	8.00
3	Retirement/Superannuation Age (Year)	58	58
4	Mortality Rates	IALM 2006-08 ULTIMATE	LICI 1994-1996

VI. Major Category of Plan Assets as a % of the Total Plan Assets as at year end :

1	Administered by Insurance Companies (The details with respect to the composition of investment in the fair value of plan assets have not been disclosed in the absence of availability of information)	100%	100%
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VII. Expected employers' contribution for next year

41,049	NA
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VIII. Basis used to determine the expected Rate of return on Plan Assets:

The basis used to determine overall expected Rate of return on Plan Assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the Capital and optimise returns within acceptable risk parameters, the Plan Assets are well diversified.

b) Other disclosures :

i) Basis of estimates of Rate of escalation in salary :

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.

ii) The Gratuity and Provident Fund Expenses have been recognised under “ Contribution to Provident Fund and Other Funds” under Note no. 18.

iii) The history of experience adjustments for funded post retirement plans are as follows :

(Amount in ₹)

Particulars	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2010
Gratuity					
Present value of defined benefit obligation	25,68,773	23,75,224	21,19,538	17,95,909	11,54,000
Fair value of plan assets	21,69,352	17,28,172	15,61,583	14,17,248	15,06,938
(Deficit)/Surplus	(3,99,421)	(6,47,988)	(5,57,955)	(3,78,661)	3,52,938

22.5 Segment information as per Accounting Standard - 17 on ‘Segment Reporting’:

The Company is primarily engaged in a single business segment of Broking & Dealing in Securities and related services. All the activities of the company revolves around the main business. As such there are no separate reportable segments as per Accounting Standard - 17 “Segment Reporting” notified by the Central Government under the Companies (Accounting Standard) Rules 2006.

23.6 Related party disclosures as per Accounting Standard - 18 are given below:

a) Name of the related parties and description of relationship:

- i) Key Managerial Personnel (KMP) : Mr. Naresh Pachisia, Managing director
Mr.Rajesh Pachisia, Managing director
- ii) Relatives of Key Managerial Personnel :
Mr. Naresh Pachisia : Mrs. Manju Pachisia (Wife)
Mr. Nikunj Pachisia (Son)
Mrs. Kanupriya Daga Pachisia (Son's Wife)
Mrs. Suraj Devi Pachisia (Mother)

Mr.Rajesh Pachisia : Mrs. Vatsala Pachisia (Wife)
Mrs. Suraj Devi Pachisia (Mother)
Ms. Priyanka Pachisia (Daughter)
- iii) Concerns over which KMP and their : M/s. Naresh Pachisia & Sons (HUF)
relatives have substantial interest : M/s. Rajesh Pachisia & Sons (HUF)
M/s. SKP Insurance Brokers & Advisors Pvt. Ltd.

b) Transactions with Related parties:

(Amount in ₹)

Nature of transaction/ Name of the related party	Subsidiaries	Concerns over which KMP their and relatives have substantial interest	Key Managerial Personnel (KMP)	Relatives of KMP	Total
i) Receiving of Services					
Naresh Pachisia	-	-	30,00,000	-	30,00,000
	-	-	(30,00,000)	-	(30,00,000)
Rajesh Pachisia	-	-	30,00,000	-	30,00,000
	-	-	(30,00,000)	-	(30,00,000)
Nikunj Pachisia	-	-	-	1,09,656	1,09,656
	-	-	-	(1,09,656)	(1,09,656)
ii) Rendering of Services					
Demat Charges Received	-	865	1747	2789	5,401
	-	(4,348)	(1,161)	(1,843)	(7,352)
Brokerage Earned	-	116	15980	37,708	53,804
	-	(2)	(19,271)	(2,116)	(21,389)
iii) Dividend Paid to Shareholders					
Naresh Pachisia	-	-	16,46,700	-	16,46,700
	-	-	(10,03,850)	-	(10,03,850)
Rajesh Pachisia	-	-	18,19,000	-	18,19,000
	-	-	(11,76,150)	-	(11,76,150)

Manju Pachisia	-	-	-	2,00,000	2,00,000
	-	-	-	(2,00,000)	(2,00,000)
Vatsala Pachisia	-	-	-	2,00,000	2,00,000
	-	-	-	(2,00,000)	(2,00,000)
Nikunj Pachisia	-	-	-	50,850	50,850
	-	-	-	(50,850)	(50,850)
Suraj Devi Pachisia	-	-	-	(-)	(-)
	-	-	-	(2,00,000)	(2,00,000)
Naresh Pachisia HUF	-	2,07,300	-	-	2,07,300
	-	(2,07,300)	-	-	(2,07,300)
Rajesh Pachisia HUF	-	85,850	-	-	85,850
	-	(85,850)	-	-	(85,850)
Surendra Kumar Pachisia & Sons (HUF)	-	-	-	-	-
	-	(10,85,700)	-	-	(10,85,700)
iv) Consultancy Charges Paid					
SKP Insurance Brokers & Advisors Pvt Ltd	-	3,00,000	-	-	3,00,000
	-	(3,50,000)	-	-	(3,50,000)
Kanupriya Daga Pachisia	-	-	-	1,06,000	1,06,000
	-	-	-	(-)	(-)
v) Balance Outstanding					
Accounts receivable	-	-	-	47,183	47,183
Nikunj Pachisia	-	-	-	(-)	(-)

- c) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.
- d) No amount has been written back / written off during the year in respect of due to / from related parties.
- e) The amount due from related parties is good and hence no provision for doubtful debts in respect of dues from such related parties is required.
- f) Figures in brackets pertain to previous year.

22.7 Disclosure under clause 32 of the Listing Agreement:

There are no transactions with Subsidiary Company which are required to be disclosed under Clause 32 of the Listing Agreement with the Bombay Stock Exchange Limited.

23.8 Dividend remitted in foreign currency:

The Company has not remitted any amount in foreign currency on account of dividend. The particulars of dividend payable to non-resident shareholders are as under:

	Year ended 31st March, 2014	Year ended 31st March, 2013
i) Year to which Dividend relates	31-03-2013	31-03-2012
ii) Number of non-resident shareholders	3	3
iii) Number of Ordinary Shares held by them	4,163	8,850
iv) Gross amount of Dividend (₹)	4,163	26,550

23.9 The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report of even date attached.
For **G. P. AGRAWAL & CO.**
Chartered Accountants
Firm's Registration Number - 302082E

CA. Sunita Kedia
Partner
(Membership No. 60162)

7A, Kiran Shankar Ray Road, Kolkata - 700 001
Kolkata, 22nd May, 2014

For and on behalf of Board of Directors

Naresh Pachisia Rajesh Pachisia
Managing Directors

Dipak Kadel
Company Secretary

Statement pursuant to section 212 of the Companies act, 1956, relating to subsidiary company

1. Name of the Subsidiary Company : SKP Commodities Limited
2. The Financial Year of the subsidiary company ends on : 31st March, 2014
3. Date from which it became subsidiary : 21st Sept 2009
4. Holding Company's Interest : 10,00,000 Equity Shares of 10/- each fully paid up
5. Extent of Holding : 100%
6. The aggregate amount of the Subsidiary Company's Profit/(Loss) so far as it concerns the members's of the Holding Company
 - a) Not dealt with in the Holding Company's accounts
 - i) For the Financial Year ended 31st March 2014 : (₹ 1,19,721/=)
 - ii) For the previous Financial year of the subsidiary Company since it became of the subsidiary the Holding Company : 31st March 2014
 - b) Dealt with in the Holding Company's accounts
 - i) For the Financial year of the subsidiary Company since it became the Holding Company : Nil
 - ii) For the previous Financial year of the subsidiary Company since it became of the subsidiary the Holding Company : Nil

For and on behalf of Board of Directors

Naresh Pachisia Rajesh Pachisia
Managing Directors

Dipak Kadel
Company Secretary



SKP SECURITIES LTD
CIN NO: L74140WB1990PLC049032
Registered Office: Chatterjee International Centre,
33A, Jawaharlal Nehru Road, Level 21, Kolkata 700 071
Tel.: +91 33 40077000 E-mail:cs@skpmoneywise.com
Website: www.skpmoneywise.com

ADMISSION SLIP

To be handed over at the entrance of the Meeting Hall

Members Folio Number/ DP ID & Client ID	Name of the attending Member (IN BLOCK LETTERS)	No. of Shares held
Name of the Proxy* :		
(IN BLOCK LETTERS)		

(* to be filled if the Proxy attends instead of the member)

I hereby record my presence at the 24th Annual General Meeting of the members of SKP Securities Limited at MCC Chamber of Commerce & Industry, 15B, Hemant Basu Sarani, Kolkata 700 001 on Saturday, 27th September, 2014 at 10:30 am.

Member's / Proxy's signature

(To be signed at the time of handing over this slip)

Note : Please carry the copy of the Annual Report for 2013-14 at the Meeting Hall.

SKP SECURITIES LTD

CIN NO: L74140WB1990PLC049032

Registered Office:Chatterjee International Centre, 33A, Jawaharlal Nehru Road,Level 21, Kolkata 700071
Tel.: +91 33 40077000 E-mail:cs@skpmoneywise.com Website: www.skpmoneywise.com

PROXY FORM

Form No. MGT-11

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

Name of the member(s):

Registered Address:

Email ID:

Folio No/Client ID/DP ID:

I/We, being the holder(s) ofshares of the above named Company, hereby appoint:

1. Name: Address:
E-mail ID: Signature:
2. Name: Address:
E-mail ID: Signature :.....

asmy/our proxy to attend and voteon the Resolutions and in such manner as are indicated below:

Ordinary Resolution

1. Adoption of Balance Sheet as at 31st March, 2014, the Profit & Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. Re-appointment of Mr. Naresh Pachisia, Director retiring by rotation.
3. Re-appointment of M/s G.P. Agrawal& Co., Chartered Accountants, as Statutory Auditors

Special Business

4. Appointment of Mr. Subrata Kumar Mitra as an Independent Director.
5. Appointment of Mr. Ravi Todi as an Independent Director.
6. Appointment of Mr. Kishore Bhimani as an Independent Director.
7. Appointment of Mrs. Manju Pachisia as a Non-Executive Director.
8. Appointment and Remuneration of Mr. Nikunj Pachisia as a Whole Time Director.
9. Payment of Commission to Non Whole Time Directors of the Company.
10. Resolution under section 181 of the Companies Act, 2013 for contributing to charitable fund, etc.
11. Resolution under section 180(1)(c) of the Companies Act, 2013 for borrowings.
12. Resolution under section 180(1)(a) of the Companies Act, 2013 for creating charge.

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

Affix
revenue
stamp of
₹ 1

Signature of shareholder

Signature of proxy holder(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Notwithstanding the above the proxies can vote on such other items which may be tabled at the meeting by the shareholders present.

National Electronic Clearing Service (NECS) MANDATE FORM

Maheshwari Datamatics Pvt. Ltd.
Unit: SKP Securities Ltd
Chatterjee International Centre,
33A, Jawaharlal Nehru Road
Kolkata - 700 071
Telephone No.: (033) 40077000
E-mail: mdpl@cal.vsnl.net.in

Shareholders holding shares in Physical Mode are requested to complete this form and send it to Maheshwari Datamatics Pvt. Ltd.

Shareholders holding shares in Electronic Mode are requested to contact their respective Depository Participants.

Dear Sirs,

Payment through NECS

I hereby consent to have the amount of dividend, if any, on my Ordinary (Equity) Shares credited through the National Electronic Clearing Service (NECS). The particulars are:

1. Folio No./ Client ID No./ DP ID No. (Folio No. Given in ordinary (equity) share certificate(s)/DP & Client ID Nos. given by your DP)
2. Shareholder's Name (First / Sole)
3. Shareholder's Address.....
4. Telephone No E-mail ID
5. Income Tax Permanent Account (PAN) No.....
6. Particulars of the Bank.....
 - Bank Name
 - Branch Name and..... Address
 - Mention the 9 digit-code number of the Bank and Branch appearing on the MICR cheque issued by the Bank (Please attach the photocopy of a cheque or a cancelled blank cheque issued by your bank for verifying the accuracy of the code number)
 - Account type :- Please Tick () Savings Current Cash Credit
 - Account number (as appearing on the MICR cheque book)
 - Date from which the mandate should be effective

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information or non-availability of NECS facility with Company's banks at my place/city. I would not hold the Company/Registrar & Share Transfer Agent of the Company responsible. I also undertake to advise any change in the particulars of my account to facilitate updating of records for purpose of credit of dividend amount through NECS.

Date:

Signature of the first/sole shareholder



SKP Team Awards



Rewarding Youth ...



... and experience of 25 years!

Fun @ SKP



A Team SKP Family Day Out; Bowling and much more

