

Annual Report

2017-2018

SKP SECURITIES LTD
creating prosperity

Environmentally Responsible Business Practices



Leader in “Go Green Initiative” (3rd) at NSDL Star Performer Awards 2017

SKP

Working for Financial Education & Inclusion

(Glimpses of some Investor/Partner meets across Eastern India)



Board of Directors

Kishore Bhimani	- <i>Independent, Non Executive Director</i>
Ravi Todi	- <i>Independent, Non Executive Director</i>
Paritosh Sinha	- <i>Independent, Non Executive Director</i>
Santanu Ray	- <i>Additional Independent Non-Executive Director (appointed w.e.f. 5th May, 2018)</i>
Manju Pachisia	- <i>Non-Executive Director</i>
Nikunj Pachisia	- <i>Whole-time Director</i>
Naresh Pachisia	- <i>Managing Director</i>

Chief Financial Officer

Anil Shukla

Company Secretary

Alka Khetawat

Statutory Auditors

M/s. G. P. Agrawal & Co.
Chartered Accountants
7A, Kiran Shankar Roy Road
Kolkata - 700 001

Registrar & Share Transfer Agent

Maheshwari Datamatics (P) Ltd.
23, R. N. Mukherjee Road, 5th Floor
Kolkata 700 001
Phone: 033-2243 5029
Email: mdpldc@yahoo.com

Registered Office & Correspondence Address

Chatterjee International Centre, Level 21
33A, Jawaharlal Nehru Road
Kolkata - 700 071, India
Phone : (033) 4007 7000
Fax : (033) 4007 7007
E-mail : cs@skpsecurities.com
CIN: L74140WB1990PLC049032

Audit Committee

Ravi Todi (*Chairman*)
Kishore Bhimani
Naresh Pachisia

Nomination & Remuneration Committee

Ravi Todi (*Chairman*)
Kishore Bhimani
Paritosh Sinha
Naresh Pachisia

Stakeholders Relationship Committee

Kishore Bhimani (*Chairman*)
Ravi Todi
Naresh Pachisia

Bankers

HDFC Bank Ltd.
Axis Bank Ltd.
State Bank of India

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Our Logo

symbolizes our Corporate Personality

SQUARE: The solid shape symbolizes SKP as structurally grounded with a strong, stable and balanced foundation having an eye on basics. It also denotes integrity that lies in its pragmatic approach, on which society in general and clients in particular can depend upon, for right direction and peace of mind.

GREY: The formal colour of maturity and responsibility, like that of grey hair, depicts a safe, toned down and responsible SKP from which a new positive emerges that lends a steady effect on others. The dynamic yet subtle, conservative yet independent, conventional yet neutral, impartial yet practical approach of SKP, makes it trustworthy. It also creates a sense of calm & composure for its clients, providing them relief from an otherwise chaotic world.

BLUE: The calm, peaceful and harmonious blue reflects the sincerity and compassion of SKP reiterating that it cares about what it does for its clients. It redefines the facets of depth, loyalty, reliability and devotion amidst an aura of integrity, faithfulness and credibility. The corporate blue reflects the power of its strength and authority that emanates from its enthusiastic desire and determined spirits to be idealistic and judicious. Its controlled, clean and orderly, yet open & flexible approach, underlines its clarity of communication to its clients of being with them till eternity. It is a symbol of our maturity, confidence and success.

CONCEPT: The conventional but youthful & smart typeface symbolizes our capability to understand customer needs across age groups. The tagline symbolizes our vision.

The SKP Vision

Bringing happiness through prosperity solutions

Core Values @ SKP

Customers First
Ethics
Education
Efficiency
Empowerment
Ownership

MEMBER

BSE Ltd.
National Stock Exchange of India Ltd.

DEPOSITORY PARTICIPANT

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

SEBI Registered Research Analyst AMFI Registered Mutual Fund Advisor

CHARTER MEMBER

Financial Planning Standards Board, India

OUR CLIENT SEGMENTS

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

OUR SERVICES

Broking
Distribution
Private Wealth
Investment Banking
Institutional Equities

ISO 9001 : 2008

NOTICE

Notice is hereby given that the Twenty Eighth Annual General Meeting of the Members of SKP Securities Limited (CIN: L74140WB1990PLC049032) will be held at Merchants' Chamber of Commerce & Industry, 15B, Hemanta Basu Sarani, Kolkata – 700001 on Saturday, the 28th day of July, 2018, at 10:00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2018, and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Manju Pachisia (DIN: 00233821), who retires by rotation and being eligible, offers herself for re-appointment.
3. To ratify the appointment of Statutory Auditors of the Company and to 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 provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the relevant Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as recommended by the Audit Committee in its meeting dated 5th May, 2018, and pursuant to the resolution passed by the Members at the 27th Annual General Meeting held on 29th July, 2017, the appointment of M/s. G.P. Agrawal & Co., Chartered Accountants, Kolkata (Firm Registration No: 302082E) who have been appointed as the Statutory Auditors of the Company to hold office for a term of five consecutive years from the conclusion of the 27th Annual General Meeting till the conclusion of 32nd Annual General Meeting subject to ratification of their appointment by members at every Annual General Meeting and who have confirmed their eligibility for continuing with their appointment, be and are hereby ratified, on such remuneration as will be mutually decided by the Committee and Board of Directors in consultation with the Auditors.”

SPECIAL BUSINESS:

4. **To consider and appoint Mr. Santanu Ray (DIN: 00642736) as a Non-Executive Independent Director and in this regard, if thought fit, to pass the following as an Ordinary Resolution:**

“RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force), and the applicable Regulations under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Santanu Ray (DIN No: 00642736) who was appointed by the Board of Directors as an Additional Independent Director w.e.f. 5th May, 2018, to hold office up to the date of this Annual General Meeting and in respect of whom the Company, in pursuance of Section 160 of the Companies Act, 2013, has received a notice in writing from a Member proposing his candidature for the office of Director of the Company, be and is hereby appointed as Non- Executive Independent Director of the Company.”

“RESOLVED FURTHER THAT any Director or Company Secretary be and is hereby authorized to do all such acts and take steps as may be necessary, proper or expedient to give effect to the aforesaid resolution.”

5. To consider and approve the re-appointment of Mr. Naresh Pachisia (DIN: 00233768) as Managing Director of the Company, fix his remuneration, and in this regard, if thought fit, to pass the following as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, (‘the Act’) (including any statutory modification(s) or re-enactment thereof for the time being in force) and in partial modification of the resolutions passed earlier in respect of re-appointment and payment of remuneration to Mr. Naresh Pachisia (DIN: 00233768), Managing Director of the Company, consent of the members of Company be and is hereby accorded for the re-appointment of Mr. Naresh Pachisia as Managing Director of the Company for a period of three years w.e.f from 1st April, 2018, at a current remuneration ₹ 50,00,000/- per annum and commission not exceeding 4% of net profit of the Company for each financial year, computed in the manner as laid down in Section 198 of the Companies Act, 2013, and on terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors in their respective meeting held on 5th May, 2018, and as per the draft agreement to be entered into with Mr. Naresh Pachisia as placed before the Board which also empowers the Board of Directors to revise, amend, alter and vary terms and conditions of his appointment and remuneration within the limit, in such manner as may from time to time be prescribed by the Central Government or as may be agreed to by and between the Board of Directors and Mr. Naresh Pachisia.”

“**RESOLVED FURTHER THAT** Mr. Naresh Pachisia shall also be eligible for perquisites such as club fees, group insurance, use of cars, telephones at residence, electricity, maintenance expenses of his residential accommodation, leave and leave travel concession, gratuity and other benefits as per the policy of the Company.”

“**RESOLVED FURTHER THAT** if in any financial year during the term of Mr. Naresh Pachisia, the Company has loss or inadequate profits, he will be entitled to receive the remuneration specified in the aforesaid agreement as minimum remuneration as provided under the Companies Act, 2013.”

“**RESOLVED FURTHER THAT** the Managing Director shall not as long as he continues to be Managing Director of the Company be liable to retire by rotation.”

“**RESOLVED FURTHER THAT** any Director or Company Secretary be and is hereby authorized to do all such acts and take steps as may be necessary, proper or expedient to give effect to this resolution.”

Notes:

1. A Member entitled to attend and vote at the Annual General Meeting ('AGM') is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company. A person can act as a proxy on behalf of members not exceeding 50 in number and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. However, a Member holding more than 10% 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 Member. The instrument of Proxy, in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed not later than 48 hours before the commencement of the AGM.
2. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (the 'Act') in respect of Special Business under Item Nos. 4 & 5 of the accompanying Notice is annexed hereto.
3. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the AGM.
4. Members/Proxies/Authorized Representatives are requested to bring duly filled Attendance Slip enclosed herewith along with their copy of the Annual Report to attend the AGM.
5. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 20th July, 2018 to Saturday, 28th July, 2018 (both days inclusive).
7. Details under Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Directors seeking appointment/re-appointment/continuation at the AGM forms part of the notice.
8. Pursuant to the provisions of Section 124 and 125 of the Act, dividend which remains unpaid or unclaimed for a period of seven years, will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Shareholders who have not yet encashed the dividend warrants(s) are requested to make their claims to the Company. It may be noted that once the unclaimed dividend is transferred, on the expiry of seven years, to the IEPF, as stated herein, no claim with the Company shall lie in respect thereof.

Further, pursuant to provisions of Section 124(6) of the Act, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended time to time, all shares in respect of which dividends have remained unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority. Members/Claimants whose shares, unclaimed dividend etc have been transferred to the IEPF Authority, may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF-5 (available on www.iepf.gov.in) as per the procedure prescribed in the IEPF Rules.

9. Members are requested to notify change in address, if any, to Company's Registrar and Share Transfer Agent (RTA), M/s. Maheshwari Datamatics Pvt. Ltd.
10. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such Folios and send the relevant share certificates to RTA for doing the needful. Share certificates will be returned to the Members after making requisite changes thereon.

11. Members holding shares in single name are advised to make nomination in respect of their shareholding in the Company. Members holding shares in physical form should file their nomination with the Company whilst Members holding shares in demat mode may contact their respective Depository Participant for availing the facility.
12. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN to the Depository Participants with whom they maintain their demat account. Members holding shares in physical form should submit their PAN to the Company or its RTA.
13. SEBI Regulations has mandated Companies to credit the dividend electronically to the Members' bank account. Members who hold shares in dematerialized form should inform their Company/DP and Members holding shares in physical form should inform the Company, the Bank details. Those Members who have earlier provided the above information should update the details if required.
14. Members desiring any information as regard the Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready at the meeting.
15. Members may also note that the Notice of the Meeting will also be available on the Company's website www.skpsecurities.com and on the Central Depository Services (India) Limited (CDSL) website www.evotingindia.com. The physical copies of the aforesaid documents will also be available for inspection by the Members at the Company's Registered Office on all working days between 10:00 A.M. to 1:00 P.M. till the date of the Meeting.
16. The route map showing direction to reach the venue of the AGM is enclosed for the convenience of the Members.
17. **GENERAL INFORMATION ON VOTING THROUGH ELECTRONIC MEANS**
 - a) In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their votes through remote e-voting and Ballot Form for all the resolutions detailed in the Notice of the 28th AGM. The Company has engaged the services of CDSL as the authorized agency to provide the e-voting facility.
 - b) The facility for voting at the venue of AGM will be available only to the members who have not cast their vote through remote e-voting. Member who has cast their vote by remote e-voting prior to AGM may attend the meeting but shall not be entitled to cast their vote again.
 - c) Mr. Atul Kumar Labh, Practicing Company Secretary (FCS: 4848/CP: 3238) of A. K. Labh & Co. Company Secretaries, Kolkata, has been appointed as the Scrutinizer to scrutinise the entire e-voting process in a fair and transparent manner.
 - d) The Scrutinizer shall submit his report to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of voting.
 - e) The results declared along with the Scrutinizers Report, shall be placed on the Company's website www.skpsecurities.com and on the website of CDSL www.evotingindia.com immediately after the declaration of result by the Chairman or a person authorized by him. The result shall also be uploaded on the BSE Listing Portal where the shares of the Company are listed.

A. The instructions for shareholders voting electronically are as under:

- i. The voting period begins on 25th July, 2018 (9:00 A.M.) and ends on 27th July, 2018 (5:00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21st July, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iv. Click on Shareholders.
- v. 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.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. 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.
- viii. 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)
	<ul style="list-style-type: none"> • 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.
	<ul style="list-style-type: none"> • 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.
Dividend Bank Details	<ul style="list-style-type: none"> • Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
OR Date of Birth (DOB)	<ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- ix. After entering these details appropriately, click on “SUBMIT” tab.
- x. Members holding shares in physical form will then directly reach 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 also to be 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.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xiii. 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.
- xiv. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xv. 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.
- xvi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xviii. If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xx. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xxi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

B. In case of Members receiving the physical copy:

- i. Please follow all steps from sl. No (i) to sl. No. (xvii) above to cast vote
- ii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQ”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board
For **SKP Securities Limited**

Registered Office:

Chatterjee International Centre, Level-21
33A, Jawaharlal Nehru Road
Kolkata - 700071
Dated: 5th May, 2018

Alka Khetawat
(Company Secretary)
ACS: 47322

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

The Board of Directors on the recommendation of Nomination and Remuneration Committee appointed Mr. Santanu Ray (DIN: 00642736) as an Additional Independent Director of the Company with effect from 5th May, 2018. In accordance with the provisions of Section 161(1) and other applicable provisions of the Companies Act, 2013, Mr. Santanu Ray holds office upto the date of this Annual General Meeting and is eligible for the appointment as a Non-Executive Independent Director. In terms of Section 160 of the Act, the Company has received a notice in writing from a Member proposing the candidature of Mr. Ray for the office of Director. Mr. Ray has furnished consent and declarations for his appointment as required under the Act and the Rules thereunder.

Mr. Ray is a B.Com, FCA, carrying long years’ experience as a corporate professional and academician. He is a Management Educator and Consultant with focused concentration on

research and publications and specializes in Financial Management and Strategic Management. He serves as an Independent Director on Boards of leading Companies and has held leadership roles at management institutions.

Your Directors therefore, recommend the passing of an Ordinary Resolution for the appointment of Mr. Santanu Ray as a Non-Executive Independent Director of the Company, as set forth in item No. 4 of this Notice.

None of the Directors except Mr Santanu Ray are concerned or interested in the above resolution.

Item No. 5

The existing term of the office of Mr. Naresh Pachisia (DIN: 00233768), Managing Director, who was appointed w.e.f 1st April, 2015, for a period of three years, expired on 31st March, 2018. Nomination and Remuneration Committee in its meeting held on 5th May, 2018, has made an assessment of his contribution in the growth of the Company and recommended to the Board his re-appointment as Managing Director of the Company for a further period of three years w.e.f 1st April, 2018, on the terms and conditions as set out in the resolution mentioned in the item of the notice.

Mr. Pachisia a B. Com, CFP and AMP (ISB, Hyderabad) carries 36 years’ experience in financial markets investment banking, institutional equities and wealth management. He has played a vital role from the foundation of the Company to bring up to its current level over last 28 years. He serves as an Independent Director on boards of leading Companies and has held leadership roles at Entrepreneurs’ Organization (EO), Financial Planning Standards Board (FPSB), CII, MCCI, etc.

Your Directors therefore, recommend the passing of the Special Resolution for re-appointment of Mr. Naresh Pachisia as a Managing Director of the Company and to fix the remuneration, as set forth in item No. 5 of this Notice.

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

**ANNEXURE TO THE NOTICE OF 28TH ANNUAL GENERAL MEETING
PARTICULARS OF DIRECTOR SEEKING RE-APPOINTMENT/APPOINTMENT**

(In pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in pursuance of clause 1.2.5 of Secretarial Standards on General Meetings)

S. No	Particulars	Mrs. Manju Pachisia	Mr. Santanu Ray	Mr. Naresh Pachisia
1.	Status of Directorship	Non-Executive Director	Non- Executive Independent Director	Managing Director
2.	Director Identification Number	00233821	00642736	00233768
3.	Date of Birth	14.09.1965	30.06.1949	26.09.1962
4.	Date of appointment	01.08.2014	05.05.2018	18.05.1990
5.	Qualification	Associate Financial Planner (AFP), Certification in Psychological Counseling	B.Com, FCA	B. Com, Certified Financial Planner (CFP), AMP (ISB, Hyderabad)

S. No	Particulars	Mrs. Manju Pachisia	Mr. Santanu Ray	Mr. Naresh Pachisia
6.	Expertise in specific functional areas	11 years in financial markets and 7 years in emotional wellness and psychological counseling	Long years' experience as a corporate professional and academician, with specialization in Financial Management and Strategic Management	36 years in financial markets (Equity Research, Portfolio Management, Broking & DP Services, Wealth Advisory, Distribution of Financial Products, Merchant Banking, etc)
7.	Directorship in other companies as on 31.03.2018	Nil	1. Century Ply Boards (India) Ltd. 2. La Opala R G Ltd. 3. Star Cement Ltd. 4. Shyam Century Ferrous Ltd. 5. Kariwala Industries Ltd. 6. Megha Technical and Engineers Pvt. Ltd. 7. Star Cement Meghalaya Ltd.	1. Linc Pen & Plastics Ltd. 2. Gillanders Arbuthnot & Co. Ltd. 3. Electrosteel Steels Ltd. 4. SKP Commodities Ltd. 5. SKP Insurance Advisors Pvt. Ltd. 6. Orbit Regency Maintenance Co. Pvt. Ltd.
8.	Chairman/Member of Committees of the Board of Companies as a Director	Nil	Member - 4 Chairman - 3	Member -12 Chairman - 1
9.	Number of shares held in the company as on 31.03.2018	3,00,000	Nil	22,89,000
10.	Number of convertible warrants held in the company as on 31.03.2018	Nil	Nil	Nil
11.	No. of the Board Meeting attended during the year	5	Nil	5

REPORT OF THE BOARD OF DIRECTORS'

To The Members,

Your Directors have pleasure in presenting the Twenty Eighth Annual Report of SKP Securities Limited (SKP) for the Financial Year ended March 31, 2018.

FINANCIAL HIGHLIGHTS

(In ₹ Lacs)

Particulars	Consolidated		Standalone	
	2018	2017	2018	2017
Revenue from Operations and other Income	1756.39	1287.88	1822.22	1259.17
Total Expenses	1080.85	869.52	1033.26	892.53
Profit Before Tax	675.54	416.76	788.96	365.04
Tax Expenses	165.13	60.51	164.94	59.09
Profit attributable to the owners of the Company	510.41	356.25	624.02	305.95
Other Comprehensive Income	(1.95)	1.93	(1.95)	1.93
Total Comprehensive Income	508.46	358.18	622.07	307.88
Retained Earnings- Opening Balance	1814.54	1461.36	1699.29	1396.40
Less : Used for Buyback of Shares	(498.39)	–	(498.39)	–
Less : Transfer to General Reserve	(10.00)	(5.00)	(10.00)	(5.00)
Retained Earnings- Closing Balance	1814.61	1814.54	1812.97	1699.29

Note: In accordance with the requirements of Ind-AS Rules, Audited Financial Statements of the Company have been drawn up both on standalone and consolidated basis for the Financial Year ended 31st March, 2018 with Transition Date as 1st April, 2016. Figures for previous year have also been re-instated in line with the requirements of the above Rules.

PERFORMANCE HIGHLIGHTS

As envisaged in previous years' report, better domestic macro economic factors lead to gradual improvement in corporate performance during FY18. Amidst buoyant conditions in global economy and financial markets, Indian financial markets also witnessed continued buoyancy with equity market scaling new peaks. Budget 2018 and fear of hike in US interest rates cooled the euphoric conditions substantially by the end of FY18, leading to a meltdown in small and mid cap stocks. Interest rates remained stable during the year amidst volatility. Mutual Funds witnessed record inflows on the back of 'financialisation of domestic savings' in India in the aftermath of 'Demonetization'.

In this backdrop, your Directors express their satisfaction in reporting that your Company's business volume in all its activities, top-line and bottom-line have all witnessed a smart growth during the year under review.

DIVIDEND & RESERVES

During the Year under consideration, the Company has distributed ₹ 619.95 lacs amongst the shareholders through a Buy Back as mentioned below, equivalent to ~25% of the Net Worth of the Company as on 31 March, 2017. In view of this, your Directors do not recommend any dividend for the Financial Year 2017-2018 and propose to transfer a sum of ₹ 10 Lacs to General Reserve.

SHARE BUYBACK

As reported in the Previous Year, with an objective to return non-operational surplus cash to shareholders and improve performance ratios like Return on Equity, your Directors, at their meeting held on 20th April, 2017, approved a proposal for the Company to Buyback upto 12,15,600 fully paid up equity shares of face value ₹ 10/- each representing 21.56% of the total number of equity shares in the paid up equity share capital of the Company from all existing shareholders/beneficial owners of the Company on a proportionate basis through Tender Offer Route at a price of ₹ 51/- per equity share for an aggregate amount of ₹ 619.95 lacs in compliance with SEBI (Buy Back of Securities) Regulations 1998. The Shareholders approved the proposal of Buyback of equity shares through the Postal Ballot that concluded on 13th June, 2017 and 30th June 2017 was fixed as the Record Date for this purpose. The Company concluded the Buyback procedure and 12,15,600 equity shares were extinguished on 19th September, 2017.

AWARDS & RECOGNITION

In its quest to protect environment by reducing paper-based transaction, your Company was declared Runner up in “**Go Green Initiative**” in Eastern India by National Securities Depository Limited (NSDL). It was also nominated for “CNBC TV18 Best Regional Financial Advisor Award (East) 2017”.

FUTURE OUTLOOK

Indian Financial Markets are now negotiating cross winds. Tail winds, lead by improved corporate performance and continued inflow of domestic savings to mutual funds, are encountering head winds, primarily of political uncertainty in the run up to next General Elections, rise in oil prices and possible emergence of a global trade war. Based on initial blue prints of your company’s future plans, while your Directors are confident about the company’s growth in the medium to long term, they are cautiously optimistic for your company’s performance during the ensuing year.

STATE OF THE COMPANY’S AFFAIRS

Detailed information on the operations of the Company, business environment and future expectations are provided in the Management Discussion and Analysis Report, in compliance with Regulations 34(2)(e) of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 (‘Listing Regulations’), which is annexed and marked as “**Annexure A**” to this report.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company and its subsidiary for the financial year 31st March, 2018, have been prepared in accordance with Section 129(3) of the Companies Act, 2013 (‘the Act’). Further, a statement containing salient features of the financial statements of the Subsidiary Company in the prescribed format AOC-1 is annexed and marked as “**Annexure B**” to this Report.

In accordance with section 136 of the Act, the Audited Financial Statements, including the consolidated financial statements and related information of the Company and audited accounts of its subsidiary Company, are available on our website www.skpsecurities.com. These documents will also be available for inspection till the date of the AGM during business hours at our registered office.

SUBSIDIARIES, JOINT VENTURES & ASSOCIATES

During the year, your Company divested its wholly owned subsidiary viz SKP Commodities Ltd. on 30th September, 2017 which had already discontinued its broking operations in commodities markets. With commodities markets now brought under the regulatory purview of SEBI, even

if the Company were to re-enter commodities broking business, it does not require to have a separate entity as was required earlier. Your Company now has one wholly owned subsidiary viz. SKP Insurance Advisors Private Limited as on 31st March, 2018. With low levels of operations, primarily in the field of insurance advisory, it had negligible profits during the year under review.

Further, your Company does not have any Joint Venture and Associate Company.

CORPORATE GOVERNANCE

Your Company believes in transparent and ethical corporate governance practices. The Company has taken the requisite steps to comply with recommendations concerning Corporate Governance.

A separate section on Corporate Governance together with Auditors Certificate regarding compliance of conditions of Corporate Governance as stipulated under Listing Regulations form an integral part of this Report which is annexed and marked as “**Annexure C**” to this Report.

INDEPENDENT DIRECTORS’ DECLARATION

The Company has received requisite declaration from all Independent Directors, in accordance with the provisions of section 149(7) of the Act, stating that they meet the criteria of independence as laid down in Section 149(6) of the Act, and Regulation 25 of Listing Regulations.

In accordance with the provisions of the Act, none of the Non-Executive Independent Directors are liable to retire by rotation.

DIRECTORS

Mr. Paritosh Sinha (DIN: 00963537) was appointed as a Non-Executive Independent Director and the same was approved at the last Annual General Meeting held on 29th July, 2017.

Mr. Nikunj Pachisia (DIN: 06933720) was re-appointed as the Whole-time Director of the Company for a period of three years w.e.f 1st August, 2017 and the same have been approved at the last Annual General Meeting held on 29th July, 2017.

Mrs. Manju Pachisia (DIN: 00233821), Non-Executive Director of the Company shall retire by rotation at the ensuing Annual General Meeting in accordance with provisions of the Act and being eligible, offers herself for re-appointment.

KEY MANAGERIAL PERSONNEL

During the year there were no changes in Key Managerial Personnel.

NOMINATION AND REMUNERATION POLICY

Your Company has a well-defined policy for appointment of Directors, Key Managerial Personnel, Senior Management Personnel and other employees of the Company including their remuneration and the policy as adopted by the Company is also available on our website www.skpsecurities.com.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company had developed a process to familiarize the newly appointed Directors with respect to the roles and responsibilities outlined under the Act and Listing Regulations. Details of ‘Familiarization Programme for Independent Directors’ are provided in the Corporate Governance Report and are also available on the Company’s website www.skpsecurities.com.

BOARD EVALUATION

Your Company have laid down the process and criteria for annual performance evaluation of the Board, its Committee and Individual Directors. In terms of the provisions of the Act and Listing

Regulations, the Board of Directors has carried out the evaluation process of its own performance, its various committees and individual Directors. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning. The criteria applied in the evaluation process are explained in the Corporate Governance Report.

The Independent Director met on 27th March , 2017, and reviewed the performance of the Board, the Non-Independent Director and the Chairman.

BOARD AND COMMITTEES MEETINGS

The Board of Directors of your Company met five (5) times during the financial year 2017-2018. At present, there are following three committees:

- i) Audit Committee
- ii) Nomination and Remuneration Committee
- iii) Stakeholders Relationship Committee

The details of composition of the Board, its various Committees, brief terms of reference, meetings held and attendance of the Directors at such meetings are provided in the Corporate Governance Report which is annexed and marked as “**Annexure C**” to this report.

AUDITORS' AND AUDIT REPORT

Statutory Auditors

M/s. G.P. Agrawal & Co., (FRN No: 302082E) Chartered Accountants, were appointed as Statutory Auditors of your Company at the 27th Annual General Meeting held on 29th July, 2017, to hold office till the conclusion of the 32nd Annual General Meeting of the Company to be held in the Financial Year 2022, subject to ratification of their appointment by members at every Annual General Meeting at such remuneration as may be mutually agreed by the Committee and Board in consultation with the Auditors. The Auditors have confirmed their eligibility to the effect that the ratification of their appointment, if made, would be within the prescribed limits of the Act and that they are not disqualified for such appointment.

The Auditors Report for the Financial Year ended 31st March, 2018 does not contain any qualification, reservation or adverse remark. Further, the Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act. The Auditors Report is enclosed with the financial statements in this Annual Report.

Secretarial Auditor

Mr. Anil Murarka, Practicing Company Secretary (FCS:3150/CP:1857) Proprietor of M/s. A. Murarka & Co. of “Diamond Prestige” 41-A, A.J.C Bose Road, 3rd Floor, Suite No.-301, Kolkata – 700017 was appointed to conduct the Secretarial Audit of the Company for the Financial Year 2017-2018, as required under section 204 of the Act and the relevant Rules made thereunder.

The Secretarial Audit Report for the Financial Year 2017-2018 forms part of the Annual Report which is annexed and marked as “**Annexure D**”. The said report does not contain any observation or qualification requiring explanation or adverse remark.

EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in Form MGT- 9 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is annexed and marked as “**Annexure E**” to this report.

RELATED PARTY TRANSACTIONS

In compliance with the provisions of the Act and the Listing Regulations, all the transaction with Related Parties are placed before the Audit Committee for prior approval. A prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseen and repetitive nature. The policy on Related Party Transaction as approved by the Board can be accessed on the Company's website www.skpsecurities.com

All transaction entered into with related parties during the year was in the ordinary course of business and on arm's length basis, details of which are provided in Notes to Financial Statements which forms an integral part of this Annual Report. In view of the above, the disclosure required under the Act in Form AOC-2 is not applicable for financial year 2017-18.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company did not provide any Loan or Guarantee in terms of provisions of Section 186 of the Act. The details of Investments made are provided in Notes to the Financial Statements which forms an integral part of this Annual Report.

PARTICULARS OF EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed and marked as "Annexure F" to this Report.

RISK MANAGEMENT

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company has implemented an integrated Risk Management approach through which it reviews and assesses significant risks on a regular basis to help ensure that there is a robust system of risk control and mitigation in place. Senior management periodically reviews this risk management framework to keep updated and address emerging challenges. In the opinion of the Board at present there are no risks which threaten the existence of the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has over the years, a well established Whistle Blower Policy as part of vigil mechanism for Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. This mechanism also provides for adequate safeguards against victimization of Directors, Employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee.

During the year under review, none of the Director/Employee was been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The said Policy can be accessed on the Company's website at www.skpsecurities.com.

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has zero tolerance towards sexual harassment at workplace. It has a well-defined policy in compliance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and Rules framed thereunder. All employees (Permanent, contractual, temporary, trainees, etc) are covered under this policy. The Company has not received any complaint of sexual harassment during the year.

TRANSFER OF EQUITY SHARES TO THE INVESTOR EDUCATION AND PROTECTION FUND

In line with the statutory requirements, the Company has transferred to the credit of the Investor Education and Protection Fund set up by the Government of India, equity shares in respect of which dividend had remained unpaid / unclaimed for a period of seven consecutive years within the time lines laid down by the MCA.

INTERNAL FINANCIAL CONTROL

The Company has an Internal Control System, commensurate with size, scale and complexity of its operations to ensure proper recording of financial and operational information and compliances of various internal controls and other regulatory and statutory compliances. During the year under review, no material or serious observation has been reviewed from the Internal Auditor of the Company for inefficiency or inadequacy of such controls.

Audit Committee in consultation with the Internal Auditor formulates the scope, functioning, periodicity and methodology for conducting the Internal Audit. Based on the Internal Audit Report corrective actions in the respective areas are undertaken and controls are strengthened.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars as prescribed under sub-section (3)(m) of Section 134 of the Act read with the Companies (Accounts) Rules, 2014, is annexed and marked as “Annexure G” to this Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has a net profit of more than ₹ 5 crore during the Financial year ended 31st March, 2018, and pursuant to section 135 of the Act, CSR is applicable to the Company from the Financial Year commencing from 1st April, 2018. The Board in its meeting held on 5th May, 2018 has constituted a CSR Committee with the following composition:

Name of Director	Category	Designation
Kishore Bhimani	Non-Executive, Independent Director	Chairman
Manju Pachisia	Non-Executive Director	Member
Naresh Pachisia	Executive Director	Member

The CSR Committee will approve a CSR Policy and undertake CSR initiatives accordingly.

POLICIES

The details of the policies approved and adopted by the Board are annexed and marked as “Annexure H” to this report.

DIRECTOR’S RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Act the Board of Directors, to the best of its knowledge and ability, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 at the end of the financial year and of the profit and loss of the Company for that period;

- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

GENERAL DISCLOSURES

Your Company has proper and adequate system and processes to ensure compliance with all applicable Secretarial Standards issued by the Institute of Companies Secretaries of India.

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. No equity shares with differential rights as to dividend, voting or otherwise; or shares (including sweat equity shares) to employees of the Company under any scheme were issued.
2. No Deposits covered under Chapter V of the Act, were accepted.
3. Neither the Managing Director nor the Whole-time Director of the Company received any remuneration or commission from any of its subsidiary.
4. No significant or material orders were passed by any regulatory authority or courts or tribunals impacting the going concern status and Company's operation in future.
5. No Material changes and commitments have occurred after the close of financial year till date of this Report which affects the financial position of the Company.

GRATITUDE & ACKNOWLEDGEMENT

Your Directors expresses its deep gratitude to 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 700071
Dated: 5th May, 2018

For and on behalf of the Board of Directors

Naresh Pachisia
Managing Director
DIN: 00233768

Nikunj Pachisia
Whole-time Director
DIN: 06933720

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

Your Company is primarily engaged in broking and distribution of financial products. Both are facing competitive, taxation and regulatory headwinds. Mutual fund distribution industry is facing game changing structural changes – both, positive and negative. Your Company is gearing up well for such developments.

OPPORTUNITIES AND THREATS

A growing economy leading to higher investible surplus with families and under penetration of Company's services, provide business opportunities for the Company in its existing services and for it to move into more value added services like Portfolio Management. Its research coverage of corporates on one hand and dealing with institutional investors on the other is also creating an opportunity to render corporate advisory and investment banking services. Large broking and distribution houses promoted by conglomerates and financial powerhouses from India and abroad, pose a threat to the Company, alongwith game changing structural and regulatory changes in the industry.

BUSINESS REVIEW

Under such pressures, your Company has witnessed a satisfactory growth and overall improvement in performance. Your company is re-engineering its business strategy as required, helping it to perform better.

RISK AND CONCERNS

Efforts are being continuously made to make the Company withstand and grow within the highly competitive environment. Superior risk management measures have 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 are also 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 and risk management. Pre-audit and post-audit checks and reviews ensure that audit observations are acted upon. Audit Committee of the Board of Directors reviews the Internal Audit Reports and adequacy of internal controls and make suitable recommendations regularly.

FINANCIAL PERFORMANCE

A snapshot of financial performance is furnished in Report of Board of Directors.

FUTURE OUTLOOK

The Company is exploring growth opportunities, while consolidating its current business in line with the challenging business environment. Given the spectre of cross winds viz tail winds in the form of stronger corporate performance and stable macro economic conditions on one hand and headwinds of oil and political uncertainties and overvaluation in global stock markets on the other, we have a neutral outlook for the ensuing year.

HUMAN RESOURCE MANAGEMENT

Employees are vital to SKP and we are committed to make SKP a preferred place to work with

a career growth oriented professional environment with a sense of ownership. As at 31st March, 2018, the Company had 33 employees.

PREVENTION OF SEXUAL HARASSMENT

As a good corporate citizen, SKP 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 maintains an open door for reportees and encourages employees to report any harassment or other unwelcome and offensive conduct. The Company has constituted an Internal Complaint Committee (ICC) in pursuant to the provisions of the Act 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.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 5th May, 2018

Naresh Pachisia **Nikunj Pachisia**
Managing Director *Whole-time Director*
DIN: 00233768 DIN: 06933720

“Annexure B”

Form AOC-1

Statement containing the salient features of the financial statements of subsidiaries / associate companies / joint ventures

[Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014]

(₹ in Lacs)

Name of the Sub subsidiary	Date since when sub subsidiary was acquired	Financial period ended	Share Capital	Reserves & Surplus	Total Assets	Total liabilities (excluding share capital and reserves & surplus)	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	% of share holding
SKP Insurance Advisors Pvt. Ltd.	30.09.2014	31.03.2018	2.00	12.78	16.39	1.62	–	15.95	0.18	0.05	0.13	100

Notes: 1) The Reporting period for Subsidiary Company is same as that of Holding Company’s reporting period.

2) No Dividend has been proposed by Subsidiary.

3) Reporting Currency is Indian Rupee. There is no Foreign Subsidiary and Exchange rate is not applicable.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 5th May, 2018

Naresh Pachisia **Nikunj Pachisia**
Managing Director *Whole-time Director*
DIN: 00233768 DIN: 06933720

CORPORATE GOVERNANCE REPORT

(Pursuant to Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is about running the Company, in letter and spirits, according to the legal framework provided by The Companies Act, 2013, (‘the Act’) and SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 (‘Listing Regulations’) and other guidelines as laid down by SEBI from time to time. These aims at ethical and transparent business conduct, meeting stakeholders’ aspirations, 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 ensures full compliance with various Corporate Governance regulations read with Schedule V and other applicable regulations of Listing Regulations. Further, adherence to the various policies and codes, in conformity with regulatory needs, helps your Company fulfil its inherent responsibility towards its stakeholders. These policies and codes are available on the Company’s website at www.skpsecurities.com.

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 believes that a well informed and Independent Board is necessary to ensure the highest level of Corporate Governance. The Board has an optimum combination of Executive and Non-Executive Directors with 66.67% of the Board of Directors comprising of Non-Executive Directors. Brief profiles of all Directors are available on the Company’s website www.skpsecurities.com. Your Company has:

- 2 Promoter, Executive Directors
- 1 Promoter, Non-Executive/Non-Independent Director
- 3 Non Executive/Independent Directors

The Board composition, category and other prescribed details are as below:

Name of Directors	DIN No.	Category	No. of Other Director ship(s)	No. of Committee positions*	
				Chairman	Member
Naresh Pachisia	00233768	Managing Director	6	1	12
Nikunj Pachisia	06933720	Whole-time Director	2	Nil	Nil
Manju Pachisia	00233821	Non-Executive Director	Nil	Nil	Nil
Kishore Bhimani	00013617	Independent, Non-Executive	Nil	Nil	Nil
Ravi Todi	00080388	Independent, Non-Executive	10	2	2
Paritosh Sinha	00963537	Independent, Non-Executive	11	Nil	1

* Includes only Membership/Chairmanship of the Audit Committee, Shareholders’ Relationship Committee were considered.

During the year under review, five (5) Board Meetings held on 20th April, 2017, 29th July, 2017, 12th September, 2017, 25th November, 2017 and 10th February, 2018. The interval between any two consecutive meetings was within the maximum prescribed limit of 120 days.

Attendance of Directors at Board Meetings and at last Annual General Meeting

Name of Director	Number of Board Meeting held during the year	Number of Board Meetings attended	Attendance at last AGM
Naresh Pachisia	5	5	Yes
Nikunj Pachisia	5	4	Yes
Manju Pachisia	5	5	Yes
Kishore Bhimani	5	5	No
Ravi Todi	5	5	Yes
Paritosh Sinha	5	5	Yes

Note: Out of 6 Directors, 3 Directors are related Directors viz. Mr. Naresh Pachisia, Mr. Nikunj Pachisia and Mrs. Manju Pachisia.

Equity Shareholding of the Non Executive Directors in the Company as on 31st March, 2018

Sr. No	Non-Executive Directors	No. of Shares
1	Manju Pachisia	300000
2	Kishore Bhimani	Nil
3	Ravi Todi	Nil
4	Paritosh Sinha	Nil

Note: Non Executive Directors were not paid any compensation other than sitting fees.

FAMILIARIZATION PROGRAM

Your Company has put in place a structured induction and familiarization program for all its Directors including Independent Directors. The Company through such program familiarizes not only the Independent Directors but any new appointee on the Board, with a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company etc. They are also made aware of all the important policies which has been adopted by the Company. The Managing Director, Chief Financial Officer, Company Secretary, business heads and other senior officials of the Company make presentations to the Board members on a periodical basis, briefing them on the operations of the Company, strategy, risks, new initiatives, etc. The details of Familiarization Program imparted to Independent Directors can be accessed at Company's website at file:///C:/Documents%20and%20Settings/Administrator/My%20Documents/Downloads/Familiarization_Program_for_Independent_Directors%20(1).pdf

PERFORMANCE EVALUATION AND INDEPENDENT DIRECTORS' MEETING

The evaluation process for the performance of the Board, its various committees and individual directors was carried out in a transparent and confidential manner. A structured questionnaire was prepared and each Director provided their respective feedback on various parameters.

In compliance with the Act and Listing Regulations, a meeting of the Independent Directors of the Company was held on 27th March, 2017 without the attendance of Non-Independent Directors and members of the management. Independent Director reviewed the Performance of Non-Independent Directors, Board as a whole and the performance of the Chairman and also assessed the quality, quantity and timeliness of flow of information between Company management and the Board.

Composition and Attendance of Independent Directors are given below:

Name of Directors	Designation	Number of Meeting held during the year	Number of Meetings attended
Kishore Bhimani	Chairman	1	1
Ravi Todi	Member	1	1
Paritosh Sinha	Member	1	1

CODE OF CONDUCT AND ETHICS FOR DIRECTORS AND SENIOR EXECUTIVES

Your Board has adopted a Code of Conduct and Ethics for its Directors and Senior Management Personnel of the Company and the same can be accessed on the Company's website www.skpsecurities.com. The purpose of this code is to promote conduct of business ethically in an efficient and transparent manner.

All Directors and Senior Management Personnel have confirmed compliance with the Code for the Financial Year ended 31st March, 2018. A declaration to this effect, duly signed by the Managing Director of the Company is annexed and marked as "Annexure I" to this report.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In compliance with the Listing Regulations, Company has adopted a Code of Conduct for prevention of Insider Trading which can be accessed at Company's website www.skpsecurities.com. The code lays down guidelines which included procedures to be followed and disclosures to be made while dealing with the shares of the Company.

BOARD COMMITTEES

Your Board has three (3) Committees. Each Committee is constituted with an optimum combination of Independent and Non-Independent Director as prescribed under the Act and Listing Regulations. The Company Secretary acts as the Secretary to all Committees. The Chairman of each Committee places the recommendation of their respective Committees before the Board. The constitution, terms of reference and their other details are detailed hereunder:

Audit Committee

The Audit Committee is constituted in compliance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. Brief terms of reference of the Audit Committee are as under:

- Review and recommend the Quarterly and Annual Financial Results of the Company;
- Review quarterly reports of the Internal Auditor;
- Review weaknesses in internal controls reported by Internal and Statutory Auditors;
- Review the related party transactions;
- Evaluating the internal financial controls and risk management systems of the Company;
- Review of the Whistle Blower mechanism of the Company ;
- Any other matter referred to by the Board of Directors.

During the year under review, Audit Committee Meetings held on 20th April, 2017, 27th July, 2017, 25th November, 2017 and 10th February, 2018.

Composition and Attendance of Members are given below:

Name of Members	Designation	Number of Meeting held during the year	Number of Meetings attended
Ravi Todi	Chairman	4	4
Kishore Bhimani	Member	4	4
Naresh Pachisia	Member	4	4

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted in compliance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations. Brief terms of reference of the Committee are as under:

- Selecting eligible candidates for Board membership and recommending to the Board;
- Oversight of the Company's nomination process for senior management;
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulate criteria for evaluation of Independent Directors and the Board;
- Any other matter referred to by the Board of Directors.

During the year under review, Nomination and Remuneration Committee Meetings were held on 20th April, 2017 and 10th February, 2018.

Composition and Attendance of Members are given below:

Name of Members	Designation	Number of Meeting held during the year	Number of Meetings attended
Ravi Todi	Chairman	2	2
Kishore Bhimani	Member	2	2
Paritosh Sinha	Member	2	1
Naresh Pachisia	Member	2	2

In accordance with Section 178 of the Act, the Committee has framed a Nomination and Remuneration Policy of the Company which can be accessed at Company's website at file:///C:/Documents%20and%20Settings/Administrator/My%20Documents/Downloads/Nomination_and_Remuneration_Policy.pdf

Details of Remuneration to the Directors

A. Executive Directors

Nomination and Remuneration Committee decides the compensation package of the Executive Directors. The Committee ensures that the Compensation package is in accordance with the applicable laws, in-line with the Company's objective, shareholder's interest, industry standards and have an adequate balance between fixed and variable components. The details of remuneration paid to Executive Directors are as below: (₹ in lacs)

Name of Directors	Basic Salary	Commission Paid/Payable	Total	Service Contract period
Naresh Pachisia	50.00	-	50.00	3 Years
Nikunj Pachisia	22.00	-	22.00	3 Years

B. Non-Executive Directors

Non-Executive Directors are paid Sitting fees for attending the meetings. Commission, if any is payable out of profits of the Company as approved by the Board of Directors within the limits prescribed under the Act. The details of fees paid to Non-Executive Directors are as below: (₹ in lacs)

Name	Commission Paid/Payable	Sitting Fees			Total
		Board Meeting	Audit Committee Meeting	Independent Directors Meeting	
Kishore Bhimani	Nil	0.95	0.20	0.05	1.20
Ravi Todi	Nil	0.95	0.20	0.05	1.20
Manju Pachisia	Nil	0.95	Nil	Nil	0.95
Paritosh Sinha	Nil	0.95	Nil	0.05	1.00

Stakeholders Relationship Committee

The Stakeholders Relationship Committee is constituted in compliance with the provisions of Section 178(5) of the Act and Regulation 20 of the Listing Regulations. Brief terms of reference of the Committee are as under:

- Review the redressal mechanism of grievances of security holders;
- Consider and resolve the investor complaints relating to transfer of shares, non-receipt of duplicate certificate, non-receipt of annual report and non-receipt of declared dividends;
- Review any other matters connected with transfer of securities of the Company

During the year under review, Stakeholders Relationship Committee Meetings were held on 25th November, 2017 and 15th March, 2018.

Composition and Attendance of Members are given below:

Name of Members	Designation	Number of Meeting held during the year	Number of Meetings attended
Kishore Bhimani	Chairman	2	2
Ravi Todi	Member	2	2
Naresh Pachisia	Member	2	2

Compliance Officer

Ms. Alka Khetawat, Company Secretary (ACS 47322) is the Compliance Officer for complying with requirements of Companies Act, 2013, SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015.

Details of Shareholders' complaints received and resolved during the year ended 31st March, 2018:

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 at the end of the year	Nil

GENERAL BODY MEETINGS

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

Financial Year	Location of the Meeting	Date	Time
2016-2017	Merchants' Chamber of Commerce & Industry, Kolkata	29.07.2017	10.00 A.M
2015-2016		30.07.2016	10.00 A.M
2014-2015		08.08.2015	10.00 A.M

Special Resolution passed in previous three Annual General Meetings

Financial Year	Special Resolution passed	Details of Special Resolutions passed in the AGM
2016-2017	Yes	1. Re-appointment of Mr. Nikunj Pachisia as Whole-time Director of the Company and fix his Salary.
2015-2016	No	-
2014-2015	Yes	1. Re-Appointment of Mr. Naresh Pachisia as Managing Director of the Company and fix his Remuneration. 2. Remuneration Payable to Mr. Rajesh Pachisia.

Special Resolution passed last year through Postal Ballot

During last year, no special resolution was passed through Postal Ballot. None of the business proposed to be conducted at the ensuing Annual General Meeting through Postal Ballot.

MEANS OF COMMUNICATION

Communication to shareholders is made primarily through public disclosures. Quarterly Results, of the Company are published in widely circulated newspapers such as 'Business Standard' and 'Dainik Jugasankha'. The results are also displayed on the Company's website www.skpsecurities.com. The official press releases are communicated to the BSE Ltd. where equity shares of the Company are listed.

GENERAL SHAREHOLDER INFORMATION

- i. **AGM (Date, Time, Venue)** Saturday, 28th July, 2018, 10:00 A.M.
Merchants' Chamber of Commerce & Industry
Kolkata 700001
- ii. **Financial Year** 1st April, 2017 to 31st March, 2018
- iii. **Dividend Payment Date** Nil
- iv. **Book Closure Date** 21st July, 2018, to 28th July, 2018
- v. **Listing on Stock Exchange** BSE Ltd.
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001
- vi. **Listing Fees** Annual Listing Fees for the year 2018-2019 has been paid to BSE Ltd.
- vii. **Stock Code** 531169
- viii. **ISIN No.** INE709B01016
- ix. **Market Price Data and Performance of BSE Sensex**

Month	Market Price Data			Performance of BSE Sensex	
	Share Price (₹)		Number of Shares Traded	Company's Market Price (Close) Per Share (₹)	Sensex Points (Close)
	High	Low			
Apr-17	50.50	32.50	76120	47.95	29918.40
May-17	51.00	45.95	64734	46.50	31145.80
Jun-17	52.00	45.00	60011	48.05	30921.61
July-17	52.80	44.35	13479	50.00	32514.94
Aug-17	52.65	41.00	8676	48.25	31730.49
Sep-17	68.25	49.10	13424	63.90	31283.72
Oct-17	68.00	50.05	7581	67.50	33213.13
Nov-17	78.00	64.10	5380	74.00	33149.35
Dec-17	80.20	65.50	71614	77.20	34056.83
Jan-18	96.00	69.00	81562	72.70	35965.02
Feb-18	80.00	58.00	19348	75.00	34184.04
Mar-18	80.00	62.80	7173	62.85	32968.68

- x. Registrar & Share Transfer Agent** M/s. Maheshwari Datamatics Pvt. Ltd.
23, R.N Mukherjee Road, 5th Floor, Kolkata-700001
Phone: (033) 2248-2248/2243-5029
Email: mdpldc@yahoo.com
- xi. 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.

xii. Distribution of Shareholding as on 31st March, 2018

Shareholding Range No. of Shares			No. of Shareholders	Percentage	No of Shares	Percentage
1	to	500	1255	90.61	149636	3.40
501	to	1000	54	3.99	44663	1.01
1001	to	2000	26	1.88	39179	0.89
2001	to	3000	18	1.30	44737	1.02
3001	to	4000	4	0.29	13873	0.31
4001	to	5000	4	0.29	18491	0.42
5001	to	10000	8	0.58	56926	1.29
10001	to	Above	16	1.15	4031895	91.65
Grand Total:			1385	100.00	4399400	100.00

xiii. Shareholding Pattern as on 31st March, 2018

Category	No. of shares held	Percentage of Shareholding
Indian Promoters	32,99,000	74.99
Foreign Promoters	–	–
Banks, FIs, Insurance Companies	–	–
FII's	–	–
Private Corporate Bodies	2,28,416	5.19
Indian Public	8,37,819	19.05
NRIs / OCBs	6,006	0.14
Others	28,159	0.63
Total	43,99,400	100.00

xiv. Dematerialization of Shares

Electronic/Physical	Mode of Holding %
CDSL	87.60
NSDL	9.97
Physical	2.42
TOTAL	100.00

- xv. Outstanding GDR/ADRs/Warrants** Your Company has not issued any GDRs, ADRs, Warrants or any other Convertible Instruments.

- xvi. Commodity and Foreign Exchange Risk** The Company does not deal in commodity and also has no international transaction involving foreign currency. Hence it is not exposed to commodity and foreign exchange risk.

xvii. Address for Correspondence

SKP Securities Limited
Chatterjee International Center, Level-21
33A, Jawaharlal Nehru Road
Kolkata-700071
Ph. No: (033) 4007 7000
Fax: (033) 4007 7007
Email:cs@skpsecurities.com

OTHER DISCLOSURES:

- There are no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large.
- In accordance with Listing Regulations, the Company has adopted a Whistle Blower Policy which can be accessed at Company's website www.skpsecurities.com. During the year under review, no personnel of the Company was denied access to the Audit Committee.
- The Company has complied with the requirements of regulatory authorities on capital markets and no penalties/strictures have been imposed against it in last three years.
- Your Company has complied with all the mandatory requirements of Listing Regulations. The Company has fulfilled the following non-mandatory requirements as prescribed in Part E of Schedule II of the Listing Regulations:
 - The Internal Auditor reports directly to the Audit Committee
 - The Auditors have provided an unmodified opinion on the financial statements
- The Policy for determination of Material Subsidiary and Related Party Transactions are available on Company's website at <http://www.skpsecurities.com/index.php/investor/policies> & file:///C:/Documents%20and%20Settings/Administrator/My%20Documents/Downloads/Related_Party_Policy.pdf
- Your Company has complied with all the applicable Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of Listing Regulations.
- MD/CFO Certification is annexed and marked as "**Annexure J**" to this Report.

For and on behalf of the Board of Directors

Naresh Pachisia	Nikunj Pachisia
<i>Managing Director</i>	<i>Whole-time Director</i>
DIN: 00233768	DIN: 06933720

Place: Kolkata
Date: 5th May, 2018

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
SKP Securities Limited

We, have examined the compliance of conditions of Corporate Governance by **SKP Securities Limited** ('the Company') for the year ended on 31st March, 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D, E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. 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 Regulations, to the extent applicable to the Company during the year under report.

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
F.R. No.302082E

CA. Sunita Kedia
Membership No. 60162
Partner

Place : Kolkata
Date : 5th May, 2018

“Annexure D”

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018**

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

To,
The Members,
SKP SECURITIES LIMITED
Chatterjee International Centre
Level 21, 33A, Jawaharlal Nehru Road
Kolkata – 700 071

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SKP Securities Limited** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the Period covered by our Audit i.e. 1st April, 2017 to 31st March, 2018 (herein after referred to as “Audit Period”) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and Regulations and Byelaws framed there under;
- (iv) There are no transactions requiring compliance under Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Registrars to an Issue and Shares Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) During the period under Audit, provisions of the following Regulations and Guidelines were not applicable to the Company:
 - a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009;
 - c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (vii) As per information provided by the Management, the following laws are specifically applicable to the Company:
 - a) Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992;
 - b) Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996;
 - c) Securities and Exchange Board of India (Research Analysts) Regulations, 2014;
 - d) Securities and Exchange Board of India (Certification of Associated Persons in the Securities Markets) Regulations, 2007;
 - e) SEBI (Prohibition of Fraudulent & Unfair Trade Practices relating to Securities Market) Regulations, 2003;
 - f) SEBI (Mutual Funds) Regulations, 1996.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings;
- (ii) The Uniform Listing Agreement entered into by the Company with BSE Ltd.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executives Directors and Independent Directors. During the Audit Period, there has not been any change in the composition of the Board of Directors of the Company.
- b) Adequate notice is given to all the Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report based on the information provided by the Company and also on review of quarterly compliance reports by the Company Secretary and taken on record by the Board of Directors of the Company that there are adequate systems and processes in the Company commensurate with the size and its operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, the Company has the following special event/action and the details of which are as follows:

Buy Back of Shares & Offer for Sale of Shares

- a) A Special Resolution was passed on 13.06.2017 by the Shareholders of Company through Postal Ballot voting including voting by electronic means for buyback of 12, 15,600 (Twelve Lakh Fifteen Thousand Six Hundred) Equity Shares of face value of ₹ 10 (Rupees Ten each) representing 21.65% of the total paid-up equity shares of the Company at a price of ₹ 51/- (Rupees Fifty One) each through Tender Offer Method from all the existing shareholders/beneficial owners of equity shares of the Company as on record date i.e. 30th June, 2017. Subsequent to Buyback, the issued and paid up Share Capital of the Company stands at ₹ 4,39,94,000/- (Rupees Four Crore Thirty Nine Lakh Ninety Four Thousand) only divided into 43,99,400 (Forty Three Lakh Ninety Nine Thousand Four Hundred) Equity Shares of ₹ 10/- (Rupees Ten) each.
- b) Offer for Sale of 18,405 Equity Shares representing 0.42% of Share Capital of the Company by the promoters of the Company through Stock Exchange Mechanism which opened on 11th December, 2017 and closed on 12th December, 2017. The said offer was fully subscribed.

For **A MURARKA & CO.**
Company Secretaries

(ANIL MURARKA)

FCS No. 3150

CoP No. 1857

Place: Kolkata
Date: 5th May, 2018

Note: This Report is to be read only with our letter of even date which is annexed as **Annexure-A** and forms an integral part of this Report.

ANNEXURE-A

To
The Members,
SKP SECURITIES LIMITED
Chatterjee International Centre
Level 21, 33A, Jawaharlal Nehru Road
Kolkata – 700 071

Our report of even date is to be read only with this letter.

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for my opinion.
- c) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- d) We have not examined any other specific laws except as mentioned above.
- e) Where ever required, we have obtained Management Representation about the compliance of Laws, Rules, Regulations, Standards, Guidelines and happening of events etc.
- f) The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Guidelines and Standards etc. is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- g) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **A MURARKA & CO.**
Company Secretaries

(ANIL MURARKA)
FCS No. 3150
CoP No. 1857

Place: Kolkata
Date: 5th May, 2018

“Annexure E”

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2018**

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

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L74140WB1990PLC049032
ii)	Registration Date	18.05.1990
iii)	Name of the Company	SKP Securities Limited
iv)	Category of the Company	Public Limited Company
v)	Sub-Category of the Company	Company having Share Capital
vi)	Address of the Registered Office and Contact Details	Chatterjee International Centre, Level 21, 33A, Jawaharlal Nehru Road, Kolkata- 700071 Phone: (033) 40077000, Fax:- (033) 40077007 Email ID: cs@skpsecurities.com Website: www.skpsecurities.com
vii)	Whether listed Company	Yes
viii)	Name, Address and Contact details of Registrar and Transfer Agent (RTA), if any	Maheshwari Datamatics Private Limited 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700001 Phone: (033) 22482248/22435029, Fax:- (033) 22484787 Email ID: mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products /services	NIC Code of the Product/service	% to total turnover of the company
1	Financial Services	0808	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
1	SKP Insurance Advisors Pvt Ltd Chatterjee International Centre 33A, Jawaharlal Nehru Road, Level- 21, Kolkata - 700071	U75131WB2002PTC094314	Subsidiary	100	2(87)

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2017)				No. of Shares held at the end of the year (as on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
1 Indian									
a) Individuals/ Hindu Undivided Family	4209700	0	4209700	74.97	3299000	0	3299000	74.98	0.01
b) Central Government									
c) State Government(s)									
d) Bodies Corporate									
e) Financial Institutions/ Banks									
f) Any Other									
Sub Total(A)(1)	4209700	0	4209700	74.97	3299000	0	3299000	74.98	0.01
2 Foreign									
a) Non-Residents Individuals									
b) Other Individuals									
c) Bodies Corporate									
d) Financial Institutions/ Banks									
e) Any Other									
Sub Total(A)(2)	0	0	0.00	0	0	0	0	0.00	0.00
Total Shareholding of Promoters (A) = (A)(1) + (A)(2)	4209700	0	4209700	74.97	3299000	0	3299000	74.98	0.01
(B) Public Shareholding									
1 Institutions									
a) Mutual Funds									
b) Financial Institutions / Banks									
c) Central Government									
d) State Government(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) Foreign Institutional Investors									

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2017)				No. of Shares held at the end of the year (as on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
h) Foreign Venture Capital Investors									
i) Any Others(Specify)									
Alternate Investment Funds									
Foreign Portfolio Investors									
Provident Funds/Pension Funds									
Qualified Foreign Investor									
Sub-Total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
2 Non-Institutions									
a) Bodies Corporate									
i) Indian	344678	200	344878	6.14	228416	0	228416	5.19	-0.95
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	285632	116556	402188	7.16	261177	89735	350912	7.97	0.81
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	632273	16700	648973	11.55	470207	16700	486907	11.06	-0.49
c) Others(Specify)									
a) Non-Resident Indian	7790	0	7790	0.13	6006	0	6006	0.13	-0.00
b) Qualified Foreign Investor									
c) Custodian of Enemy Property									
d) Foreign Nationals									
e) Clearing Members	771	0	771	0.01	1776	0	1776	0.04	0.02
f) Trust	700	0	700	0.01	0	0	0	0.00	-0.01
g) Foreign Bodies-DR									
h) Foreign Portfolio Investors									
i) NBFCs registered with RBI									

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2017)				No. of Shares held at the end of the year (as on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
j) Employee Trusts									
k) Domestic Corporate Unclaimed Shares Account									
l) Investor Education and Protection Fund Authority	0	0	0	0.00	26383	0	26383	0.59	0.59
Sub-Total (B)(2)	1271844	133456	1405300	25.02	993965	106435	1100400	25.01	-0.01
(B) Total Public Shareholding (B)= (B)(1)+(B)(2)	1271844	133456	1405300	25.02	993965	106435	1100400	25.01	-0.01
(C) Shares held by Custodians for GDRs & ADRs									
GRAND TOTAL (A)+(B)+(C)	5481544	133456	5615000	100.00	4292965	106435	4399400	100.00	0.00

B. Shareholding of Promoters

SI No.	Share holder's Name	Shareholding at the beginning of the year (as on 01.04.2017)			Share holding at the end of the year (as on 31.03.2018)			% Change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Naresh Pachisia	2865000	51.02	0.00	2289000	52.03	0.00	1.01
2	Naresh Pachisia and Sons (HUF)	504700	8.99	0.00	380000	8.64	0.00	-0.35
3	Manju Pachisia	400000	7.12	0.00	300000	6.82	0.00	-0.30
4	Nikunj Pachisia	220000	3.92	0.00	165000	3.75	0.00	-0.17
5	Vaibhav Pachisia	220000	3.92	0.00	165000	3.75	0.00	-0.17
	Total	4209700	74.97	0.00	3299000	74.99	0.00	0.02

C. Change in Promoters' Shareholding

Sl. No.	Name	Shareholding at the beginning (01.04.2017) / end of the year (31.03.2018)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Naresh Pachisia				
	01-04-2017	2865000	51.02	–	–
	15/09/2017 - Transfer	-567270	10.10	2297730	40.92
	22/12/2017 - Transfer	-8730	0.19	2289000	52.02
	31-03-2018	2289000	52.02	2289000	52.02
2	Naresh Pachisia and Sons (HUF)				
	01-04-2017	504700	8.98	–	–
	15/09/2017 - Transfer	-121989	2.77	382711	8.69
	22/12/2017 - Transfer	-2711	0.06	380000	8.63
	31-03-2018	380000	8.63	380000	8.63
3	Manju Pachisia				
	01-04-2017	400000	7.12	–	–
	15/09/2017 - Transfer	-96684	2.19	303316	6.89
	22/12/2017 - Transfer	-3316	0.07	300000	6.81
	31-03-2018	300000	6.81	300000	6.81
4	Nikunj Pachisia				
	01-04-2017	220000	3.91	–	–
	15/09/2017 - Transfer	-53176	1.20	166824	3.79
	22/12/2017 - Transfer	-1824	0.04	165000	3.75
	31-03-2018	165000	3.75	165000	3.75
5	Vaibhav Pachisia				
	01-04-2017	220000	3.91	–	–
	15/09/2017 - Transfer	-53176	1.20	166824	3.79
	22/12/2017 - Transfer	-1824	0.32	165000	29.78
	31-03-2018	165000	3.75	165000	3.75

D) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No	For Each of The Top 10 Shareholders	Shareholding at the beginning of the year (As on 01.04.2017)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Pushpa Devi Bangur				
	01-04-2017	385000	6.85	–	–
	01/09/2017 - Transfer	-385000	6.85	0	0.00
	15/09/2017 - Transfer	291942	6.63	291942	6.63
	08/12/2017 - Transfer	-291942	52.70	0	0.00
	22/12/2017 - Transfer	291942	6.63	291942	6.63
	31-03-2018	291942	6.63	291942	6.63
2	Credwyn Holdings India (Pvt.) Limited				
	01-04-2017	300567	5.35	–	–
	07/04/2017 - Transfer	2336	0.04	302903	5.39
	21/04/2017 - Transfer	2928	0.05	305831	5.44
	28/04/2017 - Transfer	-38000	0.67	267831	4.76
	05/05/2017 - Transfer	-3303	0.05	264528	4.71
	12/05/2017 - Transfer	-1100	0.01	263428	4.69
	26/05/2017 - Transfer	-1626	0.02	261802	4.66
	02/06/2017 - Transfer	-45	0.00	261757	4.66
	16/06/2017 - Transfer	-5050	0.08	256707	4.57
	23/06/2017 - Transfer	-1301	0.02	255406	4.54
	01/09/2017 - Transfer	-255406	4.54	0	0.00
	15/09/2017 - Transfer	193672	4.40	193672	4.40
	08/12/2017 - Transfer	-193672	34.96	0	0.00
	22/12/2017 - Transfer	195702	4.44	195702	4.44
	29/12/2017 - Transfer	6362	0.14	202064	4.59
	12/01/2018 - Transfer	-2943	0.06	199121	4.52
	19/01/2018 - Transfer	-4057	0.09	195064	4.43
	31-03-2018	195064	4.43	195064	4.43
3	Purushottam Dass Bangur				
	01-04-2017	60000	1.06	–	–
	08/12/2017 - Transfer	-60000	10.83	0	0.00

Sl No	For Each of The Top 10 Shareholders	Shareholding at the beginning of the year (As on 01.04.2017)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	22/12/2017 - Transfer	60000	1.36	60000	1.36
	31-03-2018	60000	1.36	60000	1.36
4	Vinita Bangur				
	01-04-2017	60000	1.06	–	–
	01/09/2017 - Transfer	-60000	1.06	0	0.00
	15/09/2017 - Transfer	45497	1.03	45497	1.03
	08/12/2017 - Transfer	-45497	8.21	0	0.00
	22/12/2017 - Transfer	45497	1.03	45497	1.03
	31-03-2018	45497	1.03	45497	1.03
5	Hemant Bangur				
	01-04-2017	60000	1.06	–	–
	01/09/2017 - Transfer	-60000	1.06	0	0.00
	15/09/2017 - Transfer	45497	1.03	45497	1.03
	08/12/2017 - Transfer	-45497	8.21	0	0.00
	22/12/2017 - Transfer	45497	1.03	45497	1.03
	31-03-2018	45497	1.03	45497	1.03
6	Investor Education and Protection Fund Authority Ministry of Corporate Affairs				
	01-04-2017	0	0.00	–	–
	01/12/2017 - Transfer	26340	0.59	26340	0.59
	08/12/2017 - Transfer	43	0.00	26383	4.76
	31-03-2018	26383	0.59	26383	0.59
7	Dhannalal Goyal				
	01-04-2017	13057	0.23	–	–
	21/07/2017 - Transfer	9462	0.16	22519	0.40
	15/09/2017 - Transfer	-2989	0.06	19530	0.44
	30/09/2017 - Transfer	-19530	0.44	0	0.00
	30/03/2018 - Transfer	17071	0.38	17071	0.38
	31-03-2018	17071	0.38	17071	0.38
8	Surajkavri Kasat				
	01-04-2017	16700	0.29	–	–
	31-03-2018	16700	0.37	16700	0.37

Sl No	For Each of The Top 10 Shareholders	Shareholding at the beginning of the year (As on 01.04.2017)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	Sectam Consultant Private Limited				
	01-04-2017	27000	0.48	–	–
	15/09/2017 - Transfer	-6526	0.14	20474	0.46
	26/01/2018 - Transfer	-721	0.01	19753	0.44
	02/02/2018 - Transfer	-1229	0.02	18524	0.42
	09/02/2018 - Transfer	-1476	0.03	17048	0.38
	16/02/2018 - Transfer	-788	0.01	16260	0.36
	23/02/2018 - Transfer	-50	0.00	16210	0.36
	02/03/2018 - Transfer	-750	0.01	15460	0.35
	09/03/2018 - Transfer	-137	0.00	15323	0.34
	16/03/2018 - Transfer	-269	0.00	15054	0.34
	23/03/2018 - Transfer	-650	0.01	14404	0.32
	31-03-2018	14404	0.32	14404	0.32
10	Ashok Kumar Gupta				
	01-04-2017	12486	0.22	–	–
	14/04/2017 - Transfer	-100	0.00	12386	0.22
	21/04/2017 - Transfer	-167	0.00	12219	0.21
	28/04/2017 - Transfer	-140	0.00	12079	0.21
	22/09/2017 - Transfer	-579	0.01	11500	0.26
	30/09/2017 - Transfer	-1	0.00	11499	0.26
	03/11/2017 - Transfer	-100	0.00	11399	0.25
	08/12/2017 - Transfer	-10100	1.82	1299	0.23
	22/12/2017 - Transfer	10100	0.22	11399	0.25
	05/01/2018 - Transfer	-200	0.00	11199	0.25
	12/01/2018 - Transfer	-200	0.00	10999	0.25
	19/01/2018 - Transfer	-100	0.00	10899	0.24
	31-03-2018	10899	0.24	10899	0.24

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Particulars	Shareholding at the beginning (01.04.2017) /end of the year (31.03.2018)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Naresh Pachisia *				
	01-04-2017	2865000	51.02	–	–
	01/09/2017 - Transfer	-567270	10.10	2297730	40.92
	08/12/2017 - Transfer	-2297730	414.79	0	0.00
	22/12/2017 - Transfer	2289000	52.02	2289000	52.02
	31-03-2018	2289000	52.02	2289000	52.02
2	Manju Pachisia				
	01-04-2017	400000	7.12	–	–
	15/09/2017 - Transfer	-96684	2.19	303316	6.81
	22/12/2017-Transfer	-3316	0.07	300000	6.81
	31-03-2018	300000	6.81	300000	6.81
3	Nikunj Pachisia*				
	01-04-2017	220000	3.91	–	–
	01/09/2017 - Transfer	-220000	3.91	0	0.00
	15/09/2017 - Transfer	166824	3.79	166824	3.79
	08/12/2017 - Transfer	-166824	30.11	0	0.00
	22/12/2017 - Transfer	165000	3.75	165000	3.75
	31-03-2018	165000	3.75	165000	3.75
4	Ravi Todi				
	01-04-2017	0	–	0	–
	31-03-2018	0	–	0	–
5	Kishore Bhimani				
	01-04-2017	0	–	0	–
	31-03-2018	0	–	0	–
6	Paritosh Sinha				
	01-04-2017	0	–	0	–
	31-03-2018	0	–	0	–
Key Managerial Personnel:-					
1	Naresh Pachisia				
	01-04-2017	2865000	51.02	–	–
	31-03-2018	2289000	52.02	2289000	52.02
2	Nikunj Pachisia				
	01-04-2017	220000	3.91	–	–
	31-03-2018	165000	3.75	165000	3.75

3	Anil Shukla				
	01-04-2017	0	–	0	–
	31-03-2018	0	–	0	–
4	Alka Khetawat				
	01-04-2017	0	–	0	–
	31-03-2018	0	–	0	–

* Mr. Naresh Pachisia, Managing Director and Mr. Nikunj Pachisia, Whole-time Director has also been included in the list of Directors as well as KMP.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in Lacs)

Particulars		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	182.56	–	–	182.56
ii)	Interest due but not paid	–	–	–	–
iii)	Interest accrued but not due	–	–	–	–
Total (i+ii+iii)		182.56	–	–	182.56
Change in Indebtedness during the financial year					
•	Addition	58.90	100.00	–	158.90
•	Reduction	(91.85)	–	–	(91.85)
Net Change		(32.95)	100.00	–	67.05
Indebtedness at the end of the financial year					
i)	Principal Amount	333.31	100.00	–	433.31
ii)	Interest due but not paid	–	6.80	–	6.80
iii)	Interest accrued but not due	–	–	–	–
Total (i+ii+iii)		333.31	106.80	–	440.11

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager (₹ in Lacs)

Sl. no.	Particulars of Remuneration	Name of the Managing Director	Name of the Whole Time Director	Total
		Naresh Pachisia	Nikunj Pachisia	
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	50.00	22.00	72.00

(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	–	–	–
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	–	–	–
2	Stock Option	–	–	–
3	Sweat Equity	–	–	–
4	Commission	–	–	–
	– as % of profit	–	–	–
5	Others, please specify	–	–	–
	Total	50.00	22.00	72.00
	Ceiling as per the Act	Remuneration paid to Directors is within the limit specified under section 197, 198 of the Companies Act, 2013		

B. Remuneration to other Directors:

1. Independent Directors

(₹ in Lacs)

Name of Directors	Fees for attending Board/ Committee Meetings	Commission	Others	Total
Kishore Bhimani	1.20	–	–	1.20
Ravi Todi	1.20	–	–	1.20
Paritosh Sinha	0.95	–	–	0.95
Total (1)	3.35	–	–	3.35

2. Non-Executive Directors

Manju Pachisia	0.95	–	–	0.95
Total (2)	0.95	–	–	0.95
Total (1+2)	4.30	–	–	4.30
Ceiling as per the Act	Remuneration paid to the Directors is within the limit specified under section 197, 198 of the Companies Act, 2013			

C. Remuneration to Key Managerial Personnel other than MD/Manger/WTD:- (₹ in Lacs)

Sl. no.	Particulars	Name of the Chief Financial Officer	Name of the Company Secretary	Total
		Anil Shukla	Alka Khetawat	
1	Gross salary (Excluding Committee)			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15.00	2.60	17.60
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	–	–	

(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	
2	Stock Option	-	-	
3	Sweat Equity	-	-	
4	Commission	-	-	
	- as % of profit	-	-	
5	Others, please specify			
	Total	15.00	2.60	17.60

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES FOR THE YEAR ENDED 31ST MARCH, 2018

S. No	Particulars	Section of the Companies Act	Brief Description	Details of Penalty/ punishment/ compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal made, if any
A.	Company					
	(i) Penalty	-	-	-	-	-
	(ii) Punishment	-	-	-	-	-
	(iii) Compounding	-	-	-	-	-
B.	Directors					
	(i) Penalty	-	-	-	-	-
	(ii) Punishment	-	-	-	-	-
	(iii) Compounding	-	-	-	-	-
C.	Other Officers in Default					
	(i) Penalty	-	-	-	-	-
	(ii) Punishment	-	-	-	-	-
	(iii) Compounding	-	-	-	-	-

For and on behalf of the Board of Directors

Place: Kolkata
Date: 5th May, 2018

Naresh Pachisia
Managing Director
DIN: 00233768

Nikunj Pachisia
Whole-time Director
DIN:06933720

“Annexure F”

Information pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- A. Ratio of Remuneration of each Director to the Median Remuneration of all employees of your Company for the financial year 2017-2018 is as follows: (₹ in Lacs)

Name of Director	Remuneration	Ratio of Remuneration of Director to the Median Remuneration
Naresh Pachisia	50.00	12.20
Nikunj Pachisia	22.00	5.37

Note: Apart from the above mentioned Directors, none of the other Directors have been paid remuneration except fee for attending meetings.

- B. Details of percentage increase in remuneration of each Director, Chief Financial Officer & Company Secretary in the financial year 2017-2018 are as follows: (₹ in Lacs)

Name	Designation	Remuneration		Increase %
		2017-2018	2016-2017	
Naresh Pachisia	Managing Director	50.00	50.00	Nil
Nikunj Pachisia	Whole Time Director	22.00	18.00	22
Anil Shukla	Chief Financial Officer	15.00	14.00	7
Alka Khetawat*	Company Secretary	2.60	0.43	Nil

* Appointed w.e.f 4th Feb, 2017.

- C. Percentage increase in the median remuneration of all employees in the financial year 2017-2018: 3.54
- D. Number of permanent employees on rolls of the Company as on 31st March, 2018: 33
- E. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration
- The salaries of other non Managerial Personnel increased by 8.87%. Salary of Managerial Personnel increased by 5.91% which is in line with the increase in salary of non-managerial personnel.
- F. Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.
- G. There were no employee who received remuneration in excess of limit prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

For and on behalf of the Board of Directors

Place: Kolkata
Date: 5th May, 2018

Naresh Pachisia **Nikunj Pachisia**
Managing Director Whole-time Director
DIN: 00233768 DIN:0693372

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

Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014, are provided hereunder:

A. CONSERVATION OF ENERGY

Your 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”. Several environment friendly measures to conserve energy have been adopted by the Company such as:

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

B. TECHNOLOGY ABSORPTION

1	Efforts made towards technology absorption	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 like Product improvement, cost reduction, product development or import substitution	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 3 years, reckoned from the beginning of the financial year) following information may be furnished:	
	(a) Technology imported	Nil
	(b) Year of import	Nil
	(c) Has technology been fully absorbed?	Nil
	(d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	Nil
4	The expenditure incurred on Research and Development	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.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the period under review, the Company’s foreign exchange earnings were nil and outgo was ₹ 3.74 Lacs.

For and on behalf of the Board of Directors

Naresh Pachisia Nikunj Pachisia

Managing Director Whole-time Director

DIN: 00233768

DIN:0693372

Place: Kolkata

Date: 5th May, 2018

“Annexure H”

POLICIES

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has mandated the formulation of certain policies for all listed Companies. All our Corporate Governance policies are available on our Company’s website i.e www.skpsecurities.com.

Name of the Policy	Brief Description
Code of Conduct for Board Members and Senior Management	This Code is intended to provide and help in recognizing and dealing with ethical issues, provide mechanism to report unethical conduct
Code of Conduct for Prohibition of Insider Trading	The policy provides the framework in dealing with securities of the Company
Nomination and Remuneration Policy	The policy formulates the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other employees
Policy for determining Material Subsidiary	The Policy was frame to determine Material Subsidiary of the Company
Policy on Board Diversity	The Company adopted the Policy on Board Diversity and it was effective from 1st December, 2015
Policy on Materiality of an Event	The policy applies to disclosures of material events affecting its Company
Preservation of Documents and Archival Policy	The Policy deals with the retention and archival of corporate records. The Policy was adopted and it was effective from 1st December, 2015
Related Party Policy	The Policy regulates all transactions between the Company and its related parties
Whistle Blower Policy (Vigil Mechanism)	The Company has adopted a whistle blower mechanism for its Directors / Employees to report concern about unethical behaviour, actual or suspected fraud

“Annexure I”

**DECLARATION TO COMPLIANCE OF CODE OF CONDUCT
FOR DIRECTORS AND SENIOR MANAGEMNET**

This is to inform that the Company has adopted a Code of Conduct for its Directors and Senior Management and the same is available on our Company’s website i.e. www.skpsecurities.com.

I confirm that the Company has in respect of Financial Year ended on 31st March, 2018, received from the Directors and Senior Management Personnel of the Company, a declaration of the compliance with the Code of Conduct as applicable to them.

Date: 5th May, 2018
Place: Kolkata

Naresh Pachisia
Managing Director
DIN: 00233768

MD/CFO Certification

[Regulation 33(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors
SKP Securities Limited

We hereby certify that on the basis of review of financial statements of the Company for the Financial Year ended 31st March, 2018, and to the best of our knowledge and belief, hereby certify that :-

1. These statements do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein 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 Financial Year ended 31st March, 2018, which are fraudulent, illegal or violative of the Company’s Code of Conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee those deficiencies in the design or operation of such internal controls of which, we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We 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
Dated: 5th May, 2018

Naresh Pachisia
Managing Director
DIN: 00233768

Anil Shukla
Chief Financial Officer
PAN: AKLPS0016P

INDEPENDENT AUDITOR'S REPORT

To The Members of SKP Securities Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of SKP Securities Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates

made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31st March, 2018 and its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - iii. The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash flow Statement dealt with by this Report are in agreement with the books of account.
 - iv. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - v. On the basis of the written representations received from the Directors as on 31st March, 2018 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of section 164 (2) of the Act.
 - vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - vii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements –Refer Note No. 29.1 to the Standalone Ind AS Financial Statements.
 - b. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

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

For **G.P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Sunita Kedia)
Partner
Membership No. 60162

Place of Signature: Kolkata
Date: the 5th May, 2018

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

Statement referred to in paragraph ‘Report on Other Legal and Regulatory Requirements’ of our report of even date to the members of SKP Securities Limited on the Standalone Ind AS Financial Statements for the year ended 31st March, 2018.

- (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 and in our opinion the periodicity of such physical verification is reasonable having regard to the size of the Company and nature of its assets.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As the Company has no inventory, provisions of clause (ii) of para 3 of the said order is not applicable to the Company.
- (iii) The Company has not granted any loan, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, clauses (iii) (a), (b) and (c) of paragraph 3 of the said order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no, guarantees and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act, 2013 are applicable. Based on our audit procedures performed and according to information and explanations given by the management, the Company has complied with provisions of section 186 of the Act in respect of investments and loans.
- (v) The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company.
- (vi) The provisions regarding maintenance of the cost records under Section 148(1) of the Companies Act 2013 are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and based on the examination

of the records of the Company as provided to us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, to the extent applicable, with appropriate authorities and no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2018 for a period of more than six months from the date of becoming payable.

- (b) The disputed statutory dues aggregating to ₹ 6.75 Lakh that have not been deposited on account of matters pending before appropriate authorities are as under:

Name of the Statute	Nature of dues	Period to which pertain	Amount (₹ in Lakh)	Forum where the dispute is pending
Finance Act, 1994	Service Tax	2006-2007 to 2008-2009	6.33	Commissioner of Central Excise (Appeals-1)
Income Tax Act, 1961	Income Tax	2013-14	0.42	Commissioner of Income Tax - (Appeals -20)
	Total		6.75	

- (viii) The Company has not defaulted in repayment of loans or borrowings to banks. The Company has not taken any loan from financial institutions or Government and has not issued any debentures.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. On the basis of our examination and according to the information and explanations given to us, money raised by way of term loans have been applied for the purpose for which the loans were obtained.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, clause (xii) of paragraph 3 of the said order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, clause (xv) of paragraph 3 of the said order is not applicable to the Company.

(xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **G. P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

(**CA. Sunita Kedia**)
Partner
Membership No. 60162

Place of Signature: Kolkata
Date: the 5th May, 2018

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of SKP Securities Limited (“the Company”) as of 31st March, 2018 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness

exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

(CA. Sunita Kedia)
Partner
Membership No. 60162

Place of Signature: Kolkata
Date: 5th May, 2018

BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in Lacs)

Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
I. ASSETS				
(1) Non - current assets				
(a) Property, Plant and Equipment	4	433.56	387.34	89.57
(b) Financial Assets				
(i) Investments	5(i)	1,383.02	1,586.41	1,312.12
(ii) Other financial assets	6(i)	387.27	344.89	265.37
(c) Deferred tax assets (net)	7	16.00	10.64	20.86
(d) Other non-current assets	8(i)	—	—	75.00
		2,219.85	2,329.28	1,762.92
(2) Current assets				
(a) Financial assets				
(i) Investments	5(ii)	485.93	—	—
(ii) Trade receivables	9	337.77	303.64	272.31
(iii) Cash and cash equivalents	10	90.76	64.24	194.24
(iv) Bank balances other than cash and cash equivalents	11	489.45	536.25	525.14
(v) Other financial assets	6(ii)	24.80	24.78	23.84
(b) Other current assets	8(ii)	24.60	14.08	18.48
		1,453.31	942.99	1,034.01
Total Assets		3,673.16	3,272.27	2,796.93
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity share capital	12	439.94	561.50	561.50
(b) Other equity	13	2,283.38	2,159.70	1,851.82
		2,723.32	2,721.20	2,413.32
Liabilities				
(2) Non - current liabilities				
(a) Financial Liabilities				
(i) Borrowings	14(i)	41.36	90.65	23.73
(3) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	14(ii)	106.12	—	—
(ii) Trade payables	15	351.85	221.61	179.55
(iii) Other financial liabilities	16	358.12	218.14	135.52
(b) Other current liabilities	17	33.63	8.19	21.58
(c) Provisions	18	18.63	3.02	5.24
(d) Current tax liabilities (net)	19	40.13	9.46	17.99
		908.48	460.42	359.88
Total Equity and Liabilities		3,673.16	3,272.27	2,796.93

The accompanying notes 1 to 29 are an integral part of Standalone Financial Statements.

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

For and on behalf of the Board
CA. Sunita Kedia
 Partner
 (Membership No. 60162)

Naresh Pachisia **Nikunj Pachisia**
Managing Director *Whole-time Director*
 DIN:00233768 DIN: 06933720

 Place of Signature: Kolkata
 Date: 5th May, 2018

Anil Shukla **Alka Khetawat**
Chief Financial Officer *Company Secretary*
 PAN: AKLPS0016P Membership No. 47322

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lacs)

Particulars	Note No.	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
I. Revenue From Operations	20	1,739.44	1,072.71
II. Other Income	21	82.78	186.46
III. Total Income		1,822.22	1,259.17
IV. Expenses:			
Employee benefits expense	22	310.81	280.10
Finance costs	23	27.08	23.42
Depreciation expense	24	22.93	24.99
Other expenses	25	672.44	564.02
Total Expenses		1,033.26	892.53
V. Profit before exceptional item and tax		788.96	366.64
VI. Exceptional item	26	-	(1.60)
VII. Profit before tax		788.96	365.04
VIII. Tax expense	27		
Current tax		170.30	48.87
Deferred tax		(5.36)	10.22
		164.94	59.09
IX. Profit for the year		624.02	305.95
X. Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurements of defined benefit plans		(2.63)	2.79
Income tax relating to above item		0.68	(0.86)
Other Comprehensive Income for the year, net of tax		(1.95)	1.93
XI. Total Comprehensive Income for the year		622.07	307.88
XII. Earnings per equity share (Nominal value per share ₹ 10/- each)	28		
- Basic (₹)		12.55	5.45
- Diluted (₹)		12.55	5.45

The accompanying notes 1 to 29 are an integral part of Standalone Financial Statements.

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

For and on behalf of the Board

CA. Sunita Kedia
Partner
(Membership No. 60162)

Naresh Pachisia **Nikunj Pachisia**
Managing Director Whole-time Director
DIN:00233768 DIN: 06933720

Place of Signature: Kolkata
Date: 5th May, 2018

Anil Shukla **Alka Khetawat**
Chief Financial Officer Company Secretary
PAN: AKLPS0016P Membership No. 47322

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31ST MARCH 2018
(a) EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
For the year ended 31st March, 2017	561.50	–	561.50
For the year ended 31st March, 2018	561.50	(121.56)	439.94

(b) OTHER EQUITY

(₹ in Lacs)

Particulars	Reserves and Surplus				Total
	General Reserve	Securities Premium Reserve	Capital Redemption Reserve	Retained Earnings	
Balance as at 1st April, 2016	223.76	231.65	–	1,396.41	1,851.82
Profit for the year	–	–	–	305.95	305.95
Other Comprehensive Income (net of tax)	–	–	–	1.93	1.93
Transfer to/ from General reserve/Retained earnings	5.00	–	–	(5.00)	–
Balance as at 31st March, 2017	228.76	231.65	–	1,699.29	2,159.70
Balance as at 1st April, 2017	228.76	231.65	–	1,699.29	2,159.70
Profit for the year	–	–	–	624.02	624.02
Other Comprehensive Income (net of tax)	–	–	–	(1.95)	(1.95)
Utilised for buy back of shares (Refer note 12(f))	–	–	–	(498.39)	(498.39)
Transfer to/ from General reserve/Retained earnings	10.00	–	–	(10.00)	–
Transfer from General reserve	–	–	121.56	–	121.56
Transfer to Capital redemption reserve	(121.56)	–	–	–	(121.56)
Balance as at 31st March, 2018	117.20	231.65	121.56	1,812.97	2,283.38

The accompanying notes 1 to 29 are an integral part of Standalone 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)

 Place of signature: Kolkata
 Date: 5th May, 2018

For and on behalf of the Board
Naresh Pachisia
Managing Director
 DIN: 00233768

Anil Shukla
Chief Financial Officer
 PAN: AKLPSS0016P

Nikunj Pachisia
Whole-time Director
 DIN: 06933720

Alka Khetawat
Company Secretary
 Membership No. 47322

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	788.96	365.04
Adjustments to reconcile Profit before Tax to Cash Flow provided by Operating Activities:		
Finance costs	27.08	23.42
Dividend income	(0.10)	-
Depreciation & amortisation expense	22.93	24.99
Loss on sale/discard of property, plant and equipment	-	1.60
Advances written off	-	5.00
Profit on sale of investments	(95.27)	(8.99)
Net gain on fair valuation measured at FVTPL	(82.56)	(186.26)
Bad debts written off	1.01	46.32
Operating Profit before Working Capital changes	662.05	271.12
Adjustments to reconcile Operating Profit to Cash Flow provided by changes in Working Capital:		
Increase/(Decrease) in Trade Payables, other liabilities and provisions	184.35	49.20
Decrease/(Increase) in trade receivables, loans, advances and other assets	(41.25)	(169.82)
Cash Generated from Operations	805.15	150.50
Less: Tax Expense	(139.62)	(57.43)
Net Cash Generated / (Used) - Operating Activities	665.53	93.07
B CASH FLOW FROM INVESTING ACTIVITIES		
Additions to property, plant & equipment	(69.15)	(252.41)
Sale of property, plant & equipment	-	3.05
Purchase of Investments	(696.93)	(309.10)
Sale of Investments	592.22	230.06
Dividend income	0.10	-
Net Cash Generated / (Used) - Investing Activities	(173.76)	(328.40)
C CASH FLOW FROM FINANCING ACTIVITIES		
Buyback of shares	(619.95)	-
Net Proceeds from Borrowings	(32.91)	147.44
Proceeds from short term borrowings	106.12	-
Finance Cost	(27.08)	(23.42)
Net Cash Generated / (Used) - Financing Activities	(573.82)	124.02
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(82.05)	(111.31)
Opening Cash and Cash Equivalents	64.24	175.55
Closing Cash and Cash Equivalents	(17.81)	64.24

Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS)-7 on Statement of Cash Flows.
- Cash and Cash Equivalents at the end of the year consists of:
 - Balance with Banks on Current Accounts
 - Cash on hand
 - Stamps on hand
- Cash and cash equivalents do not include any amount which is not available to the Company for its use.
- Figure in brackets represent cash outflow from respective activities.

The accompanying notes 1 to 29 are an integral part of Standalone 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)

Place of signature: Kolkata

Date: 5th May, 2018

For and on behalf of the Board

Naresh Pachisia
Managing Director

DIN: 00233768

Anil Shukla

Chief Financial Officer

PAN: AKLPSS0016P

Nikunj Pachisia
Whole-time Director

DIN: 06933720

Alka Khetawat

Company Secretary

Membership No. 47322

NOTE NO. 1**1. Company Overview**

SKP Securities Limited ('the Company') incorporated on 18th May, 1990, is a Public Limited Company domiciled in India and has its registered office at Chatterjee International Centre, Level 21, 33A, Jawaharlal Nehru Road, Kolkata - 700 071. Its shares are listed on BSE Ltd.

The Company is engaged in the business of providing stock broking services, depository services, distribution of mutual funds and wealth advisory services.

The Company is registered with Securities and Exchange Board of India (SEBI) as a member of National Stock Exchange of India Limited (NSE), BSE Ltd., National Securities Depository Limited (NSDL), Central Depository Services (India) Ltd. (CDSL) and as Research Analysts. It is also registered with Association of Mutual Fund of India (AMFI).

The financial statements for the year ended 31st March, 2018 were approved for issue by the Board of Directors on 5th May, 2018.

NOTE NO. 2**2. Significant accounting policies****2.1 Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2017. Up to the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1st April, 2016. Details of the exceptions and optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 29(15) (First-time Adoption).

2.2 Basis of preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration in exchange for goods and services.

All amount disclosed in the financial statements including notes thereon have been rounded off to the nearest lakh as per the requirement of Schedule III to the Act, unless stated otherwise.

2.3 Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

2.4 Operating Cycle

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 III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements. The Company has ascertained its operating cycle to be 12 months for the purpose of current, non-current classification of assets and liabilities.

2.5 Property, plant and equipment (PPE) and Depreciation

- a) Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of PPE recognised as at 1st April, 2016 measured as per the previous GAAP.
- b) Cost is inclusive of inward freight, non-refundable taxes and duties and directly attributable costs of bringing an asset to the location and condition of its intended use. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

The cost and related accumulated depreciation are derecognised from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

- c) Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Depreciation on items of PPE is provided on a straight line basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset as specified in Schedule II to the Companies Act, 2013 which in the view of the management best represents the period for which the asset is expected to be used:

The estimated useful lives of PPE of the Company are as follows:

Freehold Premises	60 years
Office equipment	5 years
Furniture and fixtures	10 years
Computers, Servers and other Information Technology Equipments	3 to 6 years
Vehicles	8 years

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. The residual life is considered as 5% of the value of PPE.

2.6 Impairment of Assets

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, if any, an impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not

exceeding written down value which would have been reported if the impairment loss had not been recognized.

2.7 Revenue recognition

Revenue is recognised to the extent it is probable that economic benefits would flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable taking into account contractually defined terms of payment net of rebate and taxes.

The specific recognition criteria for revenue recognition are as follows:

a) Broking Services

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.

b) Distribution Services

Brokerage/commission from mutual funds and on distribution of third party products are recognised when the Company's right to receive the same is established.

c) Depository and Advisory Services

Income from Depository and Advisory services are recognised on the basis of agreement entered into with the clients and when the Company's right to receive the income is established.

d) Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

e) Dividend Income

Dividend income is recognised when the Company's right to receive the dividend is established.

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

2.8 Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

2.9 Borrowing costs

Borrowing costs that are directly attributable to the acquisition and/or construction of a qualifying asset are capitalized as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.10 Provisions, contingent liabilities and contingent assets

- a) Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect

the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

- b) Contingent liability is disclosed for possible obligations which will be confirmed only by future events not wholly within the control of the Company or present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent assets are neither recognized nor disclosed except when realisation of income is virtually certain, related asset is disclosed.
- d) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.11 Employee benefits

a) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

b) Defined contribution plans

Company's Contributions to Provident are charged to the Statement of Profit and Loss in the year when the contributions to the respective funds are due.

c) Defined benefit plans

Gratuity is in the nature of a defined benefit plan. The cost of providing benefits under the defined benefit obligation is calculated on the basis of actuarial valuations carried out at reporting date by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately through other comprehensive income in the period in which they occur.

2.12 Share based payments (Employee stock options)

The eligible employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to equity share capital (par value of the equity share) and securities premium reserve.

The Company determines the compensation cost based on the intrinsic value method. The compensation cost is amortised on a straight line basis over the vesting period.

2.13 Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

i) Financial Assets

(a) Recognition

Financial assets include Investments, Trade receivables, Advances, Security Deposits,

Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss

(b) Classification

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- 1) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
- 2) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- 3) fair value through profit or loss (FVTPL), where the assets does not meet the criteria for categorization as at amortized cost or as FVTOCI. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

(c) Impairment

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort.

The Company recognizes loss allowances using the expected credit loss (ECL) model and ECL impairment loss allowance are measured at an amount equal to lifetime ECL.

Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(d) De-recognition

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. If the asset is one that is measured at:

- i) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- ii) fair value through other comprehensive income, the cumulative fair value

adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

iii) Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

iv) Equity instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

v) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

vi) Dividend distribution

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

vii) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same—to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

2.14 Taxes

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

2.15 Earnings per Share

- a) Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period.
- b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share split and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.16 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the period of the lease or other systematic basis more representative of the time pattern of the user's benefits.

As a lessor

Leases in which the company has substantially retained all the risks and rewards of ownership are classified as Operating Leases. Lease Income on such operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the lease term which is representative of the time pattern in which benefit derived from the use of the leased asset is

diminished. Initial direct costs are recognized as an expense in the Statement of Profit and Loss in the period in which they are incurred.

2.17 Cash and cash equivalents

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management.

2.18 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss 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.

NOTE NO. 3

3. CRITICAL ACCOUNTING ESTIMATES

(i) Estimation of Defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each financial year end.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the actuary considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

(ii) Provisions and Contingent Liabilities

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

NOTE NO. 4. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lacs)

Description of Assets	Gross Block			Accumulated Depreciation			Net Block		
	As at 1st April, 2017	Additions	Sales/ Adjustment	As at 31st March, 2018	As at 1st April, 2017	For the year		Sales/ Adjustment	
Freehold Premises	320.56	-	-	320.56	4.56	5.08	-	9.64	310.92
Office Equipments	5.57	0.72	-	6.29	1.38	1.34	-	2.72	3.57
Furniture and Fixtures	11.74	-	-	11.74	5.20	2.40	-	7.60	4.14
Computers, Servers and other Information Technology Equipments	3.41	4.58	-	7.99	1.32	1.30	-	2.62	5.37
Vehicles	65.82	63.85	-	129.67	7.30	12.81	-	20.11	109.56
Total	407.10	69.15	-	476.25	19.76	22.93	-	42.69	433.56

PREVIOUS YEAR

(₹ in Lacs)

Description of Assets	Gross Block			Accumulated Depreciation			Net Block		
	As at 1st April, 2016	Additions	Sales/ Adjustment	As at 31st March, 2017	As at 1st April, 2016	For the year		Sales/ Adjustment	
Freehold Premises	-	320.56	-	320.56	-	4.56	-	4.56	316.00
Office Equipments	2.92	2.65	-	5.57	-	1.38	-	1.38	4.19
Furniture and Fixtures	9.32	2.42	-	11.74	-	5.20	-	5.20	6.54
Computers, Servers and other Information Technology Equipments	1.63	1.78	-	3.41	-	1.32	-	1.32	2.09
Vehicles	75.70	-	9.88	65.82	-	12.53	5.23	7.30	58.52
Total	89.57	327.41	9.88	407.10	-	24.99	5.23	19.76	387.34
									89.57

Aggregate Depreciation has been included under Depreciation expense in the Statement of Profit and Loss.

NOTE NO. : 5

(i) NON-CURRENT INVESTMENTS

(₹ in Lacs)

Particulars	Face value	Number of Units	As at 31st March, 2018	Number of Units	As at 31st March, 2017	Number of Units	As at 1st April, 2016
Mutual funds							
(At fair value through profit or loss)							
Quoted - Fully paid up							
Aditya Birla Sun Life 95 Fund	10	10,767	83.76	10,767	76.59	9,194	52.26
Canara Robeco Balance Fund	10	-	-	27,614	37.06	27,614	30.28
DSP Black Rock Balanced Fund	10	55,662	82.72	59,463	80.54	47,589	51.72
Franklin India Balanced Fund	10	65,219	77.51	61,027	66.36	55,902	51.86
Franklin Templeton India Short Term Income Plan	1000	1	0.02	4,230	148.16	4,230	132.22
HDFC Balanced Fund	10	40,738	62.21	34,223	46.45	34,223	38.51
HDFC Prudence Fund	10	12,015	60.80	12,015	56.71	9,690	36.19
ICICI Pru Balanced Fund	10	69,182	91.58	54,306	64.84	45,182	41.69
ICICI Prudential Balanced Advantage Fund	10	-	-	57,250	18.15	57,250	15.19
IDFC Premier Equity Fund	10	-	-	-	-	28,862	20.12
IDFC Balanced Fund	10	2,79,880	32.34	1,50,000	15.88	-	-
JP Morgan India Balanced Advantage Fund	10	-	-	-	-	52,375	5.06
Kotak Balance Fund	10	3,12,541	79.35	3,12,541	73.56	2,38,414	44.83
L & T India Prudence Fund	10	-	-	2,55,258	61.60	2,55,258	50.79
Mirae Asset Emerging Bluechip Fund	10	90,120	44.92	90,120	39.93	35,057	10.78
Mirae Asset Prudence Fund	10	4,27,827	58.99	50,000	6.21	50,000	4.94
Motilal Oswal Most Focused Multicap 35	10	2,24,168	61.25	2,05,718	48.21	1,53,241	25.95
Principal Balanced Fund	10	-	-	-	-	9,804	4.95
Reliance RSF Balanced Fund	10	1,47,909	83.65	1,42,167	70.60	1,30,433	53.06
SBI Magnum Balanced Fund	10	63,096	81.29	59,270	67.18	49,341	47.94
Sundaram Balanced Fund	10	-	-	-	-	7,571	4.68
Tata Balanced Fund	10	31,780	66.51	31,780	62.44	31,780	52.91
UTI Balanced Fund	10	-	-	32,051	49.44	32,051	39.69
UTI Nifty Index Fund	10	29,852	19.62	-	-	-	-
Equity Instruments							
In subsidiaries (At cost)							
Unquoted - Fully paid up :							
SKP Commodities Ltd. (Refer note 29(3))	10	-	-	10,00,000	100.00	10,00,000	100.00
SKP Insurance Advisors Private Ltd.	10	20,000	12.00	20,000	12.00	20,000	12.00

Particulars	Face value	Number of Units	As at 31st March, 2018	Number of Units	As at 31st March, 2017	Number of Units	As at 1st April, 2016
In Others (At fair value through profit or loss)							
Unquoted - Fully paid up:							
Calcutta Stock Exchange	1	250	2.00	250	2.00	250	2.00
Sudipta Traders Private Limited	10	85,000	382.50	85,000	382.50	85,000	382.50
Total			1,383.02		1,586.41		1,312.12
Aggregate amount of quoted investments			986.52		1,089.91		815.62
Aggregate amount of impairment in value of investments			–		–		–
Aggregate amount of unquoted investments			396.50		496.50		496.50
Aggregate amount of impairment in value of investments			–		–		–

Out of the investment in units of mutual funds, units worth ₹ 635.11 lacs (31st March, 2017 ₹ 862.79 lacs and 1st April, 2016 ₹ 670.60 lacs) are pledged/ under lien with Banks and others for overdraft facility. However, there is no amount outstanding in overdraft account against pledge/lien of these units as on 31st March, 2018 (31st March, 2017 Nil and 1st April, 2016 Nil).

(ii) CURRENT INVESTMENTS

(₹ in Lacs)

Particulars	Face value	Number of Units	As at 31st March, 2018	Number of Units	As at 31st March, 2017	Number of Units	As at 1st April, 2016
Mutual funds							
(At fair value through profit or loss)							
Quoted - Fully paid up							
Aditya Birla Sunlife Floating Rate Fund- Short term	10	21,616	50.11	–	–	–	–
ICICI Prudential Flexi Income Fund	10	68,757	230.26	–	–	–	–
ICICI Prudential Liquid Fund	10	7,990	205.56	–	–	–	–
Total			485.93		–		–
Aggregate amount of quoted investments			485.93		–		–
Aggregate amount of impairment in value of investments			–		–		–

NOTE NO: 6 OTHER FINANCIAL ASSETS

(i) Non-current

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Carried at amortised cost			
Security deposits	387.27	344.89	265.37
Total	387.27	344.89	265.37

(ii) Current

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Carried at amortised cost			
Security deposits	0.45	0.45	0.64
Interest accrued but not due on Fixed deposits	22.91	22.36	22.88
Other recoverables	1.44	1.97	0.32
Total	24.80	24.78	23.84

NOTE NO: 7 DEFERRED TAX ASSETS (NET)

As at 31st March, 2018

(₹ in Lacs)

Particulars	Opening Balance	Recognized in profit & loss	Recognized in OCI	Closing Balance
Tax effect of items constituting deferred tax assets				
Property, plant and equipment	10.64	5.36	–	16.00
Tax effect of items constituting deferred tax liabilities				
Net deferred tax assets/income	10.64	5.36	–	16.00

As at 31st March, 2017

(₹ in Lacs)

Particulars	Opening Balance	Recognized in profit or loss	Recognized in OCI	Closing Balance
Tax effect of items constituting deferred tax assets				
Property, plant and equipment	20.86	(10.22)	–	10.64
Tax effect of items constituting deferred tax liabilities				
Net deferred tax assets/income	20.86	(10.22)	–	10.64

NOTE NO: 8 OTHER ASSETS

(i) Non-current

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good			
Capital Advances	–	–	75.00
Total	–	–	75.00

(ii) Current

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advances other than capital advances			
Deposit against income tax appeal and other litigation	0.50	0.50	0.44
Other advances	18.50	4.09	11.51
Others			
Service tax input credit/refundable	–	0.34	0.02
Prepaid Expenses	5.60	9.15	6.51
Total	24.60	14.08	18.48

NOTE NO: 9 TRADE RECEIVABLES

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Carried at amortized cost			
Unsecured, considered good	337.77	303.64	272.31
Total	337.77	303.64	272.31

NOTE NO: 10 CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balances with Banks			
In current accounts	86.63	62.43	42.66
Cash on hand	4.01	1.68	1.13
Fixed deposits with maturity of less than 3 months	–	–	150.00
Stamps on hand	0.12	0.13	0.45
Total	90.76	64.24	194.24

NOTE NO: 11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Earmarked balances with Banks			
Unpaid Dividend	3.70	4.29	3.63
Current deposits*	92.07	133.34	122.94
Fixed deposit pledged as security/margin deposit			
Current portion of original maturity period more than 12 months	393.68	398.62	398.57
Total	489.45	536.25	525.14

* Balance with banks in Client Money Account not available for use of the Company

NOTE NO: 12 EQUITY SHARE CAPITAL

(₹ in Lacs)

	Particulars	No. of shares	As at 31st March, 2018	No. of shares	As at 31st March, 2017	No. of shares	As at 1st April, 2016
(a)	Authorised						
	Equity shares of par value ₹ 10/- each	1,00,00,000	1,000.00	1,00,00,000	1,000.00	1,00,00,000	1,000.00
			1,000.00		1,000.00		1,000.00
(b)	Issued, subscribed and fully paid up						
	Equity shares of par value ₹ 10/- each	43,99,400	439.94	56,15,000	561.50	56,15,000	561.50
			439.94		561.50		561.50

(c) The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share.

(d) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion to the number of equity shares held by them, after distribution of all preferential dues. However, no such preferential dues exists currently.

(e) The Company declares and pays dividend in Indian Rupees. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share.

- (f) Pursuant to the approval of the Board of Directors on 20th April, 2017, and shareholders by way of Postal Ballot on 13th June, 2017, the Company made a Public Announcement on 15th June, 2017 and Post Buyback Announcement on 14th September, 2017 for Buyback of upto 12,15,600 fully paid-up equity shares of face value of ₹ 10/- each from all the equity shareholders of the Company as at the Record Date, on a proportionate basis, through the Tender Offer route through Stock Exchange Mechanism, subject to compliance with the provisions of Sections 68, 69, 70 and other applicable provisions, if any, of the Companies Act, 2013 (as amended) (“the Act”), the Companies (Share Capital and Debentures) Rules, 2014 (as amended) to the extent applicable, and in compliance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (as amended) (the “Buyback Regulations”), at the buyback price of ₹ 51/- per equity share payable in cash, for an aggregate maximum amount of ₹ 619.95 lacs representing 24.98% of the fully paid-up equity share capital and free reserves as per the audited accounts of the Company for the financial year ended on 31st March, 2017 (the last audited financial statements available as at the date of the meeting of Board of Directors approving the Buyback). The Company has concluded the buy-back offer and in compliance with Regulation 12 of the Buyback Regulations has extinguished 12,15,600 equity shares of ₹ 10/- each from the paid up equity share capital on 19th September, 2017.

This has resulted in total cash outflow of ₹ 619.95 lacs which has been utilized from General Reserve (₹ 121.56 lacs) and Retained Earnings (₹ 498.39 lacs) pursuant to requirements of the Act. Further, Capital Redemption Reserve of ₹ 121.56 lacs representing the nominal value of the equity shares bought back has been created out of retained earning account. Consequent to such buyback, equity share capital has been reduced by ₹ 121.56 lacs.

- (g) **Reconciliation of number and amount of equity shares outstanding:** (₹ in Lacs)

Particulars	No. of shares	As at 31st March, 2018	No. of shares	As at 31st March, 2017	No. of shares	As at 1st April, 2016
At the beginning of the year	56,15,000	561.50	56,15,000	561.50	56,15,000	561.50
Less: Buy back of shares	12,15,600	121.56	–	–	–	–
At the end of the year	43,99,400	439.94	56,15,000	561.50	56,15,000	561.50

- (h) **Shareholders holding more than 5 % of the equity shares in the Company:**

Name of the shareholder	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
Naresh Pachisia	22,89,000	52.03	28,65,000	51.02	28,65,000	51.02
Naresh Pachisia & Sons (HUF)	3,80,000	8.64	5,04,700	8.99	5,04,700	8.99
Manju Pachisia	3,00,000	6.82	4,00,000	7.12	4,00,000	7.12

- (i) The aggregate number of equity shares bought back in immediately preceding last five years ended on 31st March, 2018 – 12,15,600 equity shares (Previous period of five years ended on 31st March, 2017 – Nil equity share).

- (j) **Details of shares reserved for issuance:**

The Company has reserved for issue Nil (31st March, 2017 -Nil and 1st April, 2016 - 48,000) equity shares of par value ₹ 10/- each at a premium of ₹ 19/- each for offering to the eligible employees of the Company under SKP ESOP Plan 2010. During the year ended 31st March, 2017, all employees holding options under SKP ESOP Plan 2010 had surrendered their rights of exercising the options. Hence, there were no Options outstanding/exercisable as at the end of the year (31st March, 2017 - Nil and 1st April, 2016 - 48,000).

NOTE NO: 13 OTHER EQUITY

(₹ in Lacs)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016
(a) General Reserve					
As per last Balance Sheet	228.76		223.76		
Less: Transferred to Capital Redemption Reserve Account (Refer note 12(f))	(121.56)		—		
Add: Transferred from Retained earnings	10.00		5.00		
Closing balance		117.20		228.76	223.76
(b) Securities Premium Reserve					
Balance as per last account		231.65		231.65	231.65
(c) Capital Redemption Reserve					
Balance as per last account	—		—		
Add: Transferred from General Reserve (Refer note 12(f))	121.56		—		
Closing balance		121.56		—	—
(d) Retained earnings					
Balance as per last account	1,699.29		1,396.41		
Add: Net Profit for the year	624.02		305.95		
Add: Other comprehensive income/(loss) for the year	(1.95)		1.93		
Less: Utilised for buy back of shares (Refer note 12(f))	(498.39)		—		
Less: Transfer to General Reserve	(10.00)		(5.00)		
Closing balance		1,812.97		1,699.29	1,396.41
Total		2,283.38		2,159.70	1,851.82

NOTE NO: 14 BORROWINGS

(i) Non-current

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Carried at amortized cost			
Secured			
Term Loans			
From Banks	—	79.36	—
Vehicle Loan			
From Banks	41.36	11.29	23.73
Total	41.36	90.65	23.73

a) Nature of Security

- i) The Term loan against Property is secured by way of mortgage of office at Mumbai. The loan carries interest at the rate of 11.35% p.a.
- ii) The vehicle loans are secured by way of hypothecation of vehicle purchased. The loan carries interest at the rate of 9.35% p.a. and 8% p.a.

b) Terms of repayment

(₹ in Lacs)

Sl No.	Name of the banks / entities	Amount outstanding as on 31.03.2018		Period of maturity w.r.t. Balance Sheet date	Number of instalments due as on 31.03.18
		Current *	Non current		
1	HDFC Bank - Loan against Property	79.40	–	12 months	12
		(79.41)	(79.36)	(24 months)	24
2	HDFC Bank - Vehicle loan	11.29	–	10 months	10
		(12.44)	(11.29)	(22 months)	(22)
3	HDFC Bank - Vehicle loan	17.54	41.36	37 months	37
		(–)	(–)	(–)	(–)
	Total	108.23	41.36		
		(91.85)	(90.65)		
		[11.34]	[23.73]		

Figures in brackets - () pertains to 31st March, 2017 and [] pertains to 1st April, 2016.

* Represents current maturities of long term debts shown under 'Other Financial Liabilities - Current (Note no. 16)'.

(ii) Current

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Carried at amortised cost			
Intercompany deposits - Unsecured	106.12	–	–
Total	106.12	–	–

NOTE NO: 15 TRADE PAYABLES

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Total outstanding dues of micro enterprises and small enterprises (Refer note 29(2))	–	–	–
Total outstanding dues of creditors other than micro enterprises and small enterprises	351.85	221.61	179.55
Total	351.85	221.61	179.55

NOTE NO: 16 OTHER FINANCIAL LIABILITIES-CURRENT

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current maturities of long- term debt*	108.23	91.85	11.33
Unpaid & Unclaimed Dividends**	3.70	4.29	3.63
Other Payables			
Security Deposits	48.98	49.03	59.88
Accrued expenses	86.88	69.63	39.22
Bank overdraft as per books	108.57	–	18.69
Others	1.76	3.34	2.77
Total	358.12	218.14	135.52

* Refer note no. 14 (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.

NOTE NO: 17 OTHER CURRENT LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Statutory Dues	33.63	8.19	21.58
Total	33.63	8.19	21.58

NOTE NO: 18 PROVISIONS-CURRENT

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for employee benefits (Refer note 29(4))			
Gratuity	18.63	3.02	5.24
Total	18.63	3.02	5.24

NOTE NO: 19 CURRENT TAX LIABILITIES (NET)

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for Taxation	166.87	103.44	151.51
Less : Tax deducted at source and Advance tax	126.74	93.98	133.52
Total	40.13	9.46	17.99

NOTE NO: 20 REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Sale of services		
Distribution services	568.51	378.19
Broking services	703.36	500.71
Depository services	34.83	30.06
Advisory services	227.50	59.25
	1,534.20	968.21
Other operating revenues		
Profit on sale of investments	95.27	8.99
Dividend on long term investments	0.10	-
Interest Income on financial assets carried at amortised costs		
On fixed deposits	25.20	33.69
On margin deposits	14.46	12.90
On late payment from clients	70.21	48.92
Total	1,739.44	1,072.71

NOTE NO: 21 OTHER INCOME

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Other non-operating income		
Miscellaneous income	0.22	0.20
Fair value gain on investments	82.56	186.26
Total	82.78	186.46

NOTE NO: 22 EMPLOYEE BENEFITS EXPENSES

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Salaries and allowances	282.10	267.68
Contribution to Provident & Other funds	16.09	3.11
Staff welfare expenses	12.62	9.31
Total	310.81	280.10

NOTE NO: 23 FINANCE COST

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Interest expenses		
On long term borrowings	15.19	20.71
On short term borrowings	11.85	2.66
Other borrowing cost	0.04	0.05
Total	27.08	23.42

NOTE NO: 24 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Depreciation / Amortisation (Refer Note no. 4)	22.93	24.99
Total	22.93	24.99

NOTE NO: 25 OTHER EXPENSES

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Brokerage and commission	187.99	169.05
Broker Note Stamp	44.92	32.23
Connectivity charges	13.43	10.41
Computer Expenses	19.56	16.04
Director Sitting Fess	4.25	2.66
Electricity expenses	18.76	18.73
Insurance Expenses	0.29	0.39
Legal & Professional Fees	116.28	8.44
Rent	54.99	62.11
Rates and taxes	1.66	3.95
Research Expenses	20.49	15.72
Bad debt written off	1.01	46.32
Payment to auditors		
As auditor for statutory audit	1.00	0.75
For tax audit	0.30	0.25
For other services	0.25	0.25

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Repairs - Others	10.17	26.71
Subscription	8.56	12.52
Service Charges	7.80	9.96
Transaction Charges	28.38	20.64
Travelling Expenses	46.12	30.14
Advances written off	–	5.00
Vehicle Expenses	9.10	8.85
Miscellaneous Expenses	77.13	62.90
Total	672.44	564.02

NOTE NO: 26 EXCEPTIONAL EXPENSES

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Loss on discard of property, plant and equipments	–	(1.60)
Total	–	(1.60)

NOTE NO: 27 INCOME TAX

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Current tax		
Tax for earlier year	2.76	–
Current Tax	167.54	48.87
Deferred tax	(5.36)	10.22
Total	164.94	59.09

NOTE NO: 28 EARNINGS PER SHARE

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
a) Amount used as the numerator (₹ in lakh) Profit for the year - (A)	624.02	305.95
b) Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings per share* - (B)	49,72,231	56,15,000
c) Weighted average number of equity shares outstanding used as the denominator for computing Diluted earnings per share* - (C)	49,72,231	56,15,000
d) Nominal value of equity shares (₹)	10.00	10.00
e) Basic earnings per share (₹) (A/B)	12.55	5.45
f) Diluted earnings per share (₹) (A/C)	12.55	5.45

* The weighted average number of shares takes into account the weighted average effect of changes in number of shares due to buy back of shares.

NOTE NO: 29 OTHER DISCLOSURES

1. Contingent liabilities and commitments (to the extent not provided for)

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
I. Contingent liabilities:			
Claims against the Company not acknowledged as debts:			
Service tax demand -under appeal	6.33	6.33	56.90
Income tax demand- under appeal	0.42	0.42	–
Others- Under appeal/litigation	–	4.17	4.17
	6.75	10.92	61.07
II. Commitments			
Estimated amount of contract remaining to be executed on Capital account (net of advances) and not provided for	–	–	155.00

The amounts shown in (I) above represent the best possible estimates arrived at on the basis of available information. Uncertainties and timing of cash flows are dependent on outcome of 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 reimbursement in respect of above contingent liabilities.

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

- The company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31 March 2018 as micro, small and medium enterprises. Consequently, the amount due to micro and small enterprises as per requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is Nil (31st March 2017 - Nil and 1st April 2016 - Nil).
- The Company entered into a Share Purchase Agreement on 12th September, 2017 inter-alia with Mr. Naresh Pachisia, Mr. Nikunj Pachisia, Mrs Manju Pachisia and Mr. Vaibhav Pachisia for sale of its entire shareholding of 100% in SKP Commodities Ltd. consisting of 10,00,000 equity shares of ₹ 10/- each. Pursuant to the said agreement, SKP Commodities Ltd. has ceased to be the subsidiary of the Company w.e.f. 30th Septemebr, 2017. (Refer note no 29(7)).

4. Employee Benefits:

As per Indian Accounting Standard - 19 “ Employee Benefits”, the disclosures of Employee Benefits are as follows:

a) Defined Contribution Plan:

The Company has no legal and constructive obligation to pay or make any contribution towards provident fund and ESIC for employees as the salaries of employees are above the statutory limit. However, the company makes contribution of Administrative charges for maintaining provident fund account.

b) Defined Benefit Plans:

i) Description of Plans

The Gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of service is entitled to specific benefit. The Gratuity Plan provides a lumpsum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits provided depends on the member’s length of service and salary at retirement age etc.

Gratuity Benefits are funded in nature. The company has opted for a Group Gratuity cum Life Assurance Scheme of Aditya Birla Sun Life Insurance Company Limited. The liabilities arising in the defined benefit schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method at the year end.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the said plan:

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

(₹ in Lacs)

Particulars	Gratuity	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I. Components of Employer Expense		
I.1 Expenses recognised in the Statement of Profit and Loss:		
Current service cost	3.74	5.42
Past service cost	12.15	–
Interest cost	0.11	0.39
Curtailment	–	–
Settlement	–	–
Expense recognised in the Statement of Profit and Loss	16.00	5.81
I.2 Remeasurements recognised in Other comprehensive income		
Actuarial gain / (loss) arising from:		
- change in demographic assumptions	–	–
- change in financial assumptions	–	–
- changes in experience adjustments	(4.18)	0.70
- changes in asset ceiling (excluding interest income)	–	–
(Returns)/loss on plan assets excluding amounts included in Net interest cost	1.55	2.09
Components of defined benefit costs recognised in Other comprehensive income	(2.63)	2.79
Total defined benefit cost recognised in Profit and Loss and Other comprehensive income	13.37	8.60
II. Change in present value of defined benefit obligation:		
Present value of defined benefit obligation at the beginning of the year	35.94	29.04
Interest expense	2.63	2.18
Past service cost	12.15	–
Current service cost	3.74	5.42
Benefits paid	(1.63)	(0.70)
Actuarial gain / (loss) arising from:		
- change in financial assumptions	–	–
- changes in experience adjustments	4.18	–
Present value of Defined Benefit Obligation at the end of the year	57.01	35.94

Particulars	Gratuity	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
III Change in fair value of plan assets during the year:		
Plan assets at the beginning of the year	32.92	23.80
Interest income	2.52	1.78
Employers' contributions	3.02	5.24
Benefits paid	(1.63)	
Re-measurement (Returns on plan assets excluding amounts included in interest income)	1.56	2.09
Fair Value of Plan Assets at the end of the year	38.39	32.91
IV. Net Asset / (Liability) recognised in the Balance Sheet as at the year end:		
Present value of Defined Benefit Obligation	57.01	35.94
Fair value of Plan Assets	38.39	32.91
Funded Status [Surplus/(Deficit)]	18.62	3.03

(₹ in Lacs)

Particulars	Gratuity		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Net Asset / (Liability) recognised in Balance Sheet			
Current liability	18.63	3.02	5.24
Non-current liability	–	–	–
V. Actuarial Assumptions:			
Discount Rate (per annum) %	7.50%	7.50%	8.00%
Expected return on Plan Assets (% p.a.)	7.50%	7.50%	8.00%
Expected Rate of Salary increase %	5.00%	5.00%	5.00%
Retirement/Superannuation Age (Year)	58	58	58
Mortality Rates	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
VI. Major Category of Plan Assets as a % of the Total Plan Assets as at the year end:			
Administered by Insurance Companies	100%	100%	100%
VII. Maturity Profile of Defined Benefit Obligation Expected cash flows (valued on undiscounted basis):			
Year 1	4.07	0.42	0.36
Year 2	1.27	0.46	0.39
Year 3	20.28	0.50	0.42
Year 4	4.49	11.84	0.45
Year 5	1.34	0.48	11.55
Next 5 years	41.45	20.41	9.16

Particulars	Gratuity		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Total expected payment	72.90	34.11	22.33
The average duration of the defined benefit plan obligation at the end of the balance sheet date (in years)	8 years	8 years	8 years
VIII. Sensitivity analysis on Present value of Defined Benefit Obligations:			
Discount rates			
1% Increase	(4.35)	(3.54)	(2.92)
1% Decrease	5.06	4.16	3.43
Expected rates of salary increases			
1% Increase	4.10	2.86	2.40
1% Decrease	3.63	(2.63)	(2.08)
Withdrawal Rate			
1% Increase	1.42	0.06	0.08
1% Decrease	(1.63)	(0.03)	(0.04)
The sensitivity analyses above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the balance sheet date.			
All sensitivities are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.			
IX. Experience adjustments on Present value of Defined Benefit Obligation and Plan Assets are as follows:			
Present value of Defined Benefit Obligation	57.01	35.94	29.04
Fair value of Plan Assets	38.39	32.91	23.80
(Deficit)/Surplus	18.62	3.03	5.24
Experience adjustment of Plan Assets [Gain/(Loss)]	–	–	–
Experience adjustment of Obligations [(Gain)/Loss]	(4.18)	0.70	0.79

iii) Risks related to defined benefit plans:

The main risks to which the Company is exposed in relation to operating defined benefit plans are

- i) **Investment risk:** As the plan assets include significant investment in units of mutual funds, the company is exposed to risk of impacts arising changes in Net Asset Value of mutual funds.
- ii) **Mortality risk:** The assumptions adopted by the Company make allowances for future improvements in life expectancy. However, if life expectancy improves at a faster rate than assumed, this would result in greater payments from the plans and consequently increase in

the plan's liabilities. In order to minimise this risk, mortality assumptions are reviewed on a regular basis.

- iii) **Interest Rate Risk:** The present value of Defined Benefit Plans liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government bonds. A decrease in yields will increase the fund liabilities and vice-versa.
- iv) **Salary cost inflation risk:** The present value of the defined benefit plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

iv) Asset - liability management and funding arrangements

The trustees are responsible for determining the investment strategy of plan assets. The overall investment policy and strategy for Company's funded defined benefit plan is guided by the objective of achieving an investment return which, together with the contribution paid is sufficient to maintain reasonable control over various funding risks of the plan.

v) Other disclosures:

- i) The following are the assumptions used to determine the benefit obligation
 - a) Discount rate: The yield of government bonds are considered as the discount rate. The tenure has been considered taking into account the past long term trend of employees' average remaining service life which reflects the average estimated term of the post - employment benefit obligations.
 - b) 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.
 - c) Rate of return on plan assets: Rate of return for the year was the average yield of the portfolio in which Company's plan assets are invested over a tenure equivalent to the entire life of the related obligation.
 - d) Attrition rate : Attrition rate considered is the management's estimate based on the past long- term trend of employee turnover in the Company.
- ii) The Gratuity and Provident Fund expenses have been recognised under " Contribution to Provident and Other Funds" under " Salaries and Allowances" under Note No. 22.

5. Operating Segment information

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 Ind AS - 108 "Operating Segment".

The Company earns its entire "revenue from external customers" in India being Company's country of domicile. All the assets are located in India. During the year revenue from one customer amounted to more than 10% of the total revenue amounting to ₹ 190 lakh (31st March, 2017 - Nil).

6. Employee Stock Option

The Employee Stock Option Scheme (SKP ESOP Plan 2010) of the Company was formulated by the Board of Directors of the Company and approved in its meeting held on 23rd April, 2010, and by the shareholders at the Annual General Meeting of the Company held on 31st July, 2010 and in accordance with the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 read with the the SEBI (Share Based Employee Benefits) Regulations, 2014.

Employees covered under the Employee stock option scheme are granted an option to purchase equity shares of the Company at the exercise price of ₹ 29/- which was marginally above the market price of ₹ 27.10 as on the date of grant of options. Under the said Scheme, Options granted have vesting period of one to three years and exercise period of maximum five years

The Company had granted 1,00,000 options to its employees under the SKP ESOP PLAN, 2010. Since its issue none of the employee had exercised the options while 52,000 options were surrendered and 48,000 options were in force till 1st April, 2016. During the Financial Year 2016-17, employees holding these 48,000 options have also surrendered their right as per the SKP ESOP PLAN, 2010. Hence there are no options (31st March, 2017 Nil and 1st April, 2016- 48,000) outstanding as at the end of the Financial Year.

The details of Options granted, lapsed and exercised are as under:

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Year of Issue	–	2010-2011	2010-2011
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)
Options granted upto 31.03.2016	–	–	1,00,000
Options exercised upto 31.03.2016	–	–	–
Options lapsed upto 31.03.2016	–	–	44,000
Options outstanding at the beginning of the year	–	48,000	56,000
Options granted during the period	–	–	–
Options exercised during the year	–	–	–
Options lapsed during the year	–	–	8,000
Options surrendered during the year	–	48,000	–
Options outstanding at the end of the year	–	–	48,000

There were no modifications to the terms of SKP ESOP PLAN, 2010 either in the current year or in the previous years.

7. Related party disclosures:

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

- i) Subsidiary Company** : SKP Commodities Limited. (Ceased to be subsidiary w.e.f. 30.09.2017)
(Control exists) : SKP Insurance Advisors Private Limited
- ii) Key Managerial Personnel** : Naresh Pachisia, Managing Director
(KMP) : Nikunj Pachisia, Director
- iii) Other related parties**
Close members of KMP
Naresh Pachisia : Manju Pachisia (Wife)
: Nikunj Pachisia (Son)
: Kanupriya Pachisia (Son's wife)
: Vaibhav Pachisia (Son)
- Significant influence entities:** Naresh Pachisia & Sons (HUF)
: Nikunj Pachisia (HUF)
: SKP Commodities Limited (From 30.09.2017)

b) Transactions with Related parties:

(₹ in Lacs)

Nature of transaction / Name of the related party	Subsidiaries	Significant influence entities	KMP	Close Members of KMP	Total
i) Compensation/Remuneration of KMP					
Naresh Pachisia	–	–	50.00	–	50.00
	–	–	(50.00)	–	(50.00)
Nikunj Pachisia	–	–	22.00	–	22.00
	–	–	(18.00)	–	(18.00)
ii) Rendering of services					
Brokerage Earned	–	0.04	0.62	0.10	0.76
	(0.01)	–	(0.55)	(0.00)	(0.56)
Demat Charges Received	–	0.02	0.04	0.02	0.08
	(0.01)	(0.00)	(0.06)	(0.01)	(0.08)
iii) Receiving of services					
SKP Insurance Advisors Pvt. Ltd.	12.50	–	–	–	12.50
	(0.00)	–	–	–	(0.00)
SKP Commodities Ltd. (till 30.09.2017)	–	9.00	–	–	9.00
	–	(0.00)	–	–	(0.00)
iii) Sale of Shares					
Naresh Pachisia	–	–	112.38	–	112.38
	–	–	(0.00)	–	(0.00)
Nikunj Pachisia	–	–	1.76	–	1.76
	–	–	(0.00)	–	(0.00)
Manju Pachisia	–	–	–	59.70	59.70
	–	–	–	(0.00)	(0.00)
Vaibhav Pachisia	–	–	–	1.76	1.76
	–	–	–	(0.00)	(0.00)
iv) Outstanding balances	–	–	–	–	–
	–	–	–	–	–

c) Details of Remuneration paid/payable to KMP:

(₹ in Lacs)

Particulars	Naresh Pachisia		Nikunj Pachisia		Total	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Short-term employee benefits:						
Salary	50.00	50.00	22.00	18.00	72.00	68.00
Post-employment benefits:						
Contribution to Provident Fund and other Funds	–	–	–	–	–	–

- d) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.
- e) The Company had traded in commodities, with an objective to earn arbitrage income, on National Spot Exchange Ltd (NSEL) through SKP Commodities Ltd., a subsidiary of the Company, during 2013-14. NSEL has not been able to adhere to its payment obligation and a sum of ₹ 44.33 lacs has been receivable from NSEL through SKP Commodities Limited since 2013-14. Recovery proceedings from NSEL are in process by various Government and Enforcement agencies. The Company is timely submitting all data and information when sought and as required by these agencies. Since more than 3 years had passed and there was no visibility of any recovery, the Company, without prejudice to its right of recovery of money from NSEL through SKP Commodities Limited, had declared ₹ 44.33 lacs as Bad Debt during the year 2016-17 and written off this amount as a receivable as a prudent accounting norm.
- f) The remuneration of Directors is determined by the Nomination and Remuneration Committee of the Board of Directors considering the performance of individuals and market trends.
- g) Figures in brackets pertain to previous year.

8. Disclosure under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

There are no transactions which are required to be disclosed under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9. Details of Loans, guarantee and Investments covered under section 186 (4) of the Companies Act, 2013:

The particulars of Investments made are given under “Non - current investments” and “Current investments” in Note No. 5.

There is no loan and gurantee given.

10. Lease disclosure

Operating lease taken

The Company’s significant leasing arrangements is in respect of operating leases for office premises. These leasing arrangements which are cancellable at the option of the Company range between 11 months and 9 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as ‘Rent’ under Note 25.

With regard to certain other these operating leases for premises, the future minimum rentals are as follows:

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Not later than one year	39.27	40.01	72.42
Later than one year and not later than five years	217.44	216.02	220.42
Later than five years	23.47	70.91	110.06
Total	280.18	326.94	402.90

11. Dividend remitted in foreign currency :

The Company has not remitted any amount in foreign currency on account of dividend during the current year or previous year.

12. Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March, 2018

(₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying value			
				Amortized cost	FVTOCI	FVTPL	Total
(1)	Financial assets						
(a)	Investments	5	1,856.95	–	–	1,856.95	1,856.95
(b)	Trade and other receivables	9	337.77	337.77	–	–	337.77
(c)	Cash and cash equivalents	10	90.76	90.76	–	–	90.76
(d)	Bank balances other than cash and cash equivalents	11	489.45	489.45	–	–	489.45
(e)	Other financial assets	6	412.07	412.07	–	–	412.07
	Total		3,187.00	1,330.05	–	1,856.95	3,187.00
(2)	Financial liabilities						
(a)	Borrowings	14	147.48	147.48	–	–	147.48
(b)	Trade and other payables	15	351.85	351.85	–	–	351.85
(c)	Other financial liabilities	16	358.12	358.12	–	–	358.12
	Total		857.45	857.45	–	–	857.45

As at 31st March, 2017

(₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying value			
				Amortized cost	FVTOCI	FVTPL	Total
(1)	Financial assets						
(a)	Investments	5	1,474.41	–	–	1,474.41	1,474.41
(b)	Trade and other receivables	9	303.64	303.64	–	–	303.64
(c)	Cash and cash equivalents	10	64.24	64.24	–	–	64.24
(d)	Bank balances other than cash and cash equivalents	11	536.25	536.25	–	–	536.25
(e)	Other financial assets	6	369.67	369.67	–	–	369.67
	Total		2,748.21	1,273.80	–	1,474.41	2,748.21
(2)	Financial liabilities						
(a)	Borrowings	14	90.65	90.65	–	–	90.65
(b)	Trade and other payables	15	221.61	221.61	–	–	221.61
(c)	Other financial liabilities	16	218.14	218.14	–	–	218.14
	Total		530.40	530.40	–	–	530.40

As at 1st April, 2016

(₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying value			
				Amortized cost	FVTOCI	FVTPL	Total
(1)	Financial assets						
(a)	Investments	5	1,200.12	–	–	1,200.12	1,200.12
(b)	Trade and other receivables	9	272.31	272.31	–	–	272.31
(c)	Cash and cash equivalents	10	194.24	194.24	–	–	194.24
(d)	Bank balances other than cash and cash equivalents	11	525.14	525.14	–	–	525.14
(e)	Other financial assets	6	289.21	289.21	–	–	289.21
	Total		2,481.02	1,280.90	–	1,200.12	2,481.02
(2)	Financial liabilities						
(a)	Borrowings	14	23.73	23.73	–	–	23.73
(b)	Trade and other payables	15	179.55	179.55	–	–	179.55
(c)	Other financial liabilities	16	135.52	135.52	–	–	135.52
	Total		338.80	338.80	–	–	338.80

B. Fair value hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Fair value of cash and cash equivalents, other bank balances, trade and other receivables, loans and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables and other current financial liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using adjusted net asset value method Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

The fair value of investment in mutual funds has been determined based on quotes from mutual funds/ Asset management companies during the year.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2

The following tables provide the fair value hierarchy of the Company's assets and liabilities measured at fair value on a recurring basis:

- (i) Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2018:

(₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
A.	Financial assets					
	(a) Investments	5	1,472.45	–	384.50	1,856.95
	(b) Other financial assets	6	–	–	412.07	412.07
	Total financial assets		1,472.45	–	796.57	2,269.02
B.	Financial liabilities					
	Borrowings	14	–	–	147.48	147.48
	Total financial liabilities		–	–	147.48	147.48

- (ii) Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2017:

(₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
A.	Financial assets					
	(a) Investments	5	1,089.91	–	384.50	1,474.41
	(b) Other financial assets	6	–	–	369.67	369.67
	Total financial assets		1,089.91	–	754.17	1,844.08
B.	Financial liabilities					
	Borrowings	14	–	–	90.65	90.65
	Total financial liabilities		–	–	90.65	90.65

- (iii) Financial assets and financial liabilities measured at fair value on a recurring basis as at 1st April, 2016:

(₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
A.	Financial assets					
	(a) Investments	5	815.62	–	384.50	1,200.12
	(b) Other financial assets	6	–	–	289.21	289.21
	Total financial assets		815.62	–	673.71	1,489.33
B.	Financial liabilities					
	Borrowings	14	–	–	23.73	23.73
	Total financial liabilities		–	–	23.73	23.73

Description of significant unobservable inputs to valuation:

The following table shows the valuation technique and inputs for financial instruments:

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
Investments in equity shares	Adjusted net asset method		
Investments in Mutual funds	Quotes from Asset Management Companies		

13. Financial risk management objectives and policies

The Company's activities expose it to credit risk, liquidity risk and market risk. The Chief Financial Officers has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(a) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under financial instrument or a customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivable and security deposit with exchanges and from its financing activities including deposits placed with bank and financial institutions and other financial instruments/assets.

Credit risk from balances with bank and other financial instrument is managed in accordance with company's policies according to which Surplus funds are parked only in approved investment categories with well defined limits. Investment category is periodically reviewed by the Board of Directors of the Company.

Credit risk arising from short term liquid funds, other balances with banks and other cash equivalents is limited and no collaterals are held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by credit rating agencies

Other financial assets measured at amortized cost includes loans to employees, security deposits and others. Credit risk related to these financial assets are managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system is in place to ensure that the amounts are within defined limits.

Customer credit risk is managed as per company's established policy, procedure and control related to credit risk management. Credit quality of the customer is assessed based on his previous trackrecord and funds & securities held by him in his account and individual credit limit is defined according to this assessment. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each balance sheet date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Assets are written off when there is no reasonable expectation of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss. The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of financial assets disclosed under Note No. 9.

The Company assesses and manages credit risk of financial assets on the basis of assumptions, inputs and factors specific to the class of financial assets. The Company provides for expected credit loss on Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets based on 12 months expected credit loss/life time expected credit loss/ fully provided for. Life time expected credit loss is provided for trade receivables.

The ageing analysis of the receivables are:

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Upto 6 months	307.26	275.40	186.70
6 to 12 months	7.74	6.94	13.41
More than 12 months	22.77	21.30	72.20
Total	337.77	303.64	272.31

(b) Liquidity risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligation on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

The tables below summarises the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

(₹ in Lacs)

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
31st March, 2018				
Borrowings (excluding interest)	214.35	41.36	–	255.71
Trade payables	351.85	–	–	351.85
Other financial liabilities	249.88	–	–	249.88
Total	816.08	41.36	–	857.44
31st March, 2017				
Borrowings (excluding interest)	91.85	90.65	–	182.50
Trade payables	221.61	–	–	221.61
Other financial liabilities	126.29	–	–	126.29
Total	439.75	90.65	–	530.40
1st April, 2016				
Borrowings (excluding interest)	11.33	23.73	–	35.06
Trade payables	179.55	–	–	179.55
Other financial liabilities	124.19	–	–	124.19
Total	315.07	23.73	–	338.80

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market rate risk comprises of currency risk, interest rate risk and other price risk such as equity price risk and commodity risk.

Foreign currency risk

Foreign currency risk is the risk of impact related to fair value of future cash flows of an exposure in foreign currency, which fluctuate due to change in foreign currency rate. The Company has no international transactions and is not exposed to foreign exchange risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rate.

i) Liabilities

The Company's fixed rate borrowings are carried at amortised cost. They are, therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company has no variable rate borrowings.

ii) Assets

The company's fixed deposits, interest bearing security deposits and loans are carried at fixed rate. They are therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Price risk

Price risk is the risk that the fair value of financial instrument will fluctuate due to change in market traded price.

The Company's exposure to price risk arises from investments held and classified as FVTPL. To manage the price risk arising from investments in mutual funds, the Company diversifies its portfolio of assets.

14. Capital Management**(a) Risk management**

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity share-holders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders and maintain an optimal capital structure to reduce the cost of Capital.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2018 and 31st March, 2017.

(₹ in Lacs)

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Net debt	340.40	118.26	(140.47)
Total equity	2,723.32	2,721.20	2,413.32
Net debt to equity ratio	0.12	0.04	(0.06)

* Net debt = non-current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued – cash and cash equivalents.

(b) Dividend

(₹ in Lacs)

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Proposed Dividend	–	–	–
Interim dividend	–	–	56.15
Dividend distribution tax on above	–	–	11.43

15. First-time Adoption of Ind AS

- (i) **These financial statements, for the year ended 31st March, 2018, are the first financial statements, the Company has prepared in accordance with Ind AS.**

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ended 31st March, 2018, together with the comparative figures for the year ended 31st March, 2017, as described in the summary of significant accounting policies [Refer Note No.2-3].

The Company has prepared the opening Balance Sheet as per Ind AS as of 1st April, 2016 (the transition date) by:

- recognising all assets and liabilities whose recognition is required by Ind AS,
 - not recognising items of assets or liabilities which are not permitted by Ind AS,
 - reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and
 - applying Ind AS in measurement of recognised assets and liabilities.
- (ii) **A. Reconciliation of total comprehensive income for the year ended 31st March, 2017 is summarised as follows:**

(₹ in Lacs)

Particulars	Notes	For the year end 31st March, 2017
Profit After Tax as reported under previous GAAP		123.55
Add/(Less) - Effect of transition to Ind AS		
(i) Measurement of Investment in mutual fund at fair value through profit or loss	15 (iii) (b)	184.28
(ii) Reclassification of actuarial gains/(losses), arising in respect of employee benefit schemes, to Other Comprehensive Income (OCI)	15 (iii) (c)	
(iii) Measurement of borrowings at amortised cost	15 (iii) (a)	0.05
(iv) Tax impact of above	15 (iii) (d)	0.86
Net impact of Ind AS adjustments		182.40
Profit After Tax as reported under Ind AS		305.95
Other Comprehensive Income (net of tax)		1.93
Total Comprehensive Income as reported under Ind AS		307.88

- B. Reconciliation of equity as reported under previous GAAP is summarized as follows:**

(₹ in Lacs)

Particulars	Notes	As at 1st April, 2016 (Date of transition)	As at 31st March, 2017 (end of last period presented under previous GAAP)
Equity as reported under previous GAAP		2,357.70	2,481.25
Add/(Less) - Effect of transition to Ind AS			

(i) Measurement of Investment in mutual fund at fair value through profit or loss	15 (iii) (b)	55.62	239.90
(ii) Measurement of borrowings at amortised cost	15 (iii) (a)	–	0.05
Net impact of Ind AS adjustments			
Equity as reported under Ind AS		2,413.32	2,721.20

(iii) Ind AS 101 mandates certain exceptions and allows first-time adopters exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions in the financial statements:

- a) “Property, Plant and Equipment were carried in the Balance Sheet prepared in accordance with previous GAAP on 31st March, 2016. Under Ind AS, the Company has elected to regard such carrying values as deemed cost at the date of transition.”
- b) The Company has applied Appendix C of Ind AS 17 (Leases) – ‘Determining whether an Arrangement contains a Lease’ to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.
- c) “Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for Impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

(iv) In addition to the above, the principal adjustments made by the Company in restating its previous GAAP financial statements, including the Balance Sheet as at 1st April, 2016 and the financial statements as at and for the year ended 31st March, 2017 are detailed below:

- a) Under the previous GAAP, transaction costs incurred in connection with borrowings were accounted upfront and charged to Statement of Profit and Loss for the period in which such transaction costs was incurred.

Under Ind AS transaction costs incurred towards origination of borrowings has been deducted from the carrying amount of borrowings on initial recognition. These costs are recognized in profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

- b) Under Previous GAAP, long term investments were carried at cost less provision for diminution recorded to recognise any decline, other than temporary, in the carrying value of each investment.

Under Ind AS, investments in mutual fund are recognised and measured at fair value. Impact of fair value changes as on the date of transition has been recognised in Reserves and for changes thereafter in statement of Profit and Loss.

- c) Under previous GAAP, actuarial gains and losses related to the defined benefit schemes for gratuity were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/asset which is recognised in OCI. Consequently, the tax effect of the same has also been recognised in OCI instead of profit or loss.
- d) Retained earnings and statement of profit and loss has been adjusted consequent to the Ind AS

transition adjustments with corresponding impact to deferred tax, wherever applicable.

- e) Under previous GAAP, movements in Bank overdraft as per books, were reflected in cash flows from financing activities in cash flow statement. Under Ind AS, such book overdraft are included in cash and cash equivalents in the cash flow statement.

16. Standards issued but not yet effective:

The standard issued, but not yet effective up to the date of issuance of the Company financial statements is disclosed below. The Company intends to adopt these standard when it becomes effective.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued in February 2015 and establishes a five step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This standard will come into force from accounting period commencing on or after 1st April 2018. The Company will adopt the new standard on the required effective date. During the current year, the Company performed a preliminary assessment of Ind AS 115, which is subject to changes arising from a more detailed ongoing analysis.

17. The previous year's including figures as at the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition 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

For and on behalf of the Board

Naresh Pachisia
Managing Director
DIN:00233768

Nikunj Pachisia
Whole-time Director
DIN: 06933720

CA. Sunita Kedia

Partner
(Membership No. 60162)

Place of Signature: Kolkata
Date: 5th May, 2018

Anil Shukla
Chief Financial Officer
PAN: AKLPS0016P

Alka Khetawat
Company Secretary
Membership No. 47322

INDEPENDENT AUDITOR'S REPORT

To The Members of SKP Securities Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of SKP Securities Limited (hereinafter referred to as “the Holding Company” or “the Parent”) and its Subsidiary (the Holding Company and its subsidiary together referred to as “the Group”), comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated Ind AS financial statements”).

Management's Responsibility for the Consolidated Ind AS Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated financial position of the Group as at 31st March, 2018, and their consolidated financial performance (including other comprehensive income), its consolidated changes in equity and its consolidated cash flows for the year then ended.

Other Matters

We did not audit the financial statements of SKP Insurance Advisors Pvt. Ltd., a subsidiary, whose financial statements reflect total assets of ₹ 16.39 lacs as at 31st March, 2018, total revenues of ₹ 15.94 lacs and net cash out flows amounting to ₹ 90.13 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report that:

- i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS financial statements.
- ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors.
- iii. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.
- iv. In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting

Standards specified under section 133 of the Act, read with relevant rules issued thereunder.

- v. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its Subsidiary Company, none of the Directors of the Group Company is disqualified as on 31st March, 2018 from being appointed as a Director in terms of section 164 (2) of the Act.
- vi. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its Subsidiary Company and the operating effectiveness of such controls, refer to our separate report in “Annexure A”.
- vii. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group– Refer Note No. 29.1 to the consolidated Ind AS financial statements.
 - b. The Group did not have any material foreseeable loss on long-term contracts including derivative contracts during the year ended 31st March, 2018.
 - c. There has been no delay in transferring amounts, to the Investor Education and Protection Fund by the Holding Company during the year ended 31st March, 2018. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Subsidiary Company during the year ended 31st March, 2018.

For **G.P. Agrawal & Co.**
Chartered Accountants
Firm’s Registration No. - 302082E

(CA. Sunita Kedia)
Partner
Membership No. 60162

Place of Signature: Kolkata
Date: 5th May, 2018

Annexure A” to the Independent Auditor’s Report

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Group as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting of SKP Securities Limited (“the Holding Company”) and its subsidiary company as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary company have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the subsidiary company, is based on the corresponding report of the auditors of such company.

For **G.P. Agrawal & Co.**
Chartered Accountants
Firm's Registration No. - 302082E

(CA. Sunita Kedia)
Partner
Membership No. 60162

Place of Signature: Kolkata
Date: 5th May, 2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in Lacs)

Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
I. ASSETS				
(1) Non - current assets				
(a) Property, Plant and Equipment	4	433.56	387.44	89.84
(b) Financial Assets				
(i) Investments	5(i)	1,371.02	1,579.44	1,203.12
(ii) Other financial assets	6(i)	387.27	345.89	312.33
(c) Deferred tax assets (net)	7	16.00	10.79	20.96
(d) Other non-current assets	8(i)	—	—	75.00
		2,207.85	2,323.56	1,701.25
(2) Current assets				
(a) Financial assets				
(i) Investments	5(ii)	485.93	—	—
(ii) Trade receivables	9	337.77	605.98	537.66
(iii) Cash and cash equivalents	10	102.78	146.17	290.65
(iv) Bank balances other than cash and cash equivalents	11	489.45	536.43	540.38
(v) Other financial assets	6(ii)	24.80	26.57	24.45
(b) Other current assets	8(ii)	24.58	15.12	19.27
		1,465.31	1,330.27	1,412.41
Total Assets		3,673.16	3,653.83	3,113.66
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity share capital	12	439.94	561.50	561.50
(b) Other equity	13	2,286.15	2,276.09	1,917.91
		2,726.09	2,837.59	2,479.41
Liabilities				
(2) Non - current liabilities				
(a) Financial Liabilities				
(i) Borrowings	14(i)	41.36	90.65	23.73
(3) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	14(ii)	106.12	—	—
(ii) Trade payables	15	351.85	484.98	427.44
(iii) Other financial liabilities	16	359.73	222.90	140.64
(b) Other current liabilities	17	33.63	8.19	22.60
(c) Provisions	18	18.63	3.02	5.24
(d) Current tax liabilities (net)	19	35.75	6.50	14.60
		905.71	725.59	610.52
Total Equity and Liabilities		3,673.16	3,653.83	3,113.66

The accompanying notes 1 to 29 are an integral part of Standalone Financial Statements.

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

For and on behalf of the Board

CA. Sunita Kedia
Partner
(Membership No. 60162)

Naresh Pachisia **Nikunj Pachisia**
Managing Director Whole-time Director
DIN:00233768 DIN: 06933720

Place of Signature: Kolkata
Date: 5th May, 2018

Anil Shukla **Alka Khetawat**
Chief Financial Officer Company Secretary
PAN: AKLPS0016P Membership No. 47322

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lacs)

Particulars	Note No.	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
I. Revenue from operations	20	1,671.37	1,098.88
II. Other income	21	85.02	189.00
III. Total income		1,756.39	1,287.88
IV. Expenses:			
Employee benefits expense	22	326.21	299.05
Finance costs	23	27.08	23.42
Depreciation expense	24	22.93	25.16
Other expenses	25	704.63	521.89
Total expenses		1,080.85	869.52
V. Profit before exceptional item and tax		675.54	418.36
VI. Exceptional items	26	-	(1.60)
VII. Profit before tax		675.54	416.76
VIII. Tax expense	27		
Current tax		170.34	50.34
Deferred tax		(5.21)	10.17
		165.13	60.51
IX. Profit for the year (VII-VIII)		510.41	356.25
X. Other Comprehensive Income			
(i) Items that will not be reclassified to Profit or Loss			
Remeasurements of defined benefit plans		(2.63)	2.79
Income tax relating to above item		0.68	(0.86)
Other Comprehensive Income for the year, net of tax		(1.95)	1.93
XI. Total Comprehensive Income for the year (IX + X)		508.46	358.18
XII. Net Profit attributable to:			
(a) Owners of the Company		510.41	356.25
(b) Non-Controlling interest		-	-
XIII. Total Comprehensive Income attributable to:			
(a) Owners of the Company		508.46	358.18
(b) Non-Controlling interest		-	-
XIV. Earnings per equity share (Nominal value per share ₹ 10/-) 28			
- Basic (₹)		10.27	6.34
- Diluted (₹)		10.27	6.34

The accompanying notes 1 to 29 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

For and on behalf of the Board

CA. Sunita Kedia
Partner
(Membership No. 60162)

Naresh Pachisia **Nikunj Pachisia**
Managing Director Whole-time Director
DIN:00233768 DIN: 06933720

Place of Signature: Kolkata
Date: 5th May, 2018

Anil Shukla **Alka Khetawat**
Chief Financial Officer Company Secretary
PAN: AKLPS0016P Membership No. 47322

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31ST MARCH 2018

(a) EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
For the year ended 31st March, 2017	561.50	–	561.50
For the year ended 31st March, 2018	561.50	(121.56)	439.94

(b) OTHER EQUITY

(₹ in Lacs)

Particulars	Reserves and Surplus					Attributable to owners of the parent	Non-control ling interests	Total
	General Reserve	Securities Premium Reserve	Capital Reserve	Capital Redemption Reserve	Retained Earnings			
Balance as at 1st April, 2016	223.76	231.65	1.14	–	1,461.36	1,917.91	–	1,917.91
Profit for the year	–	–	–	–	356.25	356.25	–	356.25
Other Comprehensive Income (net of tax)	–	–	–	–	1.93	1.93	–	1.93
Transfer to/ from General reserve/Retained earnings	5.00	–	–	–	(5.00)	–	–	–
Balance as at 31st March, 2017	228.76	231.65	1.14	–	1,814.54	2,276.09	–	2,276.09
Profit for the year	–	–	–	–	510.41	510.41	–	510.41
Other Comprehensive Income (net of tax)	–	–	–	–	(1.95)	(1.95)	–	-1.95
Utilised for buy back of shares	–	–	–	–	(498.40)	(498.40)	–	-498.40
Transfer to/ from General reserve/Retained earnings	10.00	–	–	–	(10.00)	–	–	–
Transfer from general reserve	–	–	–	121.56	–	121.56	–	121.56
Transfer to Capital redemption reserve	(121.56)	–	–	–	–	(121.56)	–	-121.56
Balance as at 31st March, 2018	117.20	231.65	1.14	121.56	1,814.60	2,286.15	–	2,286.15

The accompanying notes 4 to 35 are an integral part of the Standalone 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)

Place of signature: Kolkata
Date: 5th May, 2018

For and on behalf of the Board

Naresh Pachisia
Managing Director
DIN: 00233768

Anil Shukla
Chief Financial Officer
PAN: AKLPSS0016P

Nikunj Pachisia
Whole-time Director
DIN: 06933720

Alka Khetawat
Company Secretary
Membership No. 47322

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	675.54	416.76
Adjustments to reconcile Profit before Tax to Cash Flow provided by Operating Activities:		
Finance costs	27.08	23.42
Dividend income	(0.10)	-
Depreciation & amortisation expense	22.93	25.16
Loss on sale/discard of property, plant and equipment	-	1.60
Sundry balances written off	-	5.00
Profit on sale of investments	(24.37)	(20.51)
Net gain on fair valuation measured at FVTPL	(84.80)	(187.89)
Bad debts written off	45.34	1.99
Operating Profit before Working Capital changes Adjustments to reconcile Operating Profit to Cash Flow provided by changes in Working Capital:	661.62	265.53
Increase/(Decrease) in Trade Payables, other liabilities and provisions	(65.77)	144.64
Decrease/(Increase) in trade receivables, loans, advances and other assets	220.78	(27.89)
Cash Generated from Operations	816.63	382.28
Less: Tax Expense	(141.08)	(59.30)
Net Cash Generated / (Used) - Operating Activities	675.55	322.98
B CASH FLOW FROM INVESTING ACTIVITIES		
Additions to property, plant & equipment	(69.15)	(327.41)
Sale of property, plant & equipment	0.10	3.05
Purchase of Investments	(504.93)	(1,740.36)
Sale of Investments	336.58	1,572.45
Dividend income	0.10	-
Net Cash Generated / (Used) - Investing Activities	(237.30)	(492.27)
C CASH FLOW FROM FINANCING ACTIVITIES		
Buyback of shares	(619.96)	-
Proceeds from / (repayment of) long term borrowings	(49.29)	66.92
Proceeds from short term borrowings	106.12	-
Finance Cost	(27.08)	(23.42)
Net Cash Generated / (Used) - Financing Activities	(590.21)	43.50
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(151.96)	(125.79)
Opening Cash and Cash Equivalents	146.17	271.96
Closing Cash and Cash Equivalents	(5.79)	146.17

Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS -7 "Statement of Cash Flow".
- Cash and cash equivalents do not include any amount which is not available to the Group for its use
- Cash and Cash Equivalents at the end of the period consists of:
 - Balance with Banks on Current Accounts 98.62 133.74
 - Cash on hand 4.04 2.13
 - Fixed deposits with maturity of less than 3 months - 10.00
 - Stamps on hand 0.12 0.30
 - Closing cash and cash equivalents (Refer Note 10) 102.78 146.17
 - Less: Bank overdraft as per books (108.57) -
 - Closing cash and cash equivalents for the purpose of Cash flow statement (5.79) 146.17
- Figure in brackets represent cash outflow from respective activities.

The accompanying notes 1 to 29 are an integral part of the Standalone 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)

Place of signature: Kolkata

Date: 5th May, 2018

For and on behalf of the Board
Naresh Pachisia
Managing Director

DIN: 00233768

Anil Shukla
Chief Financial Officer

PAN: AKLPS0016P

Nikunj Pachisia
Whole-time Director

DIN: 06933720

Alka Khetawat
Company Secretary

Membership No. 47322

NOTE NO. 1

1. Company Overview

SKP Securities Limited ('the Company') incorporated on 18th May, 1990, is a Public Limited Company domiciled in India and has its registered office at Chatterjee International Centre, Level 21, 33A, Jawaharlal Nehru Road, Kolkata - 700 071. Its shares are listed on BSE Ltd.

The Company is engaged in the business of providing stock broking services, depository services, distribution of mutual funds and wealth advisory services.

The Company is registered with Securities and Exchange Board of India (SEBI) as a member of National Stock Exchange of India Limited (NSE), BSE Ltd., National Securities Depository Limited (NSDL), Central Depository Services (India) Ltd. (CDSL) and as Research Analysts. It is also registered with Association of Mutual Fund of India (AMFI).

SKP Securities Limited together with its subsidiary/ies is hereinafter referred to as 'the Group'.

The Group's consolidated financial statements are approved for issue by the Company's Board of Directors on 5th May, 2018.

NOTE NO. 2

2. Significant accounting policies

2.1 Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Group adopted Ind AS from 1st April, 2017. Up to the year ended 31st March, 2017, the Group prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Group's first Ind AS financial statements. The date of transition to Ind AS is 1st April, 2016. Details of the exceptions and optional exemptions availed by the Group and principal adjustments along with related reconciliations are detailed in Note 29(15) (First-time Adoption).

2.2 Basis of preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration in exchange for goods and services.

All amount disclosed in the financial statements including notes thereon have been rounded off to the nearest lakh as per the requirement of Schedule III to the Act, unless stated otherwise.

2.3 Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates

are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

2.4 Operating Cycle

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 III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements. The Group has ascertained its operating cycle to be 12 months for the purpose of current, non-current classification of assets and liabilities.

2.5 Basis of Consolidation

The Consolidated Financial Statements (CFS) includes the financial statements of the Company and its subsidiary/ies.

Subsidiaries are entities controlled by the Group.

Control is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights (usually contractual) enjoyed by the Group in its capacity as an investor that provides it the power and consequential ability to direct the investee's activities and significantly affect the Group's returns from its investment. Such assessment requires the exercise of judgement and is disclosed by way of a note to the Financial Statements.

The assets, liabilities, income and expenses of subsidiary/ies are aggregated and consolidated, line by line, from the date control is acquired by any Group entity to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests. The Group presents the non-controlling interests in the Balance Sheet within equity, separately from the equity of the Group as owners. Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed.

All intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.6 Property, plant and equipment (PPE) and Depreciation

- a) Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of PPE recognised as at 1st April, 2016 measured as per the previous GAAP.
- b) Cost is inclusive of inward freight, non-refundable taxes and duties and directly attributable costs of bringing an asset to the location and condition of its intended use. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

The cost and related accumulated depreciation are derecognised from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

- c) Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Depreciation on items of PPE is provided on

a straight line basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset as specified in Schedule II to the Companies Act, 2013 which in the view of the management best represents the period for which the asset is expected to be used:

The estimated useful lives of PPE of the Group are as follows:

Freehold Premises	60 years
Office equipment	5 years
Furniture and fixtures	10 years
Computers, Servers and other Information Technology Equipments	3 to 6 years
Vehicles	8 years

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. The residual life is considered as 5% of the value of PPE.

2.7 Impairment of Assets

As at each balance sheet date, the Group assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, if any, an impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.

2.8 Revenue recognition

Revenue is recognised to the extent it is probable that economic benefits would flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable taking into account contractually defined terms of payment net of rebate and taxes.

The specific recognition criteria for revenue recognition are as follows:

a) Broking Services

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.

b) Distribution Services

Brokerage/commission from mutual funds and on distribution of third party products are recognised when the Company's right to receive the same is established.

c) Depository and Advisory Services

Income from Depository and Advisory services are recognised on the basis of agreement entered into with the clients and when the Company's right to receive the income is established.

d) Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

e) Dividend Income

Dividend income is recognised when the right to receive the dividend is established.

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

2.9 Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

2.10 Borrowing costs

Borrowing costs that are directly attributable to the acquisition and/or construction of a qualifying asset are capitalized as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.11 Provisions, contingent liabilities and contingent assets

- a) Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.
- b) Contingent liability is disclosed for possible obligations which will be confirmed only by future events not wholly within the control of the Company or present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent assets are neither recognized nor disclosed except when realisation of income is virtually certain, related asset is disclosed.
- d) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.12 Employee benefits

a) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

b) Defined contribution plans

Contributions to Provident are charged to the Statement of Profit and Loss in the year when the contributions to the respective funds are due.

c) Defined benefit plans

Gratuity is in the nature of a defined benefit plan. The cost of providing benefits under the defined benefit obligation is calculated on the basis of actuarial valuations carried out at reporting date by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately through other comprehensive income in the period in which they occur.

2.13 Share based payments (Employee stock options)

The eligible employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to equity share capital (par value of the equity share) and securities premium reserve.

The Company determines the compensation cost based on the intrinsic value method. The compensation cost is amortised on a straight line basis over the vesting period.

2.14 Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Companies in the group becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

i) Financial Assets

(a) Recognition

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Companies in the group becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

(b) Classification

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- 1) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
- 2) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- 3) fair value through profit or loss (FVTPL), where the assets does not meet the criteria for categorization as at amortized cost or as FVTOCI. Such assets are subsequently measured at fair value, with unrealised gains and losses arising

from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income

(c) Impairment

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort.

Loss allowances are recognised using the expected credit loss (ECL) model and ECL impairment loss allowance are measured at an amount equal to lifetime ECL.

Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

(d) De-recognition

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership. If the asset is one that is measured at:

- (i) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (ii) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

ii) Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

iii) Equity instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

iv) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

v) Dividend distribution

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

vii) Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same—to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.

In determining the fair value of financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

2.15 Taxes

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

2.16 Earnings per Share

- a) Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period.
- b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share split and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.17 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the period of the lease or other systematic basis more representative of the time pattern of the user's benefits.

As a lessor

Leases in which the Group has substantially retained all the risks and rewards of ownership are classified as Operating Leases. Lease Income on such operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the lease term which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognized as an expense in the Statement of Profit and Loss in the period in which they are incurred.

2.18 Cash and cash equivalents

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Group's cash management.

2.19 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss 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 Group are segregated.

NOTE NO. 3

3. Critical accounting estimates

(i) Estimation of Defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each financial year end.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the actuary considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

(ii) Provisions and Contingent Liabilities

The Group has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

NOTE NO. : 4 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lacs)

Description of Assets	Gross Block			Accumulated Depreciation			Net Block		
	As at 1st April, 2017	Additions during the year	Sales/ Adjustment	As at 31st March, 2018	As at 1st April, 2017	For during the year		Sales/ Adjustment	
Freehold premises	320.56	-	-	320.56	4.56	5.08	-	9.64	310.92
Office Equipments	5.81	0.72	0.07	6.46	1.55	1.34	-	2.89	3.57
Furniture and Fixtures	11.74	-	-	11.74	5.20	2.40	-	7.60	4.14
Computers, Servers and other Information Technology Equipments	3.44	4.58	0.03	7.99	1.32	1.30	-	2.62	5.37
Vehicles	65.82	63.85	-	129.67	7.30	12.81	-	20.11	109.56
Total	407.37	69.15	0.10	476.42	19.93	22.93	-	42.86	433.56

PREVIOUS YEAR

(₹ in Lacs)

Description of Assets	Gross Block			Accumulated Depreciation			Net Block		
	As at 1st April, 2016	Additions during the year	Sales/ Adjustment	As at 31st March, 2017	As at 1st April, 2016	For during the year		Sales/ Adjustment	
Freehold premises	-	320.56	-	320.56	-	4.56	4.56	316.00	-
Office Equipments	3.16	2.65	-	5.81	-	1.55	-	4.26	3.16
Furniture and Fixtures	9.32	2.42	-	11.74	-	5.20	-	6.54	9.32
Computers, Servers and other Information Technology Equipments	1.66	1.78	-	3.44	-	1.32	-	2.12	1.66
Vehicles	75.70	-	9.88	65.82	-	12.53	5.23	58.52	75.70
Total	89.84	327.41	9.88	407.37	-	25.16	5.23	387.44	89.84

The aggregate depreciation has been included under depreciation expense in the Statement of Profit and Loss.

NOTE NO. : 5

(i) NON-CURRENT INVESTMENTS

(₹ in Lacs)

Particulars	Face value	Number of Units	As at 31st March, 2018	Number of Units	As at 31st March, 2017	Number of Units	As at 1st April, 2016
Mutual funds							
(At fair value through profit and loss)							
Quoted Fully paid up							
Adiya Birla Sun Life 95 Fund	10	10,767	83.76	10,767	76.59	9,194	52.26
Canara Robeco Balance Fund	10	–	–	27,614	37.06	27,614	30.28
DSP Black Rock Balanced Fund	10	55,662	82.72	59,463	80.54	47,589	51.72
Franklin India Balanced Fund	10	65,219	77.51	61,027	66.36	55,902	51.86
Franklin Templeton India Short Term Income Plan	1000	1	0.02	4,230	148.16	4,230	132.22
HDFC Balanced Fund	10	40,738	62.21	34,223	46.45	34,223	38.51
HDFC Prudence Fund	10	12,015	60.80	12,015	56.71	9,690	36.19
ICICI Pru Balanced Fund	10	69,182	91.58	54,306	64.84	45,182	41.6
ICICI Prudential Balanced Advantage Fund	10	–	–	57,250	18.15	57,250	15.19
IDFC Premier Equity Fund	10	–	–	–	–	28,862	20.12
IDFC Balanced Fund	10	2,79,880	32.34	1,50,000	15.88	–	–
JP Morgan India Balanced Advantage Fund	10	–	–	–	–	52,375	5.06
Kotak Balance Fund	10	3,12,541	79.35	3,12,541	73.56	2,38,414	44.83
L & T India Prudence Fund	10	–	–	2,55,258	61.60	2,55,258	50.79
Mirae Asset Emerging Bluechip Fund	10	90,120	44.92	90,120	39.93	35,057	10.78
Mirae Asset Prudence Fund	10	4,27,827	58.99	50,000	6.21	50,000	4.94
Motilal Oswal Most Focused Multicap 35	10	2,24,168	61.25	2,05,718	48.21	1,53,241	25.95
Principal Balanced Fund	10	–	–	–	–	9,804	4.95
Reliance RSF Balanced Fund	10	1,47,909	83.65	1,42,167	70.60	1,30,433	53.06
SBI Magnum Balanced Fund	10	63,096	81.29	59,270	67.18	49,341	47.94
Sundaram Balanced Fund	10	–	–	–	–	7,571	4.68
Tata Balanced Fund	10	31,780	66.51	31,780	62.44	31,780	52.91
UTI Balanced Fund	10	–	–	32,051	49.44	32,051	39.69
UTI Nifty Index Fund	10	29,852	19.62	–	–	–	–
HDFC High Interest Plan	10	–	–	1,21,592	40.58	–	–
ICICI Prudential Flexible Income Plan	10	–	–	1,101	3.44	–	–
ICICI Prudential Short Term Fund	10	–	–	87,116	30.52	–	–
Reliance Short term Plan	10	–	–	96,500	30.49	–	–

Equity Instruments							
In Others- fully paid up (At fair value through profit and loss)							
Quoted							
Black Rose Industries Limited						20,000	3.00
Unquoted							
Calcutta Stock Exchange	1	250	2.00	250	2.00	250	2.00
Sudipta Traders Private Limited	10	85,000	382.50	85,000	382.50	85,000	382.50
Total			1,371.02		1,579.44		1,203.12
Aggregate amount of quoted investments			986.52		1,194.94		818.62
Aggregate amount of impairment in value of investments			—		—		—
Aggregate amount of unquoted investments			384.50		384.50		384.50
Aggregate amount of impairment in value of investments			—		—		—

Out of the investment in units of mutual funds, units worth ₹ 635.11 lakh. (31st March, 2017 - ₹ 862.79 lakh and 1st April, 2016 - ₹ 670.60 lakh) are pledged/ under lien with Banks and others for overdraft facility. However, there is no amount outstanding in overdraft account against pledge/lien of these units as on 31st March, 2018 (31st March, 2017 -Nil and 1st April, 2016 -Nil).

(ii) CURRENT INVESTMENTS

(₹ in Lacs)

Particulars	Face value	Number of Units	As at 31st March, 2018	Number of Units	As at 31st March, 2017	Number of Units	As at 1st April, 2016
Mutual funds							
(At fair value through profit or loss)							
Quoted - Fully paid up							
Aditya Birla Sunlife Floating Rate Fund- Short term	10	21,616	50.11	—	—	—	—
ICICI Prudential Flexi Income fund	10	68,757	230.26	—	—	—	—
ICICI Prudential Liquid Fund	10	7,990	205.56	—	—	—	—
Total			485.93		—		—
Aggregate amount of quoted investments			485.93		—		—
Aggregate amount of impairment in value of investments			—		—		—

NOTE NO: 6 OTHER FINANCIAL ASSETS

(i) Non-current

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Carried at amortised cost			
Fixed deposits with banks - Margin deposit	–	–	10.00
Security deposits	387.27	345.89	301.36
Interest accrued but not due on Fixed deposits	–	–	0.97
Total	387.27	345.89	312.33

(ii) Current

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Carried at amortised cost			
Security deposits	0.45	0.45	0.64
Interest accrued but not due on Fixed deposits	22.91	24.15	23.29
Other recoverables	1.44	1.97	0.52
Total	24.80	26.57	24.45

NOTE NO: 7 DEFERRED TAX ASSETS (NET)

As at 31st March, 2018

(₹ in Lacs)

Particulars	Opening Balance	Recognized in profit & loss	Recognized in OCI	Closing Balance
Tax effect of items constituting deferred tax assets				
Property, plant and equipment	10.79	5.21	–	16.00
Tax effect of items constituting deferred tax liabilities	–	–	–	–
Net deferred tax assets/income	10.79	5.21	–	16.00

As at 31st March, 2017

(₹ in Lacs)

Particulars	Opening Balance	Recognized in profit or loss	Recognized in OCI	Closing Balance
Tax effect of items constituting deferred tax assets				
Property, plant and equipment	20.96	(10.17)	–	10.79
Tax effect of items constituting deferred tax liabilities	–	–	–	–
Net deferred tax assets/income	20.96	(10.17)	–	10.79

NOTE NO: 8 OTHER ASSETS

(i) Non-current

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good			
Capital advances	–	–	75.00
Total	–	–	75.00

(ii) Current

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Advances other than capital advances			
Deposit against income tax appeal and other litigation	0.50	0.44	0.44
Other advances	18.50	4.65	11.74
Others			
Service tax input credit/refundable	–	0.89	0.56
Prepaid expenses	5.58	9.14	6.53
Total	24.58	15.12	19.27

NOTE NO: 9 TRADE RECEIVABLES

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Carried at amortized cost			
Unsecured, considered good	337.77	605.98	537.66
Total	337.77	605.98	537.66

NOTE NO: 10 CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balances with Banks			
On current accounts	98.62	133.74	54.37
Cash on hand	4.04	2.13	1.41
Fixed deposits with maturity of less than 3 months	–	10.00	234.25
Stamps on hand	0.12	0.30	0.62
Total	102.78	146.17	290.65

NOTE NO: 11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Earmarked balances with Banks			
Unpaid Dividend	3.70	4.29	3.63
Current deposits*	92.07	133.52	123.18
Fixed deposit pledged as security/margin deposit			
Current portion of original maturity period more than 12 months	393.68	398.62	413.57
Total	489.45	536.43	540.38

* Balance with banks in Client Money Account not available for use of the Group.

NOTE NO: 12 EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	No. of shares	As at 31st March, 2018	No. of shares	As at 31st March, 2017	No. of shares	As at 1st April, 2016
(a) Authorised						
Equity shares of par value ₹ 10/- each	1,00,00,000	1,000.00	1,00,00,000	1,000.00	1,00,00,000	1,000.00
		1,000.00		1,000.00		1,000.00
(b) Issued, subscribed and fully paid up						
Equity shares of par value ₹ 10/- each	43,99,400	439.94	56,15,000	561.50	56,15,000	561.50
		439.94		561.50		561.50

- (c) The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share.
- (d) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion to the number of equity shares held by them, after distribution of all preferential dues. However, no such preferential dues exists currently.
- (e) The Company declares and pays dividend in Indian Rupees. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share.
- (f) Pursuant to the approval of the Board of Directors on 20th April, 2017, and shareholders by way of Postal Ballot on 13th June, 2017, the Company made a Public Announcement on 15th June, 2017 and Post Buyback Announcement on 14th September, 2017 for Buyback of upto 12,15,600 fully paid-up equity shares of face value of ₹ 10/- each from all the equity shareholders of the Company as at the Record Date, on a proportionate basis, through the Tender Offer route through Stock Exchange Mechanism, subject to compliance with the provisions of Sections 68, 69, 70 and other applicable provisions, if any, of the Companies Act, 2013 (as amended) ("the Act"), the Companies (Share Capital and Debentures) Rules, 2014 (as amended) to the extent applicable, and in compliance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (as amended) (the "Buyback Regulations"), at the buyback price of ₹ 51/- per equity share payable in cash, for an aggregate maximum amount of ₹ 619.95 lakh representing 24.98% of the fully paid-up equity share capital and free reserves as per the audited accounts of the Company for the financial year ended on 31st March, 2017 (the last audited financial statements available as at the date of the meeting of Board of Directors approving the Buyback). The Company has concluded the buy-back offer and in compliance with Regulation 12 of the Buyback Regulations has extinguished 12,15,600 equity shares of ₹ 10/- each from the paid up equity share capital on 19th September, 2017.

This has resulted in total cash outflow of ₹ 619.95 lakh which has been utilized from General Reserve (₹ 121.56 lakh) and Retained Earnings (₹ 498.39 lakh) pursuant to requirements of the Act. Further, Capital Redemption Reserve of ₹ 121.56 lakh representing the nominal value of the equity shares bought back has been created out of retained earning account. Consequent to such buyback, equity share capital has been reduced by ₹ 121.56 lakh."

(g) **Reconciliation of number and amount of equity shares outstanding:**

(₹ in Lacs)

Particulars	No. of shares	As at 31st March, 2018	No. of shares	As at 31st March, 2017	No. of shares	As at 1st April, 2016
At the beginning of the year	56,15,000	561.50	56,15,000	561.50	56,15,000	561.50
Less: Buy back of shares	12,15,600	121.56	-	-	-	-
At the end of the year	43,99,400	439.94	56,15,000	561.50	56,15,000	561.50

(h) Shareholders holding more than 5 % of the equity shares in the Company

Name of the shareholder	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
Naresh Pachisia	22,89,000	52.03	28,65,000	51.02	28,65,000	51.02
Naresh Pachisia & Sons (HUF)	3,80,000	8.64	5,04,700	8.99	5,04,700	8.99
Manju Pachisia	3,00,000	6.82	4,00,000	7.12	4,00,000	7.12

(i) The aggregate number of equity shares bought back in immediately preceding last five years ended on 31st March, 2018 – 12,15,600 equity shares (Previous period of five years ended on 31st March, 2017 - Nil equity share).

(j) Details of shares reserved for issuance:

The Company has reserved for issue Nil (31st March, 2017 -Nil and 1st April, 2016 - 48,000) equity shares of par value ₹ 10/- each at a premium of ₹ 19/- each for offering to the eligible employees of the Company under SKP ESOP Plan 2010. During the year ended 31st March, 2017, all employees holding options under SKP ESOP Plan 2010 had surrendered their rights of exercising the options. Hence there were no Options outstanding/exercisable as at the end of the year (31st March, 2017 - Nil and 1st April, 2016 - 48,000).

NOTE NO: 13 OTHER EQUITY

(₹ in Lacs)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016
(a) General Reserve					
As per last Balance Sheet	228.76		223.76		
Less: Transferred to Capital Redemption Reserve Account (Refer note 12(f))	(121.56)		–		
Add: Transferred from Retained earnings	10.00		5.00		
Closing balance		117.20		228.76	223.76
(b) Securities Premium Reserve					
Balance as per last account		231.65		231.65	231.65
(c) Capital Reserve					
Capital Reserve on consolidation of subsidiary		1.14		1.14	1.14
(d) Capital Redemption Reserve					
Balance as per last account	–		–		
Add: Transferred from General Reserve (Refer note 12(f))	121.56		–		
Closing balance		121.56		–	–
(e) Retained earnings					
Balance as per last account	1,814.54		1,461.36		
Add: Net profit for the year	510.41		356.25		
Add: Other comprehensive income/(loss) for the year	(1.95)		1.93		
Less: Utilised for buy back of shares (Refer note 12(f))	(498.40)		–		
Less: Transfer to General Reserve	(10.00)		(5.00)		
Closing balance		1,814.60		1,814.54	1,461.36
Total		2,286.15		2,276.09	1,917.91

NOTE NO: 14 BORROWINGS

(i) Non-current

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Carried at amortized cost			
Secured			
Term Loans			
From Banks	–	79.36	–
Vehicle Loan			
From Banks	41.36	11.29	23.73
Total	41.36	90.65	23.73

a) Nature of Security

- i) The Term loan against Property is secured by way of mortgage of office at Mumbai. The loan carries interest at the rate of 11.35% p.a.
- ii) The vehicle loans are secured by way of hypothecation of vehicle purchased. The loan carries interest at the rate of 8% to 9.35% p.a.

b) Terms of repayment

(₹ in Lacs)

Sl No.	Name of the banks / entities	Amount outstanding as on 31.03.2018		Period of maturity w.r.t. Balance Sheet date	Number of instalments due as on 31.03.18
		Current *	Non current		
1	HDFC Bank - Loan against Property	79.40	–	12 months	12
		(79.41)	(79.36)	(24 months)	24
2	HDFC Bank - Vehicle loan	11.29	–	10 months	10
		(12.44)	(11.29)	(22 months)	(22)
3	HDFC Bank - Vehicle loan	17.54	41.36	37 months	37
		(–)	(–)	(–)	(–)
	Total	108.23	41.36		
		(91.85)	(90.65)		
		[11.34]	[23.73]		

Figures in brackets (-) pertains to 31st March, 2017 and [] pertains to 1st April, 2016.

* Represents current maturities of long term debts shown under 'Other Financial Liabilities - Current (Note no. 16)'.

(ii) Current

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Carried at amortised cost			
Intercompany deposits - Unsecured	106.12	–	–
Total	106.12	–	–

NOTE NO: 15 TRADE PAYABLES

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Total outstanding dues of micro enterprises and small enterprises (Refer note 29(2))	–	–	–
Total outstanding dues of creditors other than micro enterprises and small enterprises	351.85	484.98	427.44
	351.85	484.98	427.44

NOTE NO: 16 OTHER FINANCIAL LIABILITIES-CURRENT

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current maturities of long- term debt*	108.23	91.85	11.33
Unpaid & unclaimed dividends**	3.70	4.29	3.63
Other payables			
Security deposits	48.98	53.27	64.36
Accrued expenses	88.49	69.96	39.65
Bank overdraft	108.57	–	18.69
Others	1.76	3.53	2.98
Total	359.73	222.90	140.64

* Refer note no. 14 (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.

NOTE NO: 17 OTHER CURRENT LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Statutory Dues	33.63	8.19	22.60
Total	33.63	8.19	22.60

NOTE NO: 18 PROVISIONS-CURRENT

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for employee benefits (Refer note 29(4))			
Gratuity	18.63	3.02	5.24
Total	18.63	3.02	5.24

NOTE NO: 19 CURRENT TAX LIABILITIES (NET)

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for Taxation	167.95	107.27	153.87
Less : Tax deducted at source and Advance tax	132.20	100.77	139.27
Total	35.75	6.50	14.60

NOTE NO: 20 REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Sale of services		
Distribution services	571.33	381.05
Broking services	703.36	500.70
Depository services	34.83	30.06
Advisory services	227.50	69.25
	1,537.02	981.06
Other operating revenues		
Profit on sale of investments	24.37	20.51
Dividend on long term investments	0.10	–
Interest Income on financial assets carried at amortised costs		
On fixed deposits	25.20	35.49
On margin deposits	14.47	12.90
On late payment from clients	70.21	48.92
Total	1,671.37	1,098.88

NOTE NO: 21 OTHER INCOME

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Other non-operating income		
Miscellaneous income	0.22	1.11
Fair value gain on investments	84.80	187.89
Total	85.02	189.00

NOTE NO: 22 EMPLOYEE BENEFITS EXPENSES

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Salaries and allowances	297.50	283.84
Contribution to Provident & Other funds	16.09	5.90
Staff welfare expenses	12.62	9.31
Total	326.21	299.05

NOTE NO: 23 FINANCE COST

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Interest expenses		
On long term borrowings	15.19	20.71
On short term borrowings	11.85	2.66
Other borrowing cost	0.04	0.05
Total	27.08	23.42

NOTE NO: 24 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Depreciation / Amortisation (Refer Note no. 4)	22.93	25.16
Total	22.93	25.16

NOTE NO: 25 OTHER EXPENSES

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Brokerage and commission	187.99	169.05
Broker Note Stamp	44.92	32.23
Connectivity charges	13.43	10.41
Computer Expenses	19.56	16.14
Director Sitting Fess	4.25	2.66
Electricity expenses	18.76	18.73
Insurance Expenses	0.29	0.39
Legal & Professional Fees	103.81	8.48
Rent	54.99	62.11
Rates and taxes	1.71	4.04
Repairs - Others	10.17	26.71
Research Expenses	20.49	15.72
Bad debt written off	45.34	1.99
Payment to auditors		
As auditor for statutory audit	1.12	0.96
For tax audit	0.30	0.25
For other services	0.25	0.27
Subscription	8.56	12.60
Service Charges	7.80	9.96
Transaction Charges	28.38	20.64
Travelling Expenses	46.12	31.48
Advances written off	–	5.00
Vehicle Expenses	9.10	8.85
Miscellaneous Expenses	77.29	63.22
Total	704.63	521.89

NOTE NO: 26 EXCEPTIONAL EXPENSES

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Loss on discard of property, plant and equipments	–	(1.60)
Total	–	(1.60)

NOTE NO: 27 INCOME TAX

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Current tax		
Tax for earlier year	2.76	1.30
Current Tax	167.58	49.04
Deferred tax	(5.21)	10.17
Total	165.13	60.51

NOTE NO: 28 EARNINGS PER SHARE

(₹ in Lacs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
a) Amount used as the numerator (₹ in lakh) Profit for the year - (A)	510.41	356.25
b) Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings per share* - (B)	49,72,231	56,15,000
c) Weighted average number of equity shares outstanding used as the denominator for computing Diluted earnings per share* - (C)	49,72,231	56,15,000
d) Nominal value of equity shares (₹)	10.00	10.00
e) Basic earnings per share (₹) (A/B)	10.27	6.34
f) Diluted earnings per share (₹) (A/C)	10.27	6.34

* The weighted average number of shares takes into account the weighted average effect of changes in number of shares due to buy back of shares.

NOTE NO: 29 OTHER DISCLOSURES

1. Contingent liabilities and commitments (to the extent not provided for)

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
I. Contingent liabilities:			
Claims against the Company not acknowledged as debts:			
Service tax demand -under appeal	6.33	6.33	56.90
Income tax demand- under appeal	0.42	0.42	—
Others- Under appeal/litigation	—	4.17	4.17
	6.75	10.92	61.07
II. Commitments			
Estimated amount of contract remaining to be executed on Capital account (net of advances) and not provided for	—	—	155.00

The amounts shown in (I) above represent the best possible estimates arrived at on the basis of available information. Uncertainties and timing of cash flows are dependent on outcome of different legal processes which have been invoked by the Group or the claimants, as the case may be and, therefore, cannot be estimated accurately. The Group does not expect any reimbursement in respect of above contingent liabilities.

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

2. The Group has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March, 2018 as micro, small and medium enterprises. Consequently, the amount due to micro and small enterprises as per requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is Nil (31st March 2017 - Nil and 1st April 2016 - Nil).
3. The Company entered into a Share Purchase Agreement on 12th September, 2017 inter-alia with Mr. Naresh Pachisia, Mr. Nikunj Pachisia, Mrs Manju Pachisia and Mr. Vaibhav Pachisia for sale of its entire shareholding of 100% in SKP Commodities Ltd. consisting of 10,00,000 equity shares of ₹ 10/- each. Pursuant to the said agreement, SKP Commodities Ltd. has ceased to be the subsidiary of the Company w.e.f. 30th September, 2017. (Refer note no 29(7)).

4. Employee Benefits:

As per Indian Accounting Standard - 19 “Employee Benefits”, the disclosures of Employee Benefits are as follows:

a) Defined Contribution Plan:

The Group has no legal and constructive obligation to pay or make any contribution towards provident fund and ESIC for employees as in the holding Company the salaries of employees are above the statutory limit while in the group company the number of employee is below the statutory limit. However, the Group makes contribution of Administrative charges for maintaining provident fund account of the employees.

b) Defined Benefit Plans:

i) Description of Plans

The Gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of service is entitled to specific benefit. The Gratuity Plan provides a lumpsum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits provided depends on the member’s length of service and salary at retirement age etc.

Gratuity Benefits are funded in nature. The Group has opted for a Group Gratuity cum Life Assurance Scheme of Aditya Birla Sun Life Insurance Company Limited. The liabilities arising in the defined benefit schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method at the year end.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the said plan:

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

(₹ in Lacs)

Particulars	Gratuity	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I. Components of Employer Expense		
I.1 Expenses recognised in the Statement of Profit and Loss:		
Current service cost	3.74	5.42
Past service cost	12.15	—
Interest cost	0.11	0.39
Curtailement	—	—
Settlement	—	—
Expense recognised in the Statement of Profit and Loss	16.00	5.81

Particulars	Gratuity	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I.2 Remeasurements recognised in Other comprehensive income		
Actuarial gain / (loss) arising from:		
- change in demographic assumptions	–	–
- change in financial assumptions	–	–
- changes in experience adjustments	(4.18)	0.70
- changes in asset ceiling (excluding interest income)	–	–
(Returns)/loss on plan assets excluding amounts included in Net interest cost	1.55	2.09
Components of defined benefit costs recognised in Other comprehensive income	(2.63)	2.79
Total defined benefit cost recognised in Profit and Loss and Other comprehensive income	13.37	8.60
II. Change in present value of defined benefit obligation:		
Present value of defined benefit obligation at the beginning of the year	35.94	29.04
Interest expense	2.63	2.18
Past service cost	12.15	–
Current service cost	3.74	5.42
Benefits paid	(1.63)	(0.70)
Actuarial gain / (loss) arising from:		
- change in financial assumptions	–	–
- changes in experience adjustments	4.18	–
Present value of Defined Benefit Obligation at the end of the year	57.01	35.94
III Change in fair value of plan assets during the year:		
Plan assets at the beginning of the year	32.92	23.80
Interest income	2.52	1.78
Employers' contributions	3.02	5.24
Benefits paid	(1.63)	–
Re-measurement (Returns on plan assets excluding amounts included in interest income)	1.56	2.09
Fair Value of Plan Assets at the end of the year	38.39	32.91
IV. Net Asset / (Liability) recognised in the Balance Sheet as at the year end:		
Present value of Defined Benefit Obligation	57.01	35.94
Fair value of Plan Assets	38.39	32.91
Funded Status [Surplus/(Deficit)]	18.62	3.03

(₹ in Lacs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Net Asset / (Liability) recognised in Balance Sheet			
Current liability	18.63	3.02	5.24
Non-current liability	–	–	–
V. Actuarial Assumptions:			
Discount Rate (per annum) %	7.50%	7.50%	8.00%
Expected return on Plan Assets (per annum) %	7.50%	7.50%	8.00%
Expected Rate of Salary increase %	5.00%	5.00%	5.00%
Retirement/Superannuation Age (Year)	58	58	58
Mortality Rates	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
VI. Major Category of Plan Assets as a % of the Total Plan Assets as at the year end:			
Administered by Insurance Companies	100%	100%	100%
VII. Maturity Profile of Defined Benefit Obligation Expected cash flows (valued on undiscounted basis):			
Year 1	4.07	0.42	0.36
Year 2	1.27	0.46	0.39
Year 3	20.28	0.50	0.42
Year 4	4.49	11.84	0.45
Year 5	1.34	0.48	11.55
Next 5 years	41.45	20.41	9.16
Total expected payment	72.90	34.11	22.33
The average duration of the defined benefit plan obligation at the end of the balance sheet date (in years)	8 years	8 years	8 years
VIII. Sensitivity analysis on Present value of Defined Benefit Obligations:			
Discount rates			
1% Increase	(4.35)	(3.54)	(2.92)
1% Decrease	5.06	4.16	3.43
Expected rates of salary increases			
1% Increase	4.10	2.86	2.40
1% Decrease	3.63	(2.63)	(2.08)
Withdrawal Rate			
1% Increase	1.42	0.06	0.08
1% Decrease	(1.63)	(0.03)	(0.04)
The sensitivity analyses above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the balance sheet date.			

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
All sensitivities are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.			
IX. Experience adjustments on Present value of Defined Benefit Obligation and Plan Assets are as follows:			
Present value of Defined Benefit Obligation	57.01	35.94	29.04
Fair value of Plan Assets	38.39	32.91	23.80
(Deficit)/Surplus	18.62	3.03	5.24
Experience adjustment of Plan Assets [Gain/(Loss)]			–
Experience adjustment of Obligations [(Gain)/Loss]	(4.18)	0.70	0.79

iii) Risks related to defined benefit plans:

The main risks to which the Group is exposed in relation to operating defined benefit plans are :

- a) **Investment risk:** As the plan assets include significant investment in units of mutual funds, the Group is exposed to risk of impacts arising changes in Net asset value of mutual funds.
- b) **Mortality risk:** The assumptions adopted by the Group make allowances for future improvements in life expectancy. However, if life expectancy improves at a faster rate than assumed, this would result in greater payments from the plans and consequently increases in the plan's liabilities. In order to minimise this risk, mortality assumptions are reviewed on a regular basis.
- c) **Interest Rate Risk:** The present value of Defined Benefit Plans liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government bonds. A decrease in yields will increase the fund liabilities and vice-versa.
- d) **Salary cost inflation risk:** The present value of the defined benefit plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

iv) Asset - liability management and funding arrangements

The trustees are responsible for determining the investment strategy of plan assets. The overall investment policy and strategy for Group's funded defined benefit plan is guided by the objective of achieving an investment return which, together with the contribution paid is sufficient to maintain reasonable control over various funding risks of the plan.

v) Other disclosures:

- a) The following are the assumptions used to determine the benefit obligation:
 - i) **Discount rate:** The yield of government bonds are considered as the discount rate. The tenure has been considered taking into account the past long term trend of employees' average remaining service life which reflects the average estimated term of the post - employment benefit obligations.
 - ii) **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.
 - iii) **Rate of return on plan assets:** Rate of return for the year was the average yield of the portfolio in which Group's plan assets are invested over a tenure equivalent to the entire life of the related obligation.

iv) **Attrition rate** : Attrition rate considered is the management's estimate based on the past long- term trend of employee turnover in the Group.

b) The Gratuity and Provident Fund expenses have been recognised under “ Contribution to Provident and Other Funds” under “ Salaries and allowances” under Note No. 22.

5. Operating Segment information

The Group is primarily engaged in a single business segment of Broking & Dealing in Securities and related services. All the activities of the Group revolves around the main business. As such there are no separate reportable segments as per Ind AS - 108 “Operating Segment”.

The Group earns its entire “revenue from external customers” in India being Group’s country of domicile. All the assets are located in India. During the year, revenue from one customer amounted to more than 10% of the total revenue amounting to ₹ 190 lakh (31st March, 2017 - Nil).

6. Employee Stock Option

The Employee Stock Option Scheme (SKP ESOP Plan 2010) of the Company was formulated by the Board of Directors of the Company and approved in its meeting held on 23rd April, 2010, and by the shareholders at the Annual General Meeting of the Company held on 31st July, 2010 and in accordance with the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 read with the the SEBI (Share Based Employee Benefits) Regulations, 2014.

Employees covered under the Employee stock option scheme are granted an option to purchase equity shares of the Company at the exercise price of ₹ 29/- which was marginally above the market price of ₹ 27.10/- as on the date of grant of options. Under the said Scheme, Options granted have vesting period of one to three years and exercise period of maximum five years.

The Company had granted 1,00,000 options to its employees under the SKP ESOP PLAN, 2010. Since its issue none of the employee had exercised the options while 52,000 options were surrendered and 48,000 options were in force till 1st April, 2016. During the Financial Year 2016-17, employees holding these 48,000 options have also surrendered their right as per the SKP ESOP PLAN, 2010. Hence there are no options (31st March, 2017 Nil and 1st April, 2016- 48,000) outstanding as at the end of the Financial Year.

The details of Options granted, lapsed and exercised are as under:

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Year of Issue	–	2010-2011	2010-2011
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)
Options granted upto 31.03.2016	–	–	1,00,000
Options exercised upto 31.03.2016	–	–	–
Options lapsed upto 31.03.2016	–	–	44,000
Options outstanding at the beginning of the year	–	48,000	56,000
Options granted during the period	–	–	–
Options exercised during the year	–	–	–
Options lapsed during the year	–	–	8,000
Options surrendered during the year	–	48,000	–
Options outstanding at the end of the year	–	–	48,000

There were no modifications to the terms of SKP ESOP PLAN, 2010 either in the current year or in the previous years.

7. Related party disclosures:

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

i) Key Managerial Personnel : Naresh Pachisia, Managing Director
(KMP) : Nikunj Pachisia, Director

ii) Other related parties

Close members of KMP

Naresh Pachisia : Manju Pachisia (Wife)
: Nikunj Pachisia (Son)
: Kanupriya Pachisia (Son's wife)
: Vaibhav Pachisia (Son)

Significant influence entities: : Naresh Pachisia & Sons (HUF)
: Nikunj Pachisia (HUF)
: SKP Commodities Limited (From 30.09.2017)

b) Transactions with Related parties:

(₹ in Lacs)

Nature of transaction / Name of the related party	Significant influence entities	KMP	Close Members of KMP	Total
i) Compensation/Remuneration of KMP				
Naresh Pachisia	–	50.00	–	50.00
		(50.00)	–	(50.00)
Nikunj Pachisia	–	22.00	–	22.00
		(18.00)	–	(18.00)
ii) Rendering of services				
Brokerage Earned	0.04	0.62	0.10	0.76
	–	(0.55)	(0.00)	(0.56)
Demat Charges Received	0.02	0.04	0.02	0.09
	(0.00)	(0.06)	(0.01)	(0.08)
iii) Receiving of services				
SKP Commodities Limited (till 30.09.2017)	9.00	–	–	9.00
	(0.00)	–	–	(0.00)
iii) Sale of Shares				
Naresh Pachisia	–	112.38	–	112.38
		(0.00)	–	(0.00)
Nikunj Pachisia	–	1.76	–	1.76
		(0.00)	–	(0.00)
Manju Pachisia	–	–	59.70	59.70
		–	(0.00)	(0.00)
Vaibhav Pachisia	–	–	1.76	1.76
		–	(0.00)	(0.00)

c) Details of Remuneration paid/payable to KMP:

(₹ in Lacs)

Particulars	Naresh Pachisia		Nikunj Pachisia		Total	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Short-term employee benefits:						
Salary	50.00	50.00	22.00	18.00	72.00	68.00
Post-employment benefits:						
Contribution to Provident Fund and other Funds	—	—	—	—	—	—

d) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

e) The Group had traded in commodities, with an objective to earn arbitrage income, on National Spot Exchange Ltd (NSEL) through SKP Commodities Ltd., a subsidiary of the Company, during 2013-14. NSEL has not been able to adhere to its payment obligation and a sum of ₹ 44,32,842/- has been receivable from NSEL through SKP Commodities Ltd. since 2013-14. Recovery proceedings from NSEL are in process by various Government and Enforcement agencies. The Group is timely submitting all data and information when sought and as required by these agencies. Since more than 3 years had passed and there was no visibility of any recovery, the Group, without prejudice to its right of recovery of money from NSEL through SKP Commodities Ltd., had declared ₹ 44,32,842/- as Bad Debt during the year 2016-17 and written off this amount as a receivable as a prudent accounting norm.

f) The remuneration of Directors is determined by the Nomination and Remuneration Committee of the Board of Directors considering the performance of individuals and market trends.

g) Figures in brackets pertain to previous year.

8. Disclosure under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

There are no transactions which are required to be disclosed under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9. Details of Loans, guarantee and Investments covered under section 186 (4) of the Companies Act, 2013:

The particulars of Investments made are given under “Non - current investments” and “Current investments” in Note No. 5.

There is no loan and guarantee given.

10. Lease disclosure
Operating lease taken

The Group’s significant leasing arrangements is in respect of operating leases for office premises. These leasing arrangements which are cancellable at the option of the Group range between 11 months and 9 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as ‘Rent’ under Note 25.

With regard to certain other these operating leases for premises, the future minimum rentals are as follows:

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Not later than one year	39.27	40.01	72.42
Later than one year and not later than five years	217.44	216.02	220.42
Later than five years	23.47	70.91	110.06
Total	280.18	326.94	402.90

11. Dividend remitted in foreign currency:

The Group has not remitted any amount in foreign currency on account of dividend during the current year or previous year.

12. Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March, 2018

(₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying Value			
				Amortized Cost	FVTOCI	FVTPL	Total
(1) Financial assets							
(a)	Investments	5	1,856.95	–	–	1,856.95	1,856.95
(b)	Trade and other receivables	9	337.77	337.77	–	–	337.77
(c)	Cash and cash equivalents	10	102.78	102.78	–	–	102.78
(d)	Bank balances other than cash and cash equivalents	11	489.45	489.45	–	–	489.45
(e)	Other financial assets	6	412.07	412.07	–	–	412.07
	Total		3,199.02	1,342.07	–	1,856.95	3,199.02
(2) Financial liabilities							
(a)	Borrowings	14	147.48	147.48	–	–	147.48
(b)	Trade and other payables	15	351.85	351.85	–	–	351.85
(c)	Other financial liabilities	16	359.73	359.73	–	–	359.73
	Total		859.06	859.06	–	–	859.06

As at 31st March, 2017

(₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying Value			
				Amortized Cost	FVTOCI	FVTPL	Total
(1) Financial assets							
(a)	Investments	5	1,579.44	–	–	1,579.44	1,579.44
(b)	Trade and other receivables	9	605.98	605.98	–	–	605.98
(c)	Cash and cash equivalents	10	146.17	146.17	–	–	146.17
(d)	Bank balances other than cash and cash equivalents	11	536.43	536.43	–	–	536.43
(e)	Other financial assets	6	372.46	372.46	–	–	372.46
	Total		3,240.48	1,661.04	–	1,579.44	3,240.48
(2) Financial liabilities							
(a)	Borrowings	14	90.65	90.65	–	–	90.65
(b)	Trade and other payables	15	484.98	484.98	–	–	484.98
(c)	Other financial liabilities	16	222.90	222.90	–	–	222.90
	Total		798.53	798.53	–	–	798.53

As at 1st April, 2016

(₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying Value			
				Amortized Cost	FVTOCI	FVTPL	Total
(1)	Financial assets						
(a)	Investments	5	1,203.12	–	–	1,203.12	1,203.12
(b)	Trade and other receivables	9	537.66	537.66	–	–	537.66
(c)	Cash and cash equivalents	10	290.65	290.65	–	–	290.65
(d)	Bank balances other than cash and cash equivalents	11	540.38	540.38	–	–	540.38
(e)	Other financial assets	6	336.78	336.78	–	–	336.78
	Total		2,812.17	1,609.05	–	1,203.12	2,812.17
(2)	Financial liabilities						
(a)	Borrowings	14	23.73	23.73	–	–	23.73
(b)	Trade and other payables	15	427.44	427.44	–	–	427.44
(c)	Other financial liabilities	16	140.64	140.64	–	–	140.64
	Total		591.81	591.81	–	–	591.81

B. Fair value hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Fair value of cash and cash equivalents, other bank balances, trade and other receivables, loans and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables and other current financial liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using adjusted net asset value method. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

The fair value of investment in mutual funds has been determined based on quotes from mutual funds/ Asset management companies during the year.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Group has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2.

The following tables provide the fair value hierarchy of the Group's assets and liabilities measured at fair value on a recurring basis:

- (i) Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2018:

(₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
A.	Financial assets					
	(a) Investments	5	1,472.45	–	384.50	1,856.95
	(b) Other financial assets	6	–	–	412.07	412.07
	Total financial assets		1,472.45	–	796.57	2,269.02
B.	Financial liabilities					
	Borrowings	14	–	–	147.48	147.48
	Total financial liabilities		–	–	147.48	147.48

- (ii) Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2017:

(₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
A.	Financial assets					
	(a) Investments	5	1,194.94	–	384.50	1,579.44
	(b) Other financial assets	6	–	–	372.46	372.46
	Total financial assets		1,194.94	–	756.96	1,951.90
B.	Financial liabilities					
	Borrowings	14	–	–	90.65	90.65
	Total financial liabilities		–	–	90.65	90.65

- (iii) Financial assets and financial liabilities measured at fair value on a recurring basis as at 1st April, 2016:

(₹ in Lacs)

Sl. No.	Particulars	Refer Note No.	Level 1	Level 2	Level 3	Total
A.	Financial assets					
	(a) Investments	5	818.62	–	384.50	1,203.12
	(b) Other financial assets	6	–	–	336.78	336.78
	Total financial assets		818.62	–	721.28	1,539.90
B.	Financial liabilities					
	Borrowings	14	–	–	23.73	23.73
	Total financial liabilities		–	–	23.73	23.73

Description of significant unobservable inputs to valuation:

The following table shows the valuation technique and inputs for financial instruments:

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Investments in equity shares	Adjusted net asset method		
Investments in Mutual funds	Quotes from Asset Management Companies		

13. Financial risk management objectives and policies

The Group's activities expose it to credit risk, liquidity risk and market risk. The Chief Financial Officer of the group has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(a) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under financial instrument or a customer contract leading to a financial loss. The Group is exposed to credit risk from its operating activities primarily trade receivable and security deposit with exchanges and from its financing activities including deposits placed with bank and financial institutions and other financial instruments/assets. Credit risk from balances with bank and other financial instrument is managed in accordance with group's policies. Surplus funds are parked only in approved investment categories with well defined limits. Investment category is periodically reviewed by the Board of Directors of the respective Company in the group.

Credit risk arising from short term liquid funds, other balances with banks and other cash equivalents is limited and no collaterals are held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by credit rating agencies.

Other financial assets measured at amortized cost includes loans to employees, security deposits and others. Credit risk related to these financial assets are managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system is in place to ensure that the amounts are within defined limits.

Customer credit risk is managed as per group's established policy, procedure and control related to credit risk management. Credit quality of the customer is assessed based on his previous track record and funds & securities held by him in his account and individual credit limit is defined according to this assessment. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each balance sheet date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Assets are written off when there is no reasonable expectation of recovery. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss. The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of financial assets disclosed under Note No. 9.

The Group assesses and manages credit risk of financial assets on the basis of assumptions, inputs and factors specific to the class of financial assets. The Group provides for expected credit loss on Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets based on 12 months expected credit loss/life time expected credit loss/ fully provided for. Life time expected credit loss is provided for trade receivables.

The ageing analysis of the receivables are:

(₹ in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Upto 6 months	307.26	275.40	194.02
6 to 12 months	7.74	6.94	13.41
More than 12 months	22.77	323.64	330.23
Total	337.77	605.98	537.66

(b) Liquidity risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligation on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Group maintains

flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

The tables below summarises the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

(₹ in Lacs)

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
31st March, 2018				
Borrowings (excluding interest)	214.35	41.36	–	255.71
Trade payables	351.85	–	–	351.85
Other financial liabilities	251.50	–	–	251.50
Total	817.70	41.36	-	859.06
31st March, 2017				
Borrowings (excluding interest)	91.85	90.65	–	182.50
Trade payables	484.98	–	–	484.98
Other financial liabilities	131.05	–	–	131.05
Total	707.88	90.65	-	798.53
1st April, 2016				
Borrowings (excluding interest)	11.33	23.73	–	35.06
Trade payables	427.44	–	–	427.44
Other financial liabilities	129.31	–	–	129.31
Total	568.08	23.73	-	591.81

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market rate risk comprises of currency risk, interest rate risk and other price risk such as equity price risk and commodity risk.

Foreign currency risk

Foreign currency risk is the risk of impact related to fair value of future cash flows of an exposure in foreign currency, which fluctuate due to change in foreign currency rate. The Group has no international transactions and is not exposed to foreign exchange risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rate.

i) Liabilities

The Group's fixed rate borrowings are carried at amortised cost. They are, therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group has no variable rate borrowings.

ii) Assets

The Group's fixed deposits, interest bearing security deposits and loans are carried at fixed rate. They are therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Price risk

Price risk is the risk that the fair value of financial instrument will fluctuate due to change in market traded price.

The Group's exposure to price risk arises from investments held and classified as FVTPL. To manage the price risk arising from investments in mutual funds, the Group diversifies its portfolio of assets.

14. Capital Management**(a) Risk management**

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity share-holders of the Group. The Group's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders and maintain an optimal capital structure to reduce the cost of Capital.

The Group manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Group has complied with these covenants.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2018 and 31st March, 2017.

(₹ in Lacs)

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Net debt	328.37	36.33	(236.90)
Total equity	2,726.09	2,837.59	2,479.41
Net debt to equity ratio	0.12	0.01	(0.10)

* Net debt = non-current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued – cash and cash equivalents.

(b) Dividend

(₹ in Lacs)

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Proposed Dividend	–	–	–
Interim dividend	–	–	56.15
Dividend distribution tax on above	–	–	11.43

15 First-time Adoption of Ind AS**(i) These financial statements, for the year ended 31st March, 2018, are the first financial statements, the Group has prepared in accordance with Ind AS.**

Accordingly, the Group has prepared financial statements which comply with Ind AS applicable for year ended 31st March, 2018, together with the comparative figures for the year ended 31st March, 2017, as described in the summary of significant accounting policies [Refer Note No.2-3].

The Group has prepared the opening Balance Sheet as per Ind AS as of 1st April, 2016 (the transition date) by:

- recognising all assets and liabilities whose recognition is required by Ind AS,
- not recognising items of assets or liabilities which are not permitted by Ind AS,

- c. reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS as required under Ind AS, and
- d. applying Ind AS in measurement of recognised assets and liabilities.

(ii) A. Reconciliation of total comprehensive income for the year ended 31st March, 2017 is summarised as follows:

(₹ in Lacs)

Particulars	Notes	For the year end 31st March, 2017
Profit After Tax as reported under previous GAAP		171.32
Add/(Less) - Effect of transition to Ind AS		
(i) Measurement of Investment in mutual fund at fair value through profit or loss	14 (iii) (b)	188.53
(ii) Reclassification of actuarial gains/(losses), arising in respect of employee benefit schemes, to Other Comprehensive Income (OCI)	14 (iii) (c)	(2.79)
(iii) Measurement of borrowings at amortised cost	14 (iii) (a)	0.05
(iv) Tax impact of above		0.86
Net impact of Ind AS adjustments		184.93
Profit After Tax as reported under Ind AS		356.25
Other Comprehensive Income (net of tax)		1.93
Total Comprehensive Income as reported under Ind AS		358.18

B. Reconciliation of equity as reported under previous GAAP is summarized as follows:

(₹ in Lacs)

Particulars	Notes	As at 1st April, 2016 (Date of transition)	As at 31st March, 2017 (end of last period presented under previous GAAP)
Equity as reported under previous GAAP		2,424.68	2,596.00
Add/(Less) - Effect of transition to Ind AS			
(i) Measurement of Investment in mutual fund at fair value through profit or loss	14 (iii) (b)	64.73	241.54
(ii) Measurement of borrowings at amortised cost	14 (iii) (a)	–	0.05
Net impact of Ind AS adjustments		64.73	241.59
Equity as reported under Ind AS		2,479.41	2,837.59

(iii) Ind AS 101 mandates certain exceptions and allows first-time adopters exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions in the financial statements:

- a) “Property, Plant and Equipment were carried in the Balance Sheet prepared in accordance with previous GAAP on 31st March, 2016. Under Ind AS, the Group has elected to regard such

carrying values as deemed cost at the date of transition.”

- b) The Group has applied Appendix C of Ind AS 17 (Leases) – ‘Determining whether an Arrangement contains a Lease’ to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.
- c) Ind AS estimates as at 1 April, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for Impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

(iv) In addition to the above, the principal adjustments made by the Group in restating its previous GAAP financial statements, including the Balance Sheet as at 1st April, 2016 and the financial statements as at and for the year ended 31st March, 2017 are detailed below:

- a) Under the previous GAAP, transaction costs incurred in connection with borrowings were accounted upfront and charged to Statement of Profit and Loss for the period in which such transaction costs was incurred.

Under Ind AS transaction costs incurred towards origination of borrowings has been deducted from the carrying amount of borrowings on initial recognition. These costs are recognized in profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

- b) Under Previous GAAP, long term investments were carried at cost less provision for diminution recorded to recognise any decline, other than temporary, in the carrying value of each investment.

Under Ind AS, investments in mutual fund are recognised and measured at fair value. Impact of fair value changes as on the date of transition has been recognised in Reserves and for changes thereafter in statement of profit and loss.

- c) Under previous GAAP, actuarial gains and losses related to the defined benefit schemes for gratuity were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/asset which is recognised in OCI. Consequently, the tax effect of the same has also been recognised in OCI instead of profit or loss.
- e) Retained earnings and statement of profit and loss has been adjusted consequent to the Ind AS transition adjustments with corresponding impact to deferred tax, wherever applicable.
- f) Under previous GAAP, movements in cash credit facilities, repayable on demand, were reflected in cash flows from financing activities in cash flow statement. Under Ind AS, such cash credit facilities are included in cash and cash equivalents in the cash flow statement.

16. Additional information requirement as per Schedule III of the Companies Act, 2013

- 16.1 In accordance with Indian Accounting Standard 110 “Consolidated Financial Statements”, the Consolidated Financial Statements of the Group include the financial statements of the Holding Company and its subsidiaries.

The subsidiary considered in the preparation of these consolidated financial statements are:–

Name of the Party & Nature of relationship	Country of Origin	% Holding	% Holding	% Holding
		As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Subsidiaries				
SKP Commodities Ltd.	India	–	100.00%	100.00%
SKP Insurance Advisors Pvt. Ltd.	India	100.00%	100.00%	100.00%

16.2 Additional information requirement as per Schedule III of the Companies Act, 2013

As at 31st March, 2018

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated of assets	₹ In lacs	As % of consolidated of profit or loss	₹ In lacs	As % of consolidated total comprehensive income	₹ In lacs	As % of consolidated total comprehensive income	₹ In lacs
Parent								
SKP Securities Limited	99.46%	2,711.31	102.42%	522.77	100.00%	(1.95)	102.43%	520.82
Subsidiaries								
SKP Insurance Advisors Pvt. Ltd.	0.54%	14.78	-2.42%	(12.36)	0.00%	-	-2.43%	(12.36)
Non-controlling interests in subsidiary	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total	100.00%	2,726.09	100.00%	510.41	100.00%	(1.95)	100.00%	508.46

17. Standards issued but not yet effective:

The standard issued, but not yet effective up to the date of issuance of the Group financial statements is disclosed below. The Group intends to adopt this standard when it becomes effective.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued in February 2015 and establishes a five step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This standard will come into force from accounting period commencing on or after 1st April 2018. The Group will adopt the new standard on the required effective date. During the current year, the Group performed a preliminary assessment of Ind AS 115, which is subject to changes arising from a more detailed ongoing analysis.

18. The previous year's including figures as at the date of transition have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year including figures as at the date of transition 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

For and on behalf of the Board

Naresh Pachisia
Managing Director
DIN:00233768

Nikunj Pachisia
Whole-time Director
DIN: 06933720

CA. Sunita Kedia

Partner

(Membership No. 60162)

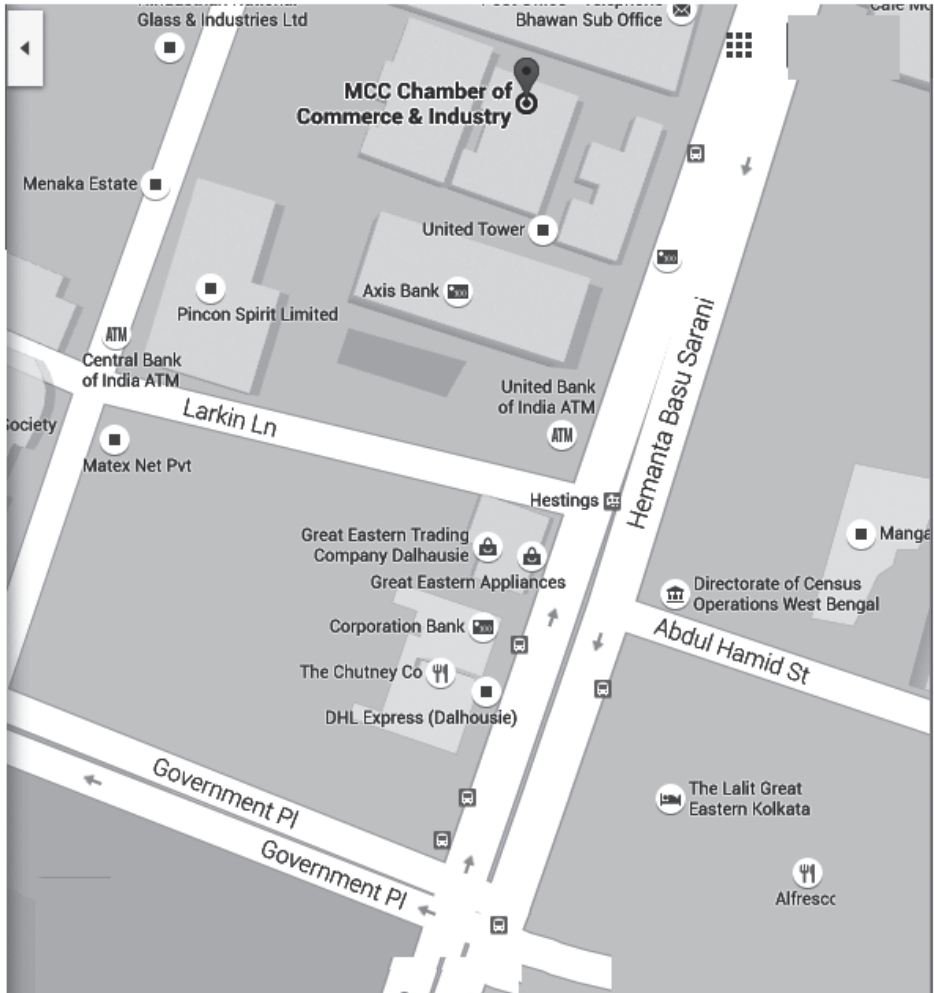
Place of Signature: Kolkata

Date: 5th May, 2018

Anil Shukla
Chief Financial Officer
PAN: AKLPS0016P

Alka Khetawat
Company Secretary
Membership No. 47322

Route Map to the AGM Venue



SKP SECURITIES LIMITED
CIN NO: L74140WB1990PLC049032
Registered Office: Chatterjee International Centre, Level 21,
33A, Jawaharlal Nehru Road, Kolkata - 700071
Tel.: +91 33 40077000 E-mail: cs@skpsecurities.com
Website: www.skpsecurities.com

ADMISSION SLIP

To be handed over at the entrance of the Meeting Hall

Member 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 member)

I hereby record my presence at the 28th Annual General Meeting of the Members of SKP Securities Limited at Merchants' Chamber of Commerce & Industry, 15B, Hemant Basu Sarani, Kolkata - 700001 on Saturday, 28th July, 2018, at 10:00 A.M.

Member's/Proxy's signature

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

Note: Please carry the copy of this Annual Report for 2017-18 at the Meeting Hall

SKP SECURITIES LIMITED
CIN NO: L74140WB1990PLC049032
Registered Office: Chatterjee International Centre, Level 21, 33A, Jawaharlal Nehru Road, Kolkata - 700071
Tel.: +91 33 40077000 E-mail: cs@skpsecurities.com, Website: www.skpsecurities.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) of shares of the above named Company, hereby appoint:

1. Name: Address:

E-mail ID: Signature:

2. Name: Address:

E-mail ID: Signature:

as my/our proxy to attend and vote on the Resolutions and in such manner as are indicated below:

Sr. No.	Resolution		
		For	Against
Ordinary Business			
1.	Adoption of Audited Financial Statements (including Consolidated Financial Statements) for the financial year ended 31st March, 2018, and the reports of the Board of Directors and Auditors thereon		
2.	Re-appointment of Mrs. Manju Pachisia (DIN: 00233821) Director retiring by rotation		
3.	Ratification of Statutory Auditors and fixing their remuneration		
Special Business			
4.	Appointment of Mr. Santanu Ray (DIN:00642736) as a Non-Executive Independent Director		
5.	Re-appointment of Mr. Naresh Pachisia (DIN: 00233768) as the Managing Director of the Company and fix his remuneration		

Signed this.....day of.....2018

Affix revenue stamp of ₹ 1

Signature of shareholder

Signature of proxy holder(s)

Note: This instrument 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.



SKP Hall of Fame Awards 2017



Members of Team SKP at Picnic 2017

