

# Annual Report

2015-2016

**SKP** SECURITIES LTD

creating prosperity

**SKP Securities Ltd**

**Wins**

**CNBC TV18 Best Regional Financial Advisor Award (East) 2014-2015**



**Team SKP Receiving the award**

**SKP**

**Working for Financial Education & Inclusion**

**(Glimpses of some Investor/Partner Meets across Eastern India)**



## **Board of Directors**

- Kishore Bhimani- *Independent,  
Non-Executive*  
Ravi Todi - *Independent,  
Non-Executive*  
Manju Pachisia - *Non-Executive Director*  
Naresh Pachisia - *Managing Director*  
Nikunj Pachisia - *Whole Time Director*

## **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@skpmoneywise.com](mailto:cs@skpmoneywise.com)

## **Mumbai Office**

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

## **Auditors**

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

## **Registrar & Share Transfer Agent**

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

## **Bankers**

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

## **Company Secretary**

Dipak Kadel

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**Our New 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 & Teamwork

**CHARTER MEMBER**

Financial Planning Standards Board, India

**MEMBER**

BSE Ltd.  
National Stock Exchange of India Ltd.

**DEPOSITORY PARTICIPANT**

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

**AMFI REGISTERED MUTUAL FUND**

**ADVISOR**

Association of Mutual Funds of India

**OUR CLIENT SEGMENTS**

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

**OUR SERVICES**

- Broking
- Distribution
- Wealth Advisory
- Investment Banking
- Institutional Equities

**ISO 9001 : 2008**

## NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Members of the Company will be held at MCC Chamber of Commerce & Industry, 15B Hemanta Basu Sarani, Kolkata 700 001 on Saturday, the 30th day of July 2016 at 10 A.M. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016 and the Statement of Profit & Loss for the year ended on that date together with the Report of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Manju Pachisia (DIN: 00233821), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
3. To ratify the appointment of the auditors of the Company and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, pursuant to the recommendations of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on 27th September 2014, the appointment of M/s G.P. Agrawal & Co. Chartered Accountants, Kolkata (Registration No. 302082E) as the Auditors of the Company to hold office till the conclusion of the next Annual General Meeting be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the Financial Year ending 31st March, 2017 as may be determined by the Board of Directors in consultation with the auditors.

By order of the Board  
For **SKP Securities Ltd**

Dated: 28th April, 2016  
**Registered Office**  
Chatterjee International Centre, Level 21  
33A, Jawaharlal Nehru Road,  
Kolkata 700 071  
CIN: L74140WB1990PLC049032  
Tel. No: (033) 4007 7000  
Fax No: (033) 4007 7707  
Email: [cs@skpmoneywise.com](mailto:cs@skpmoneywise.com)  
Website: [www.skpmoneywise.com](http://www.skpmoneywise.com)

**Dipak Kadel**  
Company Secretary

**NOTES:**

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

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

2. A route map giving directions to reach the venue of the 26th Annual General Meeting is enclosed for the convenience of the Members.
3. Brief Resume of the Director seeking appointment/reappointment at the Meeting along with the details of other Directorship and shareholding in the Company are provided as an Annexure to this Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd July 2016 to 30th July 2016 (both days inclusive).
5. Pursuant to the provisions of Section 124 of the Companies Act, 2013, all unclaimed dividends till the financial years 2007-2008 have already been transferred to the Investor Education and Protection Fund (IEPF) and all subsequent unpaid / unclaimed dividends will be transferred to the said Fund from time to time. Shareholders who have not yet en-cashed their dividend warrant(s) relating to the financial year 2008-2009 to 2015-2016 are therefore, advised to approach the Company for the payment thereof.
6. Members holding shares in physical form are requested to notify any change in their address including Pin Code, Bank Mandate, Income Tax Permanent Account Number etc. to the Company's Registrar & Share Transfer Agent (RTA), Maheshwari Datamatics Pvt. Ltd, Unit: SKP Securities Ltd., 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001.

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

7. Members who hold shares in physical Form in multiple folios in identical name or joint holding in the same order of names are requested to send the share certificates to its RTA for consolidating into single folio. The share certificates will be returned to the Members after making requisite changes thereon.
8. Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company. Request may be made to the Company or its RTA for the Nomination Form.
9. SEBI has vide Circular no. MRD/DoP/Cir-05/2009 dated 20th May, 2009 mandated the submission of PAN by every participant in the security market. Members holding shares in electronic form /physical form are therefore, requested to submit their PAN to the Company or its RTA.
10. To avoid loss of dividend warrants in transit/undue delay in receipt of dividend warrants, the company provides facility to the Members for remittance of dividend directly in their bank

account through electronic means. The facility is available at all bank branches which have registered themselves as participating bank with National Payment Corporation of India and joined the Core Banking System. Members holding physical form and desirous of availing this facility are requested to provide their latest bank account details to RTA.

11. Shareholders seeking any information with regard to Accounts are requested to write to the Company at least one week in advance so as to enable the management to keep the information ready.
12. Members attending the Annual General Meeting are requested to bring with them the following:
  - (a) DP & Client ID Numbers or Folio Numbers
  - (b) Attendance Slip and
  - (c) Copy of the Annual Report and Notice, as no copies thereof would be distributed at the Meeting.
  - (d) Corporate members intending to send their authorized representatives to attend the Meeting are requested to submit a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
13. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours on all working days except Saturdays.
14. Process and manner for Members opting to vote through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

1. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)] :
    - (i) Open email and open PDF file “SKP Securities e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
    - iii) Click on “Shareholder – Login”
    - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote “e-voting: Active Voting Cycles”.

(vii) Select “EVEN” (Electronic Voting Event Number) of “SKP Securities Limited”.  
Now you are ready for e-voting as Cast Vote page opens.

(viii) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.

(ix) Upon confirmation, the message “Vote cast successfully” will be displayed.

(x) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xi) Corporate/Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [scrutinizer@gmail.com](mailto:scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

<b>EVEN (Remote e-voting Event Number)</b>	<b>USER ID</b>	<b>PASSWORD/PIN</b>
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(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xi) above, to cast vote.

2. Members already registered with NSDL for e-voting then can use their existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password”
3. The remote e-voting period commences on 27th July, 2016 (9:00 am) and ends on 29th July, 2016 (5:00 pm). During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd July, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
4. In case you have any queries or issues regarding e-voting, Members may refer to the Frequently Asked Questions (“FAQS”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990

General instruction/information for members for voting on Resolutions :

1. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
2. Member who have cast their vote by e-voting prior to AGM may participate in the AGM but shall not be allowed to vote again at the AGM
3. The voting rights of members (for remote e-voting or by Poll paper at AGM) shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd July, 2016. A person, whose name is recorded in the register



of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

4. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd July, 2016 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
5. 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 for scrutinising the remote e-voting and Physical Ballot Process at the AGM, in a fair and transparent manner.
6. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company.
7. The Scrutinizer will collate the votes cast at the AGM and votes downloaded from the e-voting system and make, not later than twenty four hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
8. The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the result of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website [www.skpmoneywise.com](http://www.skpmoneywise.com) and on the website of NSDL immediately after their declaration, and communicated to the Stock Exchange where the shares of the Company are listed

## **ANNEXURE TO THE NOTICE**

### **ITEM NO. 3**

#### **Profile of Mrs. Manju Pachisia**

Name of the Director	Mrs. Manju Pachisia
Date of Birth	14.09.1965
Director Identification Number	00233821
Date of Joining the Board	01.08.2014
Qualifications	Associate Financial Planner (AFP); Certification in Psychological Counseling
Experience/expertise	10 years in financial markets and 5 years in emotional wellness and psychological counseling.
No. of Shares held in the Company	4,00,000
Directorships and Committee memberships in other companies	Nil

## DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure in presenting the Twenty Sixth Annual Report and Audited Accounts of SKP Securities Ltd. (SKP) for the Financial Year ended March 31, 2016.

### Financial Highlights

(In ₹ Lacs )

Particulars	Financial Year	
	2015-2016	2014-2015
Total Income	1046.07	1107.41
Total Expenditure	863.18	814.17
Operational Profit	182.89	293.24
Depreciation	16.81	33.83
Profit Before Tax	166.08	259.41
Provision for Tax (including Deferred Tax Liability) for the year	56.20	87.05
Tax adjustment for earlier year	–	0.98
Profit After Tax	109.88	171.38
Balance of Profit Brought forward from Previous Year	1303.48	1209.48
Appropriations:	–	–
Transferred to General Reserve	5.00	10.00
Interim Dividend	56.15	–
Tax on Interim Dividend	11.43	–
Proposed Dividend	–	56.15
Tax on Proposed Dividend	–	11.23
Balance Carried forward	1340.78	1303.48
Earnings Per Share (₹)	1.96	3.05
Net Worth	2357.69	2315.39

### DIVIDEND AND RESERVE

Your Directors recommend that the Interim Dividend of 10% already paid during Financial Year 2015-2016, be treated as Final Dividend and transfer ₹ 5 lacs to General Reserve.

### BUSINESS PERFORMANCE

Buoyancy in financial markets in general and equity market in particular, witnessed around this time last year, could not sustain momentum. Bottoming out domestic macro economic conditions encountered global macro economic, global geopolitical and domestic political headwinds. Equity markets had a gradual slide to pre-May 2014 levels, till the growth oriented Budget 2016 reversed the tide to some extent. Commodities Markets increasingly became dull with reducing volumes and customer interest.

In this environment, your company's business volume, top-line and bottom-line also witnessed a slide, although administrative costs were brought down further. As a consolidation effort, its trading rights in Currency Derivatives Segment and the defunct Equities Segment of Metropolitan

Stock Exchange (formerly, MCX-SX) were surrendered while we acquired trading rights on Currency Derivatives Segment of NSE. Its subsidiary viz. SKP Commodities Ltd surrendered its trading rights on Multi Commodity Exchange of India Limited and National Commodity and Derivatives Exchange of India Limited.

## **AWARDS AND RECOGNITION**

Your directors are delighted to inform that your company received the CNBC TV18 UTI Mutual Fund Best Performing Regional Financial Advisor Award (East) for 2014-2015.

## **FUTURE OUTLOOK**

Sustained improvement of domestic macro economics and corporate earnings on the verge of bottoming out, should abode well for financial markets and our business, going forward. We shall continue to focus on improving the quality of business. However, our mutual funds distribution business is expected to face head winds due to recently announced regulatory and tax changes. We have made adequate changes in our proprietary investments to create wealth in this environment. After a declining trend over last four years, costs may increase, going forward.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

In terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the Management Discussion and Analysis forms an integral part of this Report and gives details of the overall industry structure, developments, performance and state of affairs of the Company's business.

## **PUBLIC DEPOSITS**

Your Company has not accepted any public deposits from the public or the Members during the financial year and no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet

## **CONSOLIDATED FINANCIAL STATEMENTS**

In compliance with the Accounting Standards 21 of the Companies (Accounting Standards) Rules, 2006 and pursuant to the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 the consolidated financial statements form a part of this Annual Report.

## **SUBSIDIARIES & ASSOCIATES**

The Company has two Subsidiaries as on 31st March 2016. There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

During the year, the Board of Directors reviewed the affairs of its subsidiaries. In accordance with Section 129(3) of the Act, a statement containing salient features of the financial statements of Company's subsidiaries is annexed to this report as "Annexure A" in the prescribed Form AOC-1.

In accordance with section 136 of the Companies Act, 2013, audited financial statements, including consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on our website [www.skpmoneywise.com](http://www.skpmoneywise.com). These documents will also be available for inspection during business hours at our registered office.

## **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND AUDIT COMMITTEE**

The Details of the number of Board Meetings and Audit Committee Meetings of your Company are set out in the Corporate Governance Report which forms part of this Report.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year Mr. Subrata Kumar Mitra Independent Director of the Company resigned from

the Board of the Company. The Board expresses its gratitude for his valuable contribution. Apart from this, there were no changes in the directors or Key Managerial Personnel during the year. Mrs. Manju Pachisia, Non-Executive Director, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers herself for re-appointment.

All Independent Directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015.

#### **ANNUAL EVALUATION OF BOARD'S PERFORMANCE:**

In terms of the provisions of the Companies Act, 2013 read with Rules issued there under and in terms of SEBI (Listings Obligations and Disclosures Requirements), Regulations 2015, the Board of Directors on recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board/Director(s) for the financial year 2015-16.

#### **CORPORATE GOVERNANCE REPORT**

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

#### **AUDITORS**

##### **a) Statutory Auditors**

At the Annual General Meeting held on 27th September 2014 M/s. G.P. Agrawal & Co., Chartered Accountants, were appointed as Statutory Auditors of your Company to hold office till the conclusion of the Annual General Meeting to be held in the Calendar year 2017. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. G.P. Agrawal & Co., Chartered Accountant, as Statutory Auditors of the Company is placed for ratification by the shareholders.

The Auditors' Report for Financial Year 2015-2016 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

##### **b) Secretarial Auditors**

Mr. Kaushik Sonee of K. Sonee & Co. Practicing Company Secretary, was appointed to conduct the secretarial audit of the Company for the Financial Year 2015-2016, as required under section 204 of the Companies Act 2013 and Rules there under. The Secretarial audit report for Financial Year 2015-16 forms part of the Annual Report as "Annexure B" to the Board's Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### **EXTRACT OF THE ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in Form MGT- 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, is annexed to this report as "Annexure C".

#### **RELATED PARTY TRANSACTIONS (RPT)**

During the financial year 2015-2016, your company has entered into transaction with related party

which was in the ordinary course of business and on arm's length basis, details of which are provided in Note No. 22.6 which forms an integral part of this annual report. The Form AOC 2 pursuant to Sec-134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as "Annexure D" to this report. The policy on Related Party transaction has been devised by your Company for determining the materiality of transaction with Related Parties and dealing with them.

### **LOANS, GUARANTEES OR INVESTMENTS**

The Company has not given any Loans and Guarantees in terms of provisions of Section 186 of the Companies, Act 2013. The details of Investments made are given under Note No. 8 of Annual Accounts.

### **MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES**

The information as required under the provisions of Section 134(3)(q) and 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this report as "Annexure E".

There are no employees employed throughout the financial year and in receipt of remuneration of ₹ 60 lacs or more, or employed for part of the year and in receipt of ₹ 5 lacs or more a month, to be reported under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **EMPLOYEE STOCK OPTION PLAN:**

During the year none of the employees of the Company have exercised their stock options granted under the SKP ESOP PLAN 2010. The Disclosure in the respect of Employee Stock Option plan is annexed to this report as "Annexure F".

### **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 controls 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 your Company.

### **VIGIL MECHANISM**

The Company has 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 Director(s)/employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee.

### **SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS**

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

### **INTERNAL CONTROL SYSTEM AND COMPLIANCE FRAMEWORK**

The Company has an Internal Control System, commensurate with size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations.

The Audit Committee in consultation with the internal auditors formulates the scope, functioning, periodicity and methodology for conducting the internal audit. Based on the internal audit report and review by the Audit Committee, process owners undertake necessary actions in their respective areas.

The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such systems are adequate and operating effectively.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is annexed to this report as “Annexure G”.

### **LISTINGS**

Equity shares of the company are listed on BSE Ltd, to which your company has paid Listing Fees.

### **DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to as per Sec 134 (5) of the Companies Act, 2013, the Directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) 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; and
- e) the directors, in the case of a listed company, 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.

### **GRATITUDE & ACKNOWLEDGEMENTS**

The Board 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 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  
33A, J. L. Nehru Road, Level 21  
Kolkata 700 071

For and on behalf of the Board

Dated: 28th April 2016

**Naresh Pachisia**  
Managing Director

**Nikunj Pachisia**  
Director

**Annexure [A] to the Director's report**

**Annexure 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 – AOC-1]**

Sr. No.	Name of the subsidiary	Financial period ended	Share capital	Reserves & surplus	Total assets	Total liabilities (excluding share capital and reserves & surplus)	Turn over	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	% of share holding
1	SKP Commodities Ltd	31.03.2016	10000000	6444791	47846277	31401486	1763324	53968	46768	7200	100
2	SKP Insurance Advisors Pvt Ltd*	31.03.2016	200000	1255021	1563225	1563225	7986	124816	38567	86249	100

\* formerly SKP Insurance Brokers & Advisors Pvt. Ltd.

**Annexure [B] to Directors' Report- Secretarial Audit Report**

To  
The Members,  
SKP Securities Limited

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 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 audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period).
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);
  - d) 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.
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period).
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period).
- (vi) As identified by the Management, the following other applicable laws; inter alia, specifically applicable to the Company are as follows :-
- 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 and Unfair Trade Practices relating to Securities Market) Regulations, 2003
  - f) SEBI (Mutual Funds) Regulations, 1996

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified during the Audit Period and hence not applicable).
- (ii) The Listing Agreements entered into by the Company with the Stock Exchanges read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above and there are no non compliances that have come to our knowledge.

We further report that:

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



- c) The minutes of the Board meetings have not identified any dissent by members of the Board; hence we have no reason to believe that the decisions by the Board were not approved by all the directors present.

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

We further report that during the audit period no event occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For **K Sonee & Company**  
Company Secretaries

**Kaushik Sonee**  
Proprietor

Date : 28th April, 2016

Place: Kolkata

FCS No. 7921, C.P. No. – 14302

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

### **Annexure – A to Secretarial Audit Report**

To,  
The Members  
SKP Securities Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **K Sonee & Company**  
Company Secretaries

**Kaushik Sonee**  
Proprietor

Date : 28th April, 2016

Place: Kolkata

FCS No. 7921, C.P. No. – 14302

**Annexure [C] to Director's Report  
Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on 31st March, 2016**

[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 Company
- v) Sub-Category of the Company : Company having Share Capital
- v) Address of the Registered Office and Contact Details:
  - Address : Chatterjee International Centre  
33A, Jawaharlal Nehru Road, Level 21  
Kolkata- 700071
  - Contact Details : Phone: (033) 40077000  
Fax:- (033) 40077007  
Email: cs@skpmoneywise.com  
Website: www.skpmoneywise.com
- vi) Whether listed company : Yes
  - Stock Exchange : BSE Limited (BSE)
  - Scrip Code : 531169
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:
  - Name : Maheshwari Datamatics (P) Ltd
  - Address : 6, Mango Lane 2nd Floor, Kolkata 700001
  - Contact Details : Phone: (033) 22435029/5809,  
Fax: (033) 22484787  
Email: mdpl@cal.vsnl.net.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and Description of main products /services	NIC Code of the Product/service	% to total turnover of the company
1	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 Commodities Limited Chatterjee International Centre 33A, Jawaharlal Nehru Road, Level- 21, Kolkata 700071	U74999WB2005PLC103671	Subsidiary	100	2(87)
2	SKP Insurance Advisors Pvt Limited* Chatterjee International Centre 33A, Jawaharlal Nehru Road, Level- 21, Kolkata 700071	U75131WB2002PTC094314	Subsidiary	100	2(87)

\* formerly SKP Insurance Brokers & Advisors Pvt. Ltd.

### IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

#### A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2015)				No. of Shares held at the end of the year (as on 31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Promoters</b>									
<b>1 Indian</b>									
(a) Individuals/ Hindu Undivided Family	4209700	0	4209700	74.97	4209700	0	4209700	74.97	0.00
(b) Central Government									
(c) State Government(s)									
(d) Bodies Corporate									
(e) Financial Institutions/ Banks									
(f) Any Others(Specify)									
<b>Sub Total(A)(1)</b>	<b>4209700</b>	<b>0</b>	<b>4209700</b>	<b>74.97</b>	<b>4209700</b>	<b>0</b>	<b>4209700</b>	<b>74.97</b>	<b>0.00</b>
<b>2 Foreign</b>									
a Non-Residents Individuals									
b Other Individuals									
c Bodies Corporate									
d Financial Institutions/ Banks									
e Any Others(Specify)									
<b>Sub Total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total Shareholding of Promoters (A)= (A)(1)+(A)(2)</b>	<b>4209700</b>	<b>0</b>	<b>4209700</b>	<b>74.97</b>	<b>4209700</b>	<b>0</b>	<b>4209700</b>	<b>74.97</b>	<b>0.00</b>

<b>(B) Public shareholding</b>									
<b>1 Institutions</b>									
(a) Mutual Funds/ UTI									
(b) Financial Institutions / Banks									
(c) Central Government									
(d) State Government(s)									
(e) Venture Capital Funds									
(f) Insurance Companies									
(g) Foreign Institutional Investors									
(h) Foreign Venture Capital Investors									
(i) Qualified Foreign Investor									
(j) Any Others(Specify)									
<b>Sub-Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>2 Non-institutions</b>									
(a) Bodies Corporate									
i) Indian	299654	200	299854	5.34	318242	0	318242	5.67	6.13
ii) Overseas									
(b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	330478	120556	451034	8.03	307704	117656	425360	0.08	-5.69
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	625307	16700	642007	11.44	632482	16700	649182	0.12	1.12
(c) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(d) Any Others(Specify)									
i) Non-Resident Indian	11655	0	11655	0.21	11655	0	11655	0.21	0.00
ii) Overseas Corporate Bodies									
iii) Foreign Nationals									
iv) Clearing Members	50	0	50	0.00	115	0	115	0.00	130.00
v) Trust	700	0	700	0.01	700	0	700	0.01	0.00
vi) Foreign Bodies									
viii) NBFC registered with RBI	0	0	0	0	46	0	46	0	100.00
<b>Sub-Total (B)(2)</b>	<b>1267844</b>	<b>137456</b>	<b>1405300</b>	<b>25.03</b>	<b>1270898</b>	<b>134356</b>	<b>1405300</b>	<b>25.03</b>	<b>0.00</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>1267844</b>	<b>137456</b>	<b>1405300</b>	<b>25.03</b>	<b>1270898</b>	<b>134356</b>	<b>1405300</b>	<b>25.03</b>	<b>0.00</b>
<b>TOTAL (A)+(B)</b>	<b>5477544</b>	<b>137456</b>	<b>5615000</b>	<b>100</b>	<b>5480598</b>	<b>134356</b>	<b>5615000</b>	<b>100.00</b>	<b>0.00</b>
(C) Shares held by Custodians and against which Depository Receipts have been issued									
1 Promoter and Promoter Group									
2 Public									
<b>Sub-Total (C )</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>5477544</b>	<b>137456</b>	<b>5615000</b>	<b>100</b>	<b>5480598</b>	<b>134356</b>	<b>5615000</b>	<b>100.00</b>	<b>0.00</b>

## B. Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2015)			Share holding at the end of the year (As on 31.03.2016)			% Change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Naresh Pachisia	2865000	51.02	0	2865000	51.02	0	0.00
2	Naresh Pachisia and Sons (HUF)	504700	8.99	0	504700	8.99	0	0.00
3	Manju Pachisia	400000	7.12	0	400000	7.12	0	0.00
4	Nikunj Pachisia	220000	3.92	0	220000	3.92	0	0.00
5	Vaibhav Pachisia	220000	3.92	0	220000	3.92	0	0.00
	<b>Total</b>	<b>4209700</b>	<b>74.97</b>	<b>0</b>	<b>4209700</b>	<b>74.97</b>	<b>0</b>	<b>0.00</b>

## C. Change in Promoters' Shareholding

Sl. No.	Shareholder's Name	Shareholding		Date	Increase/Decrease in Share holding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of shares at the beginning (01.04.2015) /end of the year (31.03.2016)	% of total shares of the company				No. of shares	% of total shares of the company
1	Naresh Pachisia	2865000	51.02	01.04.2015	-	-		
		2865000	51.02	31.03.2016	-	-	2865000	51.02
2	Naresh Pachisia and Sons (HUF)	504700	8.99	01.04.2015	-	-		
		504700	8.99	31.03.2016	-	-	504700	8.99
3	Manju Pachisia	400000	7.12	01.04.2015	-	-		
		400000	7.12	31.03.2016	-	-	400000	7.12
4	Nikunj Pachisia	220000	3.92	01.04.2015	-	-		
		220000	3.92	31.03.2016	-	-	220000	3.92
5	Vaibhav Pachisia	220000	3.92	01.04.2015	-	-		
		220000	3.92	31.03.2016	-	-	220000	3.92

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

Sl No	Name	Shareholding at the beginning of the year		Increase/(decrease) in the shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Falguni Investment Distributors (P) Ltd</b>						
	At the beginning of the year	11139	0.20				
	07/08/2015 - Transfer			(1000)	0.02	10139	0.18
	14/08/2015 - Transfer			(2)	0.00	10137	0.18
	At the end of the year					10137	0.18
2	<b>Credwyn Holdings (India) Pvt Ltd</b>						
	At the beginning of the year	208498	3.71				
	10/04/2015 - Transfer			20725	0.37	229223	4.08
	04/09/2015 - Transfer			388	0.01	229611	4.09
	18/12/2015 - Transfer			925	0.02	230536	4.11
	25/12/2015 - Transfer			2	0.00	230538	4.11
	05/02/2016 - Transfer			13387	0.24	243925	4.34
	19/02/2016 - Transfer			14371	0.26	258296	4.60
	18/03/2016 - Transfer			1514	0.03	259810	4.63
	At the end of the year					259810	4.63
3	<b>Ashok Kumar Lahoty</b>						
	At the beginning of the year	10900	0.19				
	At the end of the year					10900	0.19
4	<b>Sectam Consultant Private Limited</b>						
	At the beginning of the year	27000	0.48				
	At the end of the year					27000	0.48
5	<b>Jagdish Aggarwal</b>						
	At the beginning of the year	9390	0.17				
	17/07/2015 - Transfer			200	0.00	9590	0.17
	24/07/2015 - Transfer			610	0.01	10200	0.18
	At the end of the year					10200	0.18
6	<b>Vinita Bangur</b>						
	At the beginning of the year	60000	1.07				
	At the end of the year					60000	1.07

<b>7</b>	<b>Mukesh Parikh</b>						
	At the beginning of the year	14282	0.25				
	01/05/2015 - Transfer			(14282)	0.25	0	0.00
	At the end of the year					0	0.00
<b>8</b>	<b>Gopal Das Bangur</b>						
	At the beginning of the year	235000	4.19				
	17/07/2015 - Transfer			(235000)	4.19	0	0.00
	At the end of the year					0	0.00
<b>9</b>	<b>Pushpa Devi Bangur</b>						
	At the beginning of the year	150000	2.67				
	17/07/2015 - Transfer			235000	4.19	385000	6.86
	At the end of the year					385000	6.86
<b>10</b>	<b>Hemant Bangur</b>						
	At the beginning of the year	60000	1.07				
	At the end of the year					60000	1.07
<b>11</b>	<b>Purushottam Dass Bangur</b>						
	At the beginning of the year	60000	1.07				
	At the end of the year					60000	1.07
<b>12</b>	<b>Manoj Dua</b>						
	At the beginning of the year	0	0.00				
	01/05/2015 - Transfer			16427	0.29	16427	0.29
	11/12/2015 - Transfer			(25)	0.00	16402	0.29
	08/01/2016 - Transfer			(6402)	0.11	10000	0.18
	22/01/2016 - Transfer			(11)	0.00	9989	0.18
	12/02/2016 - Transfer			(9989)	0.18	0	0.00
	At the end of the year					0	0.00
<b>13</b>	<b>Laxmipat Dudheria</b>						
	At the beginning of the year	35125	0.63				
	31/07/2015 - Transfer			(40)	0.00	35085	0.62
	At the end of the year					35085	0.62
<b>14</b>	<b>Ashok Kumar Gupta</b>						
	At the beginning of the year	7144	0.13				
	26/02/2016 - Transfer			5452	0.10	12596	0.22
	At the end of the year					12596	0.22
<b>15</b>	<b>Surajkavri Kasat</b>						
	At the beginning of the year	16700	0.30				
	At the end of the year					16700	0.30

### E. Shareholding of Directors and Key Managerial Personnel

Sl. No.	Shareholder's Name	Shareholding		Date	Increase / Decrease in Share holding	Reason	Cumulative Shareholding during the year (01.04.2015 to 31.03.2016)	
		No. of shares at the beginning (01.04.2015) / end of the year (31.03.2016)	% of total shares of the company				No. of shares	% of total shares of the company
	<b>Directors:-</b>							
1	Naresh Pachisia *	2865000	51.02	01.04.2015	–	–		
		2865000	51.02	31.03.2016	–	–	2865000	51.02
2	Manju Pachisia	400000	7.12	01.04.2015	–	–		
		400000	7.12	31.03.2016	–	–	400000	7.12
3	Nikunj Pachisia	220000	3.92	01.04.2015	–	–		
		220000	3.92	31.03.2016	–	–	220000	3.92
4	Subrata Kumar Mitra	0	0	01.04.2015	–	–		
		0	0	31.03.2016	–	–	0	0
5	Ravi Todi	0	0	01.04.2015	–	–		
		0		31.03.2016	–	–	0	0
6	Kishore Bhimani	0	0	01.04.2015	–	–		
		0	0	31.03.2016	–	–	0	0
	<b>Key Managerial Personnel:-</b>							
1	Naresh Pachisia *	2865000	51.02	01.04.2014	–	–		
		2865000	51.02	31.03.2015	–	–	2865000	51.02
2	Anil Shukla	0	0	01.04.2015	–	–		
		0	0	31.03.2015	–	–		
3	Dipak Kadel	0	0	01.04.2015	–	–		
		0	0	31.03.2015	–	–		

\* Mr. Naresh Pachisia, Managing Director & CEO has also been included in the list of Director as well as KMP.



## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	3,28,713	–	–	3,28,713
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
<b>Total (i+ii+iii)</b>	<b>3,28,713</b>	<b>–</b>	<b>–</b>	<b>3,28,713</b>
<b>Change in Indebtedness during the financial year</b>				
i) Addition (Net)	35,06,831	–	–	35,06,831
ii) Reduction	3,28,713	–	–	3,28,713
<b>Net Change</b>	<b>31,78,118</b>	<b>–</b>	<b>–</b>	<b>31,78,118</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	35,06,831	–	–	35,06,831
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
<b>Total (i+ii+iii)</b>	<b>35,06,831</b>	<b>–</b>	<b>–</b>	<b>35,06,831</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹)

Sl. no.	Particulars of Remuneration	Name of the Managing Director	Name of the Whole Time Director	Total
		Naresh Pachisia	Nikunj Pachisia	
1	Gross salary (Excluding Committee)			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	50,00,000	18,00,000	68,00,000
	(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	–	–	–
	<b>Total (A)</b>	<b>50,00,000</b>	<b>18,00,000</b>	<b>68,00,000</b>
	Ceiling as per the Act*	Remuneration paid to the Directors is within the limit specified under section 198 of the Companies Act, 2013		

**B. Remuneration to other directors:**

1. Independent Directors				(Amount in ₹)	
Name of Directors	Fees for attending Board/ Committee Meetings	Commission	Others	Total	
Subrata Kumar Mitra	10,000	–	–	10,000	
Ravi Todi	80,000	–	–	80,000	
Kishore Bhimani	80,000	–	–	80,000	
Total (1)	1,70,000	–	–	1,70,000	
2. Non-Executive/Promoter Directors:-					
Manju Pachisia	65,000	–	–	65,000	
Total (2)	65,000	–	–	65,000	
Total (1+2)	2,35,000	–	–	2,35,000	
Ceiling as per the Act		Remuneration paid to the Directors is within the limit specified under section 198 of the Companies Act, 2013			

**C. Remuneration to Key Managerial Personnel other than MD/Manger/WTD:-**

Sl. no.	Particulars of Remuneration	Name of the CFO	Name of the Company Secretary
		Anil Shukla	Dipak Kadel
1	Gross salary (Excluding Committee)		
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,51,404	2,14,728
(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 (A) (₹)	13,51,404	2,14,728

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:  
 (under the Companies Act, 2013)**

No Penalties/Punishment/Compounding of offences were levied under the Companies Act, 2013.

**Annexure [D] to Director's Report**

**FORM AOC- 2**

**(Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

<b>1. Details of contracts or arrangements or transactions not at arm's length basis:</b>		
a)	Name(s) of the related party and nature of relationship	NA
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts / arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed	
i)	Amount paid as advances, if any	
j)	Date on which (a) the special resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013	
<b>2. Details of material contracts or arrangement or transactions at arm's length basis:</b>		
a)	Name(s) of the related party and nature of relationship	Nil
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Date(s) of approval by the Board, if any	
f)	Amount paid as advances, if any	

For and on behalf of the Board

Place: Kolkata  
Date: 28th April, 2016

**Naresh Pachisia**  
Managing Director

### Annexure [E] to Director's Report

Information required under Section 197 of the Companies Act, 2013 read with 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 2015-16 is as follows:**

Name of Director	Total Remuneration (₹)	Ratio of Remuneration of Director to the Median Remuneration
Naresh Pachisia	50,00,000	14.64
Nikunj Pachisia	18,00,000	5.27

Notes 1. Information provided above is on standalone basis.

2. The aforesaid details are calculated on the basis of remuneration for the Financial Year 2015-16.

3. Median Remuneration of the Company for all its employees is ₹ 3,41,604/- for Financial Year 2015-16.

**B. Details of percentage increase in remuneration of each Director, CFO & Company Secretary in the financial year 2015-16 are as follows:**

Name	Designation	Remuneration (in ₹)		Increase %
		2015-2016	2014-2015	
Naresh Pachisia	Managing Director	50,00,000	30,00,000	66.67
Nikunj Pachisia	Whole Time Director	18,00,000	12,00,000	#
Anil Shukla	Chief Financial Officer	14,00,000	13,00,000	7.70
Dipak Kadel	Company Secretary	2,20,000	2,20,000	Nil

Notes 1. # Percentage increase in remuneration not reported as he was holding office for the part of the financial year 2014-15.

2. The remuneration to Directors is within the overall limits approved by the shareholders.

**C. Percentage increase in the median remuneration of all employees in the financial year 2015-16: 7.29%**

**D. Number of permanent employees on rolls of the Company as on 31st March, 2016: 42**

**E. Explanation on the relationship between average increase in remuneration and Company Performance:**

Average increase in remuneration of all employees was 15.57% which is based partly on the results of the Company and partly on the individual employees performance.

**F. Comparison of Remuneration of Key Managerial Personnel against Company Performance: (₹ in Lacs)**

a.	Aggregate of remuneration paid to Key Managerial Personnel (KMP)	84.2
b.	Total Revenue	1046.08
c.	Remuneration of KMPs as a % of total revenue	8.05
d.	Profit Before Tax (PBT)	166.08
e.	Remuneration of KMPs as a % of PBT	50.70

**G. Details of Share price and market capitalization:**

The details of variation in Market Capitalization and Price Earnings Ratio as at the Closing Date of the current and previous financial years are as follows:

Particulars	As on 31st March 2016	As on 31st March 2015	Increase/(decrease) (%)
Price Earnings Ratio	14.54	6.87	111.65
Market Capitalization (in lacs)	1600.27	1176.00	36.08

**H. Comparison of share price at the time of first public offer and market price of the share on 31st March, 2016:**

Market Price as on 31st March, 2016	₹ 28.50
Market Price at the time of Initial Public Offer	₹ 10.00

**I. 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 Managerial Personnel increased by 18.35% while salaries of other than the Managerial Personnel increased by 5.88%

**J. Comparison of remuneration of each of the Key Managerial Personnel against the performance of the company:**

Key Managerial Personnel	% of Total Revenue for FY 2015-2016	% of Net Profit for FY 2015-2016
– Managing Director	4.78	45.50
– Whole-Time Director	1.72	16.38
– Chief Financial Officer	1.34	12.74
– Company Secretary	0.20	2.00

**K. Key parameters for the variable component of remuneration paid to Directors:**

The key parameters for variable component of remuneration to Directors are decided by the Nomination and Remuneration Committee in accordance with the principles laid down in the Nomination and Remuneration Policy.

Following are major principles for determining remuneration to the Directors:

i) Commission to Non-Executive Directors:

Commission to Non-Executive Directors is payable equally out of profits of the company, as approved by the Board of Directors, within the limits prescribed in the Companies Act.

ii) Commission to the Managing Director & CEO:

The Nomination and Remuneration Committee approves the compensation package of the Managing Director & CEO. The Committee ensures that the compensation package is in accordance with applicable laws, in line with the Company's objectives, shareholders' interests, industry standards and have an adequate balance between fixed and variable

component. It objectively evaluates his performance.

**L. There are no employees of the Company who receive remuneration in excess of the highest paid Director of the Company.**

**M. Affirmation:**

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.

For and on behalf of the Board

Place: Kolkata  
Date: 28th April, 2016

**Naresh Pachisia**  
Managing Director

**Nikunj Pachisia**  
Director

## ANNEXURES [F] TO THE DIRECTORS' REPORT

Disclosure pursuant to the provisions of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 in respect of Employee Stock Option Plans read with The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014,

Sl. No.	Particulars	
1.	Options Granted	1,00,000
2.	The pricing formula	The Book value of the shares which is marginally above the Market Price of the Shares on the date of grant.
3.	Options vested upto 31.03.2015	56,000
4.	Options exercised upto 31.03.2015	Nil
5.	The total no of shares arising as a result of exercise of Option	Nil
6.	Options Lapsed as at 31.03.2016	8,000
7.	Variation of terms of Options	Nil
8.	Money released by exercise of Options	Nil
9.	Total no of Options in force as at 31.03.2016	44,000
10.	Employee wise details of Options granted to :	Nil
	- Senior Managerial Personnel including Directors	Nil
	- Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Nil
	- Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	Nil
11.	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20- 'Earnings Per Share'.	Nil
12.	i. Method of calculation of employee compensation cost.	Intrinsic value being excess of the Market Price of the share over the exercise price of option
	ii. Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognized if it had used the fair value of the options.	Negative
	iii. The impact of this difference on profits and on EPS of the Company.	N.A.
13.	i. Weighted-average Exercise Price of options	₹ 29.00
	ii. Weighted-average Fair Value of options	₹ 4.78
14.	Fair value of options based on Black Scholes methodology- Assumptions used:	
	- Risk free interest rate	7.46%
	- Expected life of options	1 to 3 years
	- Expected volatility	49.03%
	- Expected dividends (dividend yield)	3.51%
	- Closing market price of share on the date of option grant.	₹ 27.10

**Annexure [G] to the Directors' Report**

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

**Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014**

**DISCLOSURES**

**A. CONSERVATION OF ENERGY**

The Company is engaged in the financial services sector hence its operations do not account for substantial energy consumptions. Accordingly, the Company is not required to furnish information in Form A under the head "Conservation of Energy" under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014. However, the Company is taking all possible measures to conserve energy. Several environment friendly measures to conserve energy have been adopted by the Company such as:

- Power shutdown of idle monitors.
- 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**

FORM B for disclosure of particulars with respect to absorption.

<b>Research and Development (R&amp;D) :</b>		
1	Specific areas in which R&D carried out by the Company.	The Company is engaged in financial services and so there were no activities in the nature of research and development in the business. However, we conduct financial and equity research which is not in the nature of research and development.
2	Benefits derived as a result of the above R & D.	Nil
3	Future plan of action.	Nil
4	Expenditure on R & D :	
	(a) Capital	Nil
	(b) Recurring	Nil
	(c) Total	Nil
	(d) Total R&D expenditure as a percentage of total turnovers.	Nil
<b>Technology absorption, adaptation and innovation :</b>		
1	Efforts, in brief, made towards technology absorption, adaptation and innovation.	The management keeps itself abreast of the technological advancements in the industry and ensures continued and sustained efforts towards absorption as well as development of the same to meet business needs and objectives.



2	Benefits derived as a result of the above efforts, e.g. Product improvement, cost reduction, product development, product substitution, etc.	The technological absorption has resulted in improvement in services. However, the benefits derived from the technological advancements are not quantifiable.
3	In case of imported technology (imported during the last 5 years, reckoned from the beginning of the financial year) following information may be furnished :	
	(a) Technology imported.	Nil
	(b) Year of import.	Not Applicable
	(c) Has technology been fully absorbed?	Not Applicable
	(d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.	Not Applicable

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

For and on behalf of the Board

Place: Kolkata  
Date: 28th April, 2016

**Naresh Pachisia**  
Managing Director

**Nikunj Pachisia**  
Director

## CORPORATE GOVERNANCE REPORT

Corporate Governance is about running the company, in letter and spirits, according to the legal framework provided by SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 and other guidelines as laid down by SEBI from time to time, which aims at ethical and transparent business conduct, meeting stakeholders' aspirations and societal expectations, strengthening internal control, building trust amongst shareholders, employees, customers, suppliers and diverse stakeholders on four key elements- transparency, fairness, disclosure and accountability.

Your Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 as on 31.03.2016, in letter and spirits, and presents the following Corporate Governance report based on the said disclosure requirements:

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

### BOARD OF DIRECTORS

#### Composition and Category

Your company has an optimum combination of executive and Non-Executive Directors with 60% of the Board of Directors comprising of Non-Executive Directors.

- Two Promoter, Executive Directors, One Promoter, Non-Executive Director
- Two Independent, Non Executive Directors

The composition of the Board of Directors as on 31.03.2016 and also the number of other directorships and committee positions held by them are as under:

Name of Director	DIN No.	Category	No. of other Directorship	Committee Chairmanship#	Committee Membership#
Mr. Naresh Pachisia	00233768	Managing Director	7	Nil	9
Mr. Nikunj Pachisia	06933720	Whole Time Director	2	Nil	Nil
Mrs. Manju Pachisia	00233821	Non-Executive Director	Nil	Nil	Nil
Mr. Kishore Bhimani	00013617	Independent, Non-Executive	Nil	Nil	2
Mr. Subrata Kumar Mitra	00029961	Independent, Non-Executive	10	2	4
Mr. Ravi Todi	00080388	Independent, Non-Executive	13	1	6

# For reckoning the limit, the membership/chairmanship of the Audit Committee, Nomination and Remuneration Committee and Shareholders' Relationship Committee of the Indian Public Limited Companies were considered.

# Foreign companies and companies incorporated under Section 8 of the Companies Act, 2013 have been excluded for the above purpose.

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

During the financial year ended March 31 2016, five Board Meetings were held on 25th April 2015, 8th August 2015, 9th November 2015, and 30th January 2016. The maximum time gap between two meetings complies with the mandated requirement of not more than 120 days. The attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under:

<b>Name of the Director</b>	<b>Number of Board Meeting held during the Year</b>	<b>Number of Board Meetings attended</b>	<b>Attendance at last AGM (Yes/No)</b>
Mr. Naresh Pachisia	4	4	Yes
Mr. Nikunj Pachisia	4	3	Yes
Mrs. Manju Pachisia	4	4	No
Mr. Kishore Bhimani	4	4	Yes
Mr. Ravi Todi	4	4	Yes
Mr. Subrata Kumar Mitra*	4	1	No

*\*Resigned on 26th May, 2016*

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

Mr. Ravi Todi, attended the AGM and replied to the queries related to accounts to the satisfaction of the shareholders.

### **Non Executive Directors compensation and Disclosures**

Non Executive Directors were not paid any compensation other than sitting fees. Mrs. Manju Pachisia, Non Executive Director of the Company holds 4,00,000 (7.12%) shares in the Company.

### **Code of Conduct and Ethics for Directors and Senior Executives**

In accordance with Regulation 17(5) (a) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, the Company adopted a Code of Conduct and Ethics for its Directors and Senior Executives and the same has been posted on the Company's website. The purpose of this code is to promote conduct of business ethically in an efficient and transparent manner. The declaration to this effect signed by the Managing Director of the Company forms part of this report.

### **Code of Conduct for Prevention of Insider Trading**

The Board of Directors at its meeting held on 25th April 2015 approved and adopted the 'SKP Securities Limited - Code of Conduct' to Regulate, Monitor and Report Trading by Insiders' in line with SEBI (Prohibition of Insider Trading) Regulation, 2015. The Board at its aforesaid meeting also approved the 'SKP Securities Limited - Code for Fair Disclosure' and the same can be accessed through the following link:[http://skpmoneywise.com/Clientfiles/Insider\\_Trading\\_Policy\\_\(Website\).pdf](http://skpmoneywise.com/Clientfiles/Insider_Trading_Policy_(Website).pdf)

### **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 informed of the important policies of the Company including Code of Conduct for Board Members and Senior

Management Personnel and Code of Conduct to regulate, monitor and report trading by Insiders, etc. The Managing Director & CEO, CFO & 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.

### **Independent Directors' Meeting**

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, a meeting of the Independent Directors of the Company was held on 28th January, 2016, without the attendance of Non-Independent Directors and members of the management. The meeting was attended by all Independent Director in which they reviewed the Performance of Non-independent directors, Board as a whole and also assessed the quality, quantity and timeliness of flow of information between Company management and the Board.

### **Evaluation of Board Effectiveness**

In terms of provisions of the Companies Act, 2013 read with Rules issued there under and Clause 49 of the Listing Agreement, based on the criteria laid down in the Policy for evaluation of Board and Independent Directors, the Board carried out the annual performance evaluation of Board Committees and the Independent Directors, whereas at a separate meeting, Independent Directors evaluated the performance of Executive Directors, Board as a whole. Nomination and Remuneration Committee also evaluated individual directors' performance.

The Board expressed its satisfaction on the process as well as performance of all Directors, committees and Board as a whole.

## **COMMITTEES OF THE BOARD**

### **A. Audit Committee**

#### **Composition**

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

#### **Brief description of the Terms of Reference**

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

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees;
3. Approval of payment of Statutory Auditors for any other services rendered by the statutory auditors;
4. Reviewing with the management the quarterly, half-yearly, nine-months, and annual financial statements, standalone as well as consolidated, before submission to the Board for approval;

5. Reviewing the Management Discussion and Analysis of the financial condition and results of operations;
6. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report as per Section 134(3)(c) of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report
7. Review the financial statements of unlisted subsidiary companies (including joint ventures) and investments made by the unlisted subsidiary companies (including joint ventures).
8. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
9. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
10. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
11. Approval or any subsequent modification of transactions of the company with related parties;
12. Reviewing and Scrutinizing of inter-corporate loans and investments;
13. Evaluating the internal financial controls and risk management systems of the Company;
14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
17. Discussion with internal auditors of any significant findings and follow up there on;
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
19. Review and approve policy on materiality of related party transactions and also dealing with related party transactions:
20. Review of the Whistle Blower mechanism of the Company as per the Whistle Blower Policy. Overseeing the functioning of the same;
21. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
22. Any other matter referred to by the Board of Directors.

### Meetings & Attendance

During the financial year ended March 31, 2016, four Audit Committee Meetings were held on 25th April 2015, 7th August 2015, 9th November 2015, and 30th January 2016. The attendance at the Committee Meetings is as under:

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

### B. Nomination and Remuneration Committee

#### Composition

The Nomination and Remuneration Committee of the Company comprises of two Independent, Non-Executive Directors and one Non-Executive Director.

#### Brief description of terms of reference

- i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii) Formulation of criteria for evaluation of Independent Directors and the Board;
- iii) Devising a policy on Board diversity;
- iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

### Meetings & Attendance

During the year, the Committee met 1 (one) time on 25th April, 2015. The attendance at the Committee Meetings is as under:

Name of the member of Audit Committee	Designation	No. of meetings attended
Mr. Kishore Bhimani	Member, Non-Executive Independent Director	1
Mr. Ravi Todi	Member, Non-Executive Independent Director	1
Mr. Subrata Kumar Mitra*	Member, Non-Executive Independent Director	1

\*Resigned on 26th May, 2015

### Nomination and Remuneration Policy of the Company:

**Preface:** In pursuance of the Company's policy to consider human resources as its invaluable

assets, to pay equitable remuneration to all Directors, Key Managerial Personnel and employees of the company, to harmonize the aspirations of human resources consistent with the goals of the company and in terms of the provisions of the Companies Act, 2013 and the Listing Agreement with the stock exchanges (as amended from time to time), this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management has been formulated by the Nomination and Remuneration/Compensation Committee (“NRC”) and approved by the Board of Directors of the Company.

**Objective and Purpose:**

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company’s size, financial position and trends and practices on remuneration prevailing in peer companies.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward/incentive/commission linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.

**Applicability:**

The Policy shall be applicable to:

- (a) Key Managerial Personnel, which means.
  - i. Directors (Executive and Non Executive)
  - ii. Company Secretary.
  - iii. Chief Financial Officer.
  - iv. Such other person as may be prescribed.

- (b) Senior Management, which means:-

Personnel of the Company who are members of its core management team excluding Board of Directors. This would also include all members of Management, one level below the Executive Directors including all functional heads, for the purpose of Clause 49 of the listing agreement.

**Appointment Criteria and Qualification:**

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. In evaluating the suitability of Directors the Committee will take into account general understanding of the business dynamics, social perspective, educational, professional background and personal achievements and other factors it may feel.
- The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person

holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years. The Committee shall identify and ascertain the qualification, expertise and experience of the person for appointment as a Director, Key Managerial Personnel or at Senior Management Level and, if required, would recommend to the Board their appointment. The objective is to have a broad, diverse background and skills / expertise in business and academics, preferably relevant for our Company. Directors must be willing to devote sufficient time and energy in carrying out their duties effectively.

**Remuneration:**

The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, Key Managerial and Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate them to run the company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goal:

**A. Director/ Managing Director:**

Besides the above Criteria, the Remuneration/ compensation/ commission etc to be paid to Director/ Managing Director etc shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

**B. Non executive Independent Directors:**

The Non- Executive Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

**C. KMPs / Senior Management Personnel etc:**

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

**D. Directors' and Officers' Insurance:**

Where any insurance is taken by the Company on behalf of its Directors, KMPs/ Senior Management Personnel etc. for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

**Application of the Remuneration Policy:**

This Remuneration Policy shall continue to guide all future employment of Directors, Company's Senior Management including Key Managerial Personnel and other employees.

Any departure from the policy can be undertaken only with the approval of the Board of Directors.

**Dissemination:**

The Company's Remuneration Policy shall be published on its website



## Details of Remuneration to the Directors

### A. Executive Directors

Name	Basic Salary (₹)	Allowances & Other Benefits (₹)	Commission Payable (₹)	Total (₹)	Service Contract period	Stock Options granted
Mr. Naresh Pachisia	33,33,490	16,66,510	Nil	50,00,000	3Years	Nil
Mr. Nikunj Pachisia	18,00,000	Nil	Nil	18,00,000	3 Years	Nil

### B. Non Executive Directors

Name	Commission Payable (₹)	Sitting Fee (₹)		Total (₹)
		Board Meeting	Audit Committee Meeting	
Mrs. Manju Pachisia	NIL	65,000	–	65,000
Mr. Kishore Bhimani	NIL	65,000	15000	80,000
Mr. Subrata Kumar Mitra	NIL	10,000	–	10,000
Mr. Ravi Todi	NIL	65,000	15000	80,000

### C. Stakeholders' Relationship Committee

#### Composition

Stakeholders' Relationship Committee comprises of two Non-Executives, Independent Directors including the Chairman of the Committee, and one Executive Director.

#### Brief Description of Terms of Reference

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

#### Meetings & Attendance

During the year, the Committee met 1 (one) time on 25th April, 2015. The attendance at the Committee Meetings is as under:

Name of the member of the Committee	Designation	No. of meetings attended
Mr. Kishore Bhimani	Chairman, Non-Executive Independent Director	1
Mr. Ravi Todi	Member, Non-Executive Independent Director	1
Mr. Naresh Pachisia	Member, Managing Director	1

\*Resigned on 26th May, 2016

**Details of complaints received and resolved during the year ended on 31.03.2016:**

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

**Compliance Officer**

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

**Details of Annual General Meetings**

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

Financial Year	Date	Location of the Meeting	Time
2014-2015	08/08/2015	MCC Chamber of Commerce & Industry, Kolkata	10.00 A.M
2013-2014	27/09/2014		10.00 A.M
2012-2013	03/08/2013		10.00 A.M

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

**Special Resolution passed in previous three AGMs.**

Financial Year	Special Resolution passed	Details of Special Resolutions passed in the AGM
2014-2015	Yes	1. Re-Appointment of Mr. Naresh Pachisia and Increase in his Remuneration.
		2. Remuneration Payable to Mr. Rajesh Pachisia.
2013-2014	Yes	1. Appointment and Remuneration of Mr. Nikunj Pachisia as a Whole Time Director.
		2. Payment of Commission to Non Whole Time Directors of the Company.
		3. Contribution to Charitable Fund.
		4. Fixation of Borrowing Limit.
		5. Power to Create Charges, Mortgage on the assets of the Company.
2012-2013	No	Nil

**Disclosures**

- No material transaction has been entered into by the Company with the Promoters, Directors or Management, or their relatives etc, which might have a potential conflict with the interest of the Company. However, disclosure of transactions with related parties is set out in the Notes to Accounts-Note no 21.6, forming part of the Annual Report.
- The Company has broadly complied with the requirements of regulatory authorities on capital markets and no penalties/strictures have been imposed against it during the last three years,

except insignificant amounts for minor faults made during the conduct of regular business.

- The Company has followed the guidelines of Accounting Standards prescribed under the Companies (Accounting Standard) Rules, 2006 in preparation of its financial statements.
- The Company has complied with the entire mandatory requirements and has set up a Nomination and Remuneration Committee to determine the company's policy on specific remuneration package for Key Managerial Personnel and Senior Management.
- The Company has laid down risk assessment and minimization procedures and the same is periodically reviewed by the Board. Further, the Company has adequate internal control systems to identify the risk at appropriate time and to ensure that the executive management controls the risk in a properly defined framework.
- The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the Company at the following link- <http://www.skpmoneywise.com/Admin/Policy/Whistle%20Blower%20Policy.pdf>

### **Subsidiary Companies**

The minutes of the Board meetings and Audited Financial Statements of the subsidiary companies are placed at the meeting of the Board of Directors of the Company. The Audit Committee reviews the financial statements including investments made by the unlisted subsidiary companies of the Company.

### **Related Party Transactions**

Your Company enters into various transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 in its ordinary course of business and on arm's length. All the RPTs are undertaken in compliance with the provisions set out in Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and a Policy on materiality of RPTs which is uploaded on the website of the Company and can be accessed through the following link: <http://www.skpmoneywise.com/Admin/Policy/Related%20Party%20Policy.pdf>.

### **CEO/CFO Certification**

As required under Regulation 17(8) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 the CEO/CFO certificate for the financial year ended 31st March, 2016 is annexed and forms part of this report.

### **Means of Communication**

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

## General Shareholder Information

Detailed information in this regard provided is provided below:

### Annual General Meeting

Day & Date	: Saturday, 30th July, 2016
Time	: 10.00 A.M
Venue	: MCC Chamber of Commerce & Industry 15B, Hemanta Basu Sarani, Kolkata-700 001

**Financial Calendar** : 1st April – 31st March

### Financial Year calendar for 2016–17 (Tentative)

Results for the quarter ending June, 2016	Four weeks from the end of the quarter
Results for the quarter ending September, 2016	Four weeks from the end of the quarter
Results for the quarter ending December, 2016	Four weeks from the end of the quarter
Results for the quarter ending March, 2017	Eight weeks from the end of the quarter

**Book Closure Date** : 23rd July to 30th July (Both days inclusive)

**Dividend** : Directors have paid Interim Dividend @10% during the Financial Year 2015-2016 which is to be treated as Final Dividend.

**Dividend Payment Date** : NA

### Previous Dividend

2015-2016	: 10% (Interim Dividend)
2014-2015	: 10%
2013-2014	: Nil
2012-2013	: 10%

**Listing on Stock** : BSE Limited (BSE) (531169)

**Exchanges (Stock Code)** Phiroze Jeejeebhoy Towers, Dalal Street  
Mumbai-400023

### Note:

The Company has paid the Listing Fees for the year 2016-2017 to BSE Limited (BSE).

**Market Price Data** : Monthly stock market data of High and Low prices of Equity shares of the Company during Financial year 2015-16 and their performance in comparison with broad based index compared

### Market Price Data (Monthly High and Low in 2015-16)

Month	Share Price (₹)		Number of Shares Traded
	High	Low	
Apr-15	25.35	19.00	21967
May-15	27.85	21.25	1976
Jun-15	21.95	19.80	4372
July-15	25.40	21.50	10376
Aug-15	25.25	21.60	5939

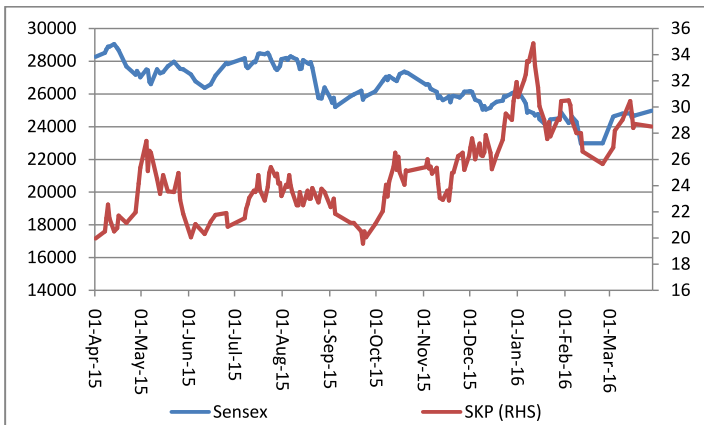
Sep-15	23.10	19.00	2896
Oct-15	26.65	20.00	4347
Nov-15	27.55	22.00	9780
Dec-15	29.50	25.00	5327
Jan-16	35.00	27.55	11973
Feb-16	31.90	25.50	14536
Mar-16	30.90	26.90	2209

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

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

**(Distribution of Shareholding as on 31.03.2016)**

Category of Shareholders			No. of Shareholders	Percentage	No of Shares	Percentage
1	to	500	1250	89.35	165978	2.96
501	to	1000	58	4.15	48551	0.86
1001	to	2000	30	2.14	45787	0.82
2001	to	3000	16	1.14	40790	0.73
3001	to	4000	5	0.36	17192	0.31
4001	to	5000	10	0.71	46534	0.82
5001	to	10000	13	0.93	94339	1.68
10001	to	Above	17	1.22	5155829	91.82
Grand Total:			1399	100.00	5615000	100.00



<b>(Shareholding Pattern as on 31.03.2016)</b>		
<b>Shareholding Pattern Category</b>	<b>No. of shares held</b>	<b>Percentage of Shareholding</b>
Indian Promoters	4209700	74.97
Foreign Promoters	–	–
Banks, FIs, Insurance Companies	–	–
FIIIs	–	–
Private Corporate Bodies	299854	5.34
Indian Public	1093041	19.46
NRIs / OCBs	12405	0.23
<b>Total</b>	<b>5615000</b>	<b>100.00</b>

**Dematerialization of Shares**  
(ISIN- INE709B01016)

	Electronic/Physical	Mode of Holding %
	NSDL	8.98
	CDSL	88.62
	Physical	2.40
	<b>TOTAL</b>	<b>100.00</b>

**Number of Shareholders** : 1399

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

**Shareholding Pattern (as on 31.03.2016)**

Promoter Group : 74.97%

Public : 25.03%

**Address for Correspondence**

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

Place: Kolkata  
Date: 28th April, 2016

**Naresh Pachisia**  
Managing Director

**Nikunj Pachisia**  
Director

### **Declaration by the Managing Director on the Code of Conduct**

In accordance with Regulation 17(5) (a) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 I, Naresh Pachisia, Managing Director of SKP Securities Limited, declare that all the Board Members and Senior Executives of the Company have affirmed their compliance with the Code of Conduct during the year ended 31st March, 2016.

Place: Kolkata  
Dated: 28th April, 2016

**Naresh Pachisia**  
Managing Director

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### **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**To**  
**The Members of SKP Securities Limited**

We have examined the compliance of the conditions of Corporate Governance by SKP Securities Limited for the year ended 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchanges for the period 1st April, 2015 to 30th November, 2015 and the relevant provisions of chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1st December, 2015 to 31st March, 2016.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/Listing Regulations, as applicable.

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 : 28th April, 2016.

**Auditors' Certificate as required under Clause 14 of the SEBI (Employees Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 read with Regulation 13 of the SEBI (Share Based Employee Benefits) Regulations, 2014**

We have examined the books of account and other relevant records of SKP SECURITIES LIMITED having its registered office at 'Chatterjee International Centre, Level 21 , 33A, Jawaharlal Nehru Road, Kolkata- 700071 and based on the information and explanations given to us, we certify that in our opinion, the company has implemented the Employee Stock Option Scheme in accordance with SEBI (Employees Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 read with the SEBI (Share Based Employee Benefits) Regulations, 2014 and in accordance with the special resolution passed by the company in the Annual General Meeting held 31st July 2010

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

**For G.P. Agrawal & Co.**  
Chartered Accountants  
F.R.No. 302082E

Place: Kolkata  
Date: 28th April, 2016

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**Certificate by CEO/CFO**

The Board of Directors  
SKP Securities Limited

We hereby certify that on the basis of the review of financial statements and the cash flow statement of the Company for the year ended 31st March, 2016 and to the best of our knowledge and belief hereby certify that:-

1. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transaction entered into by the company during the year ended 31st March, 2016 which are fraudulent, illegal or violative of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal control 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 audit committee those deficiencies in 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 further state that :
  - a. There have been no significant changes in internal control over financial reporting during the year.
  - b. There have been no significant changes in the accounting policies during the year.
  - c. There have been no instances of fraud of which we have become aware and the involvement therein, of the management or an employee having significant roles in the company's internal control systems over financial reporting.

Place: Kolkata  
Date: 28th April, 2016

**Naresh Pachisia**  
Managing Director

**Anil Shukla**  
Chief Financial Officer



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **Industry Trends & Development**

Your company is primarily engaged in distribution of financial products and broking services. Both are facing competitive, taxation, regulatory headwinds and game changing structural changes. Your company is gearing up to face such developments and re-engineer business strategy as required, including rendering Corporate Advisory Services. Much awaited revival of economic growth and its resultant benefits, early signs of which are being felt, are likely to provide favorable business conditions for the Company.

### **Opportunities & Threats**

The rising economy leading to higher investible surplus with families and under penetration of company's services, provide business opportunities for the Company, including corporate advisory 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, top line and bottom line suffered inspite of continued efforts to rationalize expenses.

### **Management of Risks**

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. 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.

### **Financial Performance**

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

### **Future Outlook**

The company is looking at growth opportunities, while consolidating its current business in line with the challenging business environment. To make use of a positive economic outlook, the company has increased its investments in long term wealth creating asset classes, keeping an eye on risks. Outlook is stable with a positive bias.

### **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 where teamwork and meritocracy prevails.

### **Prevention of Sexual Harassment**

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

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

# INDEPENDENT AUDITORS' REPORT

## To The Members of SKP Securities Limited

### Report on the standalone financial statements

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

### Management responsibility for the standalone financial statement

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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 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 financial statements based on our audit.

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 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 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 financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 of the state of affairs of the Company as at 31st March, 2016 and its profit 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 and the cash flow dealt with by this Report are in agreement with the books of account.
  - IV. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - V. On the basis of the written representations received from the directors as at 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as at 31st March, 2016 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 financial statements – Refer Note No. 21.1(a) to the standalone 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 the Investor Education and Protection Fund by the Company.

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

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

Place of Signature: Kolkata  
Dated: the 28th day of April, 2016

**“Annexure A” to the Auditor’s Report**

Statement referred to in our report of even date to the members of SKP Securities Limited on the standalone financial statements for the year ended 31st March, 2016.

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) The fixed assets have been physically verified by the management during the year. To the best of our knowledge, no material discrepancy was noticed on such verification.
- c) As the Company has no immovable property, provisions of clause (i)(c) of para 3 of the said order is not applicable to 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) to (iii) (d) of paragraph 3 of the said order are not applicable to the Company.
- (iv) The Company has not given any loan, guarantee or security. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act with respect to the investments made.
- (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 records of the Company, undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income-tax, Sales-tax, Service Tax, Duty of Customs, Duty of Excise, Value Added tax or cess and any other statutory dues, to the extent applicable, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues, as on 31st of March, 2016 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, the following dues of service tax have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of dues	Period to which pertain	Amount ₹	Forum where the dispute is pending
Finance Act, 1994	Service Tax	2000-2001 to 2005-2006	50,56,827	Commissioner, Service tax Commissionerate
Finance Act, 1994	Service Tax	2006-2007 to 2008-2009	6,33,437	Commissioner of Central Excise (Appeals-1)

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan from financial institutions or government and has not issued any debentures.

- (ix) On the basis of our examination of records and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. The money raised by way of term loans have been applied for the purpose for which the loans were obtained.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers/employees has been noticed or reported during the year that causes the standalone financial statements materially misstated.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) 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 standalone financial statements as required by the applicable accounting standards.
- (xiv) On the basis of our examination of records and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause (xiv) of paragraph 3 of the said order is not applicable to the Company.
- (xv) On the basis of our examination of records and according to the information and explanations given to us, the Company has not has entered into any non-cash transactions with directors or persons connected with them during the year under the provisions of section 192 of the Act. Therefore, clause (xv) of paragraph 3 of the said order is not applicable to the Company
- (xvi) On the basis of our examination of records and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Place of Signature: Kolkata  
Dated: the 28th day of April, 2016

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

## **“Annexure B” To The Independent Auditor’s Report of Even Date on the Standalone Financial Statements of SKP Securities Limited**

### **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 March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors’ Responsibility**

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, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 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 standalone 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 standalone 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 standalone 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 March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place of Signature: Kolkata  
Dated: the 28th day of April, 2016

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

**BALANCE SHEET AS AT 31ST MARCH, 2016**

PARTICULARS	Note No.	As At	As At
		31st March, 2016	31st March, 2015
		₹	₹
<b>I EQUITY &amp; LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share capital	2	5,61,50,000	5,61,50,000
(b) Reserves and surplus	3	17,96,18,696	17,53,89,064
		<u>23,57,68,696</u>	<u>23,15,39,064</u>
<b>(2) Non -Current Liabilities</b>			
(a) Long-term borrowings	4	23,73,294	-
		<u>23,73,294</u>	<u>-</u>
<b>(3) Current Liabilities</b>			
(a) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note no. 21.3)		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,79,54,510	1,81,24,502
(b) Other current liabilities	5	1,57,09,919	1,69,38,733
(c) Short-term provisions	6	23,23,481	1,27,03,384
		<u>3,59,87,910</u>	<u>4,77,66,619</u>
<b>TOTAL</b>		<b><u>27,41,29,900</u></b>	<b><u>27,93,05,683</u></b>
<b>II ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed assets	7		
(i) Tangible assets		89,57,497	62,19,448
(ii) Intangible assets		-	2,00,000
		<u>89,57,497</u>	<u>64,19,448</u>
(b) Non-current investments	8	12,56,50,000	12,28,00,000
(c) Deferred tax assets	9	20,85,743	22,04,489
(d) Long-term loans & advances	10	3,40,36,546	2,83,06,446
		<u>17,07,29,786</u>	<u>15,97,30,383</u>
<b>(2) Current Assets</b>			
(a) Trade receivables	11	2,72,30,859	2,59,88,954
(b) Cash and bank balances	12	7,19,37,172	8,71,58,785
(c) Short-term loans and advances	13	19,09,465	37,88,936
(d) Other current assets	14	23,22,618	26,38,625
		<u>10,34,00,114</u>	<u>11,95,75,300</u>
<b>TOTAL</b>		<b><u>27,41,29,900</u></b>	<b><u>27,93,05,683</u></b>

Significant Accounting Policies 1

Other disclosures 21

The accompanying notes 1 to 21 are an integral part of the Financial Statements.

As per our report of even date attached.

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

Chartered Accountants

Firm's Registration Number - 302082E

**CA. Sunita Kedia**

Partner

(Membership No. 60162)

Place of signature: Kolkata

Date: 28th April, 2016

**For and on behalf of the Board**

**Naresh Pachisia**

Managing Director

(DIN: 00233768)

**Dipak Kadel**

Company Secretary

**Nikunj Pachisia**

Director

(DIN: 06933720)

**Anil Shukla**

Chief Financial Officer



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

Particulars	Note No.	For the Year Ended	For the Year Ended
		31st March, 2016	31st March, 2015
		₹	₹
I. Revenue/Income from operations	15	10,45,71,858	11,07,26,249
II. Other income	16	35,967	14,788
<b>III. Total Revenue (I + II)</b>		<b>10,46,07,825</b>	<b>11,07,41,037</b>
IV. Expenses			
Employee benefits expense	17	2,85,21,419	3,00,58,888
Finance costs	18	2,95,003	2,17,194
Depreciation and amortization expenses	7	16,81,312	33,83,253
Other expenses	19	5,75,02,071	5,11,41,165
<b>Total Expenses</b>		<b>8,79,99,805</b>	<b>8,48,00,500</b>
<b>V. Profit before tax (III-IV)</b>		<b>1,66,08,020</b>	<b>2,59,40,537</b>
VI. Tax Expenses			
(1) Current tax		55,01,540	96,50,000
(2) Deferred tax		1,18,746	(9,45,620)
(3) Tax in respect of earlier years written off/( back)		-	98,530
		56,20,286	88,02,910
<b>Profit for the year (V-VI)</b>		<b>1,09,87,734</b>	<b>1,71,37,627</b>
VII. Earnings per equity share (Face value ₹ 10/- each):			
Basic	20	1.96	3.05
Diluted	20	1.96	3.05

Significant Accounting Policies 1

Other disclosures 21

The accompanying notes 1 to 21 are an integral part of the Financial Statements.

As per our report of even date attached.

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

Chartered Accountants

Firm's Registration Number - 302082E

**CA. Sunita Kedia**

Partner

(Membership No. 60162)

Place of signature: Kolkata

Date: 28th April, 2016

**For and on behalf of the Board**

**Naresh Pachisia**  
Managing Director  
(DIN: 00233768)

**Dipak Kadel**  
Company Secretary

**Nikunj Pachisia**  
Director  
(DIN: 06933720)

**Anil Shukla**  
Chief Financial Officer

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

Particulars	Year ended 31st March, 2016		Year ended 31st March, 2015	
	₹	₹	₹	₹
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Profit before Exceptional Items and Extra Ordinary Items and Tax</b>		1,66,08,020		2,59,40,537
<b>Adjustments to reconcile Profit before Exceptional Items, Extra Ordinary Items and Tax to Cash Flow provided by Operating Activities:</b>				
Finance Cost	2,95,003		2,17,194	
Depreciation & Amortisation Expense	16,81,312		33,83,253	
Loss on Sale/Discard of Tangible Fixed Assets	-		12,63,781	
Bad Debts Written off	1,58,459		12,46,907	
		21,34,774		61,11,135
<b>Operating Profit before Working Capital changes</b>		1,87,42,794		3,20,51,672
<b>Adjustments to reconcile Operating Profit to Cash Flow provided by changes in Working Capital :</b>				
Trade Payables	(1,69,992)		(33,96,139)	
Other Current Liabilities	(12,28,814)		43,70,467	
Trade Receivables	(14,00,364)		(33,09,758)	
Long Term loans and advances	(57,30,100)		3,49,685	
Short Term loans and advances	18,79,471		(10,14,085)	
Other Current Assets	51,90,241		(1,68,695)	
Short term provisions	(5,31,277)		6,56,149	
		(19,90,835)		(25,12,376)
<b>Cash Generated from Operations</b>		1,67,51,959		2,95,39,296
Tax Expense		(86,12,447)		(61,47,372)
<b>Cash Flow before Extraordinary Items</b>		81,39,512		2,33,91,924
Exceptional / Extraordinary Items		-		-
<b>Net Cash Generated / Used - Operating Activities</b>		81,39,512		2,33,91,924
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Additions to Tangible Fixed Assets		(44,19,362)		(1,89,443)
Sale of Tangible Fixed Assets		2,00,000		2,50,000
Current investments		-		1,00,00,000
Investment in shares and mutual funds		(28,50,000)		(11,28,00,000)
<b>Net Cash Generated / Used - Investing Activities</b>		(70,69,362)		(10,27,39,443)
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Long Term Borrowings	23,73,294		-	
Repayment of Long Term Borrowings	-		(13,61,910)	
Finance Cost	(2,95,003)		(2,17,194)	
Dividend Paid	(56,15,000)		-	
Interim Dividend Paid	(56,15,000)		-	
Dividend Distribution Tax Paid	(22,65,822)		-	
<b>Net Cash Generated / Used - Financing Activities</b>		(1,14,17,531)		(15,79,104)
<b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>		(1,03,47,381)		(8,09,26,623)
Opening Cash and Cash Equivalents		2,97,25,918		11,06,52,541
<b>Closing Cash and Cash Equivalents (Note 12)</b>		1,93,78,537		2,97,25,918

**Notes:**

1) Cash and Cash Equivalents at the end of the period consists of:

a) Balance with Banks on Current Accounts	42,65,660	2,96,65,395
b) Cash on hand	1,12,877	60,523
c) Fixed deposits (maturity less than 3 months)	1,50,00,000	-
	1,93,78,537	2,97,25,918

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

The accompanying notes 1 to 21 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*
**C.A. Sunita Kedia**

Partner

(Membership No. 60162)

Place of signature: Kolkata

Date: 28th April , 2016

**For and on behalf of the Board**

**Naresh Pachsia**  
 Managing Director  
 (DIN: 00233768)  
**Dipak Kadel**  
 Company Secretary

**Nikunj Pachisia**  
 Director  
 (DIN: 06933720)  
**Anil Shukla**  
 Chief Financial Officer

## **Note No.1**

### **Significant Accounting Policies**

#### **1.1 Basis of preparation of Financial Statements**

- a) These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). These Financial Statements have been prepared to comply in all material respects with the Accounting Standards ('AS') specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India and relevant applicable provisions of the Companies Act, 1956 and Companies Act, 2013 (to the extent notified) and applicable guidelines issued by Securities and Exchange Board of India (SEBI).
- b) The financial statements are prepared in accordance with the historical cost convention and the accrual basis of accounting. Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.
- c) 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. Based on the nature of services provided and time between the rendering of services and their realization in cash and cash equivalents, the company has ascertained its operating cycle as less than 12 months for the purpose of current and non-current classification of assets and liabilities.

#### **1.2 Use of Estimates**

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

#### **1.3 Fixed Assets and Intangible Assets**

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

#### **1.4 Depreciation and Amortization**

- a) Depreciation on tangible assets is provided on Straight Line Method ('SLM') over the useful lives of the respective fixed assets estimated by the management and such useful life are equal to the corresponding useful life prescribed in Part C of Schedule II to Companies Act 2013.
- b) Depreciation/amortisation on assets added, sold or discarded during the year has been provided on pro-rata basis.
- c) Computer Software (Acquired) are amortised on straight line basis over a period of four years.

## 1.5 Investments

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

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

## 1.6 Revenue Recognition

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

## 1.7 Provisions, Contingent Liabilities and Contingent Assets

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

Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

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

A Contingent Asset is not recognized in the Accounts.

## 1.8 Impairment of Assets

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

## 1.9 Foreign Currency Transactions

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

## **1.10 Employee Benefits**

### **a) Short-term employee benefits**

Short-term employee 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 plan**

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

### **c) Defined benefit plan**

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

## **1.11 Taxes on Income**

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

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

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

## **1.12 Research Expenses**

Research costs are expensed as incurred.

## **1.13 Earnings Per Share**

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

## **1.14 Cash Flow Statement**

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

**NOTES TO ACCOUNTS**

2 SHARE CAPITAL	As at 31st March, 2016		As at 31st March, 2015	
	No.	₹	No.	₹
a) <b>Authorised</b> Equity shares of ₹ 10/- each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
b) <b>Issued, subscribed and paid-up</b> Equity shares of ₹ 10/- each fully paid up	56,15,000	5,61,50,000	56,15,000	5,61,50,000

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

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

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

Name of Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	No.	% holding	No.	% holding
Mr. Naresh Pachisia	28,65,000	51.02	28,65,000	51.02
Naresh Pachisia & Sons (HUF)	5,04,700	8.99	5,04,700	8.99
Mrs. Manju Pachisia	4,00,000	7.12	4,00,000	7.12

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

The company has reserved for issue of 44,000 (Previous year 56,000) equity shares of par value ₹ 10/- each at a premium of ₹ 19/- each for offering to eligible employees of the company under Employee Stock Option Scheme 2010. These shares reserved for issue are not yet exercised.

3 RESERVES AND SURPLUS	As at 31st March, 2016	As at 31st March, 2015
	₹	₹
General Reserve - opening balance	2,18,76,000	2,08,76,000
Add: Transferred from Surplus	5,00,000	10,00,000
	<b>2,23,76,000</b>	<b>2,18,76,000</b>
<b>Share Premium- opening balance</b>	<b>2,31,65,000</b>	<b>2,31,65,000</b>
<b>Surplus in the Statement of Profit and Loss</b>	13,03,48,064	12,09,48,156
Add: Profit for the year as per Statement of Profit and Loss	1,09,87,734	1,71,37,627
<b>Amount available for appropriation</b>	14,13,35,798	13,80,85,783
<b>Appropriations:</b>		
Proposed Dividend	56,15,000	56,15,000
Tax on Proposed dividend	11,43,102	11,22,719
Amount transferred to General Reserve	5,00,000	10,00,000
<b>Net surplus in the Statement of Profit and Loss</b>	<b>13,40,77,696</b>	<b>13,03,48,064</b>
<b>Total Reserves and surplus</b>	<b>17,96,18,696</b>	<b>17,53,89,064</b>

- (i) General reserve is primarily created to comply with the requirements of section 123(1) of the Companies Act, 2013. This is a free reserve and can be utilised for any general purpose like issue of bonus shares, payment of dividend, buy back of shares etc.
- (ii) During the year ended 31st March, 2016, the Board of Directors has paid Interim dividend of ₹ 1/- (Previous year NIL) per equity share. The total dividend appropriation for the year ended March 31, 2016 amounted to ₹ 67,58,102/- (Previous Year NIL) including dividend tax of ₹ 11,43,102/- (Previous Year NIL).
- (iii) During the year ended 31st March, 2015, dividend of ₹ 1/- per equity share was recognised as distribution to equity shareholders. The total dividend appropriation for the year ended March 31, 2015 amounted to ₹ 67,37,719/- including corporate dividend tax of ₹ 11,22,719/-.

<b>4 LONG TERM BORROWINGS</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
<b>Vehicle Loans</b>		
From banks - Secured	23,73,294	—
	<b>23,73,294</b>	<b>—</b>

**a) Nature of Security**

The vehicle loans are secured by way of hypothecation of vehicle purchased. The loan carries interest @ 9.35% p.a.

**b) Terms of repayment:**

Sl. No.	Name of the banks/entities	Amount outstanding as on 31.03. 2016		Period of maturity w.r.t. Balance Sheet date	Number of instalments due as on 31.03.16
		Current* ₹	Non current ₹		
1	HDFC Bank	11,33,537	23,73,294	34 months	12
		—	—	—	—
		(3,28,713)	—	(7 months)	(7)
	Total	11,33,537	23,73,294		—
		(328,713)			

Figures in bracket pertains to previous year.

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

<b>5 OTHER CURRENT LIABILITIES</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
Current maturities of long-term debt*	11,33,537	3,28,713
Unclaimed dividend**	3,62,530	3,48,732
Other payables		
Security/margin deposits	59,87,702	64,41,212
Accrued expenses	39,22,756	74,64,708
Statutory liabilities	21,56,944	21,06,144
Book overdraft balances	18,69,085	—
Others	2,77,365	2,49,224
	<b>1,57,09,919</b>	<b>1,69,38,733</b>

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

\*\* There are no amounts due and outstanding to be credited to Investor Education & Protection Fund.

<b>6 SHORT TERM PROVISIONS</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
Provision for employee benefit-Gratuity	5,24,293	10,55,570
Proposed dividend	—	56,15,000
Provision for		
Income taxes	1,51,51,540	96,50,000
Less: Advance tax and TDS	1,33,52,352	47,39,905
	17,99,188	49,10,095
Tax on dividend	—	11,22,719
	<b>23,23,481</b>	<b>1,27,03,384</b>

**7. FIXED ASSETS**

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	As at 1st April, 2016	Addition during the year	Deductions/ Adjustments	As at 31st March, 2016	Upto 1st April, 2015	Depreciation for the year	Deductions/ Adjustments	Upto 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>TANGIBLE ASSETS</b>										
Office Equipments	5,44,701	25,518	-	5,70,219	1,63,419	1,14,692	-	2,78,111	2,92,108	3,81,282
Furniture and Fixtures	31,08,835	-	-	31,08,835	16,71,099	5,05,079	-	21,76,178	9,32,657	14,37,736
Computers, Servers and other Information Technology Equipments	5,16,144	1,43,144	-	6,59,288	4,16,131	80,320	-	4,96,451	1,62,837	1,00,013
Vehicles	66,29,700	42,50,700	-	1,08,80,400	23,29,283	9,81,221	-	33,10,504	75,69,896	43,00,417
Total	1,07,99,380	44,19,362	-	1,52,18,742	45,79,932	16,81,312	-	62,61,244	89,57,498	62,19,448
Corresponding figure for the previous year	1,44,79,367	1,89,443	38,69,430	1,07,99,380	39,38,534	29,97,047	23,55,649	45,79,932	62,19,448	

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	As at 1st April, 2015	Addition during the year	Deductions/ Adjustments during the year	As at 31st March, 2016	Upto 1st April, 2015	Amortisation for the year	Deductions/ Adjustments during the year	Upto 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>INTANGIBLE ASSETS</b>										
Computer software	15,44,825	-	15,44,825	-	15,44,825	-	15,44,825	-	-	-
Stock Exchange Card	2,00,000	-	2,00,000	-	-	-	-	-	-	2,00,000
Total	17,44,825	-	17,44,825	-	15,44,825	-	15,44,825	-	-	2,00,000
Corresponding figure for the previous year	17,44,825	-	-	17,44,825	11,58,619	3,86,206	-	15,44,825	2,00,000	



8 NON - CURRENT INVESTMENTS

Name of the Company	As at 31 March, 2016			As at 31 March, 2015		
	Face Value ₹	Quantity Nos.	Amount ₹	Face Value ₹	Quantity Nos.	Amount ₹
<b>Long Term Investments (At cost)</b>						
<b>Investment In Mutual Funds - Other than trade</b>						
<b>Quoted - Fully Paid up</b>						
Birla Sun Life 95 Fund	10	9,194.23	50,00,000	10	4,698.563	25,00,000
Canara Robeco Balance-Direct Growth	10	27,613.57	30,00,000	10	14,396.521	15,00,000
DSP Black Rock Balanced Fund	10	47,589.35	50,00,000	10	24,681.570	25,00,000
Franklin India Balanced Fund	10	55,902.34	50,00,000	10	28,364.046	25,00,000
Franklin Templeton India Short Term Income Plan-Retail-Direct-Growth	1000	4,229.51	1,00,00,000	1000	4,229.514	1,00,00,000
HDFC Balance Fund-Direct-Growth	10	34,223.00	35,00,000	10	25,149.886	25,00,000
HDFC Prudence Fund-Direct-Growth	10	9,689.58	35,00,000	10	8,350.894	30,00,000
ICICI Pru Balanced Fund-Direct-Growth	10	45,181.51	40,00,000	10	29,017.060	25,00,000
ICICI Prudential Balanced Advantage Fund	10	57,249.78	15,00,000			-
IDFC Premier Equity Fund-Growth	10	28,862.08	20,00,000	10	28,862.084	20,00,000
JP Morgan India Balanced Advantage Fund	10	52,374.67	5,00,000			-
Kotak Balance Direct Plan-Growth	10	2,38,414.13	45,00,000	10	1,05,210.917	20,00,000
L & T India Prudence Fund Direct Plan Growth	10	2,55,257.62	50,00,000	10	1,03,583.642	20,00,000
Mirae Asset Emerging Bluechip Fund -DC-GR	10	35,056.97	10,00,000			-
Mirae Asset Prudence Fund	10	50,000.00	5,00,000			-
Motilal Oswal Most Focused Multicap 35	10	1,53,241.07	25,00,000	10	93,948.050	15,00,000
Principal Balanced Fund	10	9,803.92	5,00,000	10	9,803.922	5,00,000
Reliance RSF Balanced-Direct-Growth	10	1,30,433.02	50,00,000	10	67,914.316	25,00,000
SBI Magnum Balanced Fund	10	49,341.04	45,00,000	10	28,455.703	25,00,000
Sundaram Balanced Fund-Direct-Growth	10	7,571.22	5,00,000	10	7,571.215	5,00,000
Tata Balanced Fund Direct Growth	10	31,780.04	50,00,000	10	17,056.335	25,00,000
UTI Balanced Fund Direct Plan Growth	10	32,050.69	40,00,000	10	16,316.876	20,00,000
			<b>7,60,00,000</b>			<b>4,50,00,000</b>
<b>Investment In Equity shares -Trade</b>						
<b>Unquoted - Fully Paid up</b>						
<b>Subsidiary Companies:</b>						
SKP Commodities Limited	10	10,00,000	1,00,00,000	10	10,00,000	1,00,00,000
SKP Insurance Advisors Private Limited	10	20,000	12,00,000	10	20,000	12,00,000
<b>Others</b>						
Calcutta Stock Exchange Limited	1	250	2,00,000	-	-	-
Sudipta Traders Private Limited	10	85,000	3,82,50,000	10	1,48,000	6,66,00,000
			<b>4,96,50,000</b>			<b>7,78,00,000</b>
			<b>12,56,50,000</b>			<b>12,28,00,000</b>
Aggregate amount of quoted investments			7,60,00,000			4,50,00,000
Aggregate amount of unquoted investments			4,96,50,000			7,78,00,000
Aggregate market value of quoted investments			8,15,62,474			4,99,43,159
Aggregate provision for diminution in value of investments			-			-

Out of the investment in units of quoted mutual funds, units worth ₹ 6,20,00,000/= ( Previous Year ₹ 1,50,00,000/=) 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, 2016 (Previous Year Nil)

<b>9 DEFERRED TAX ASSETS</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
Depreciation/amortisation	20,85,743	22,04,489
	<b><u>20,85,743</u></b>	<b><u>22,04,489</u></b>

<b>10 LONG-TERM LOANS AND ADVANCES (Unsecured, considered good)</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
Security deposits	3,40,36,546	2,83,06,446
	<b><u>3,40,36,546</u></b>	<b><u>2,83,06,446</u></b>

<b>11 TRADE RECEIVABLES</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
a) Debts outstanding for a period exceeding six months – Unsecured Considered good	85,60,471	71,51,564
b) Other debts – Unsecured Considered good	1,86,70,388	1,88,37,390
	<b><u>2,72,30,859</u></b>	<b><u>2,59,88,954</u></b>

<b>12 CASH AND BANK BALANCES</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
<b>Cash and cash equivalents</b>		
Balances with banks		
In current accounts	42,65,660	2,96,65,395
Fixed deposits (maturity less than 3 months)	1,50,00,000	–
Cash-on-hand	1,12,877	60,523
	<u>1,93,78,537</u>	<u>2,97,25,918</u>
Other bank balances		
Earmarked balances		
Unpaid dividend	3,62,530	3,48,732
Current deposits*	1,22,93,861	1,80,11,212
Margin deposit/Security		
Current portion of original maturity period more than 12 months		
– Fixed Deposit pledged as margin deposits with exchange	2,98,57,398	2,90,52,315
– Fixed Deposit pledged as security against borrowings	1,00,00,000	1,00,00,000
Stamps-on-hand	44,846	20,608
	<b><u>7,19,37,172</u></b>	<b><u>8,71,58,785</u></b>

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

<b>13 SHORT TERM LOANS AND ADVANCES (Unsecured, considered good)</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
Security deposits	45,000	45,000
Other loans and advances		
Prepaid expenses	6,50,695	11,60,777
Advance to staff and others	12,13,770	25,83,159
	<b><u>19,09,465</u></b>	<b><u>37,88,936</u></b>

<b>14 OTHER CURRENT ASSETS</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
Interest accrued but not due on bank deposits	22,88,410	25,55,294
TDS and other recoverable	34,208	83,331
	<b>23,22,618</b>	<b>26,38,625</b>

<b>15 REVENUE/INCOME FROM OPERATIONS</b>	<b>Year Ended 31st March, 2016 ₹</b>	<b>Year Ended 31st March, 2015 ₹</b>
<b>Sale of services</b>		
Distribution services	3,09,61,127	3,73,74,829
Broking services	4,48,51,646	5,46,78,487
Depository services	31,89,650	36,59,386
Advisory services	1,50,00,000	-
	<b>9,40,02,423</b>	<b>9,57,12,702</b>
<b>Profit on sale of current investment</b>	<b>13,26,672</b>	<b>46,33,630</b>
<b>Dividend</b>	<b>21,000</b>	<b>-</b>
<b>Interest income (Gross)</b>		
On fixed deposits	35,28,770	35,36,128
On margin deposits	12,79,079	16,35,354
On late payment from clients	44,13,914	52,08,435
	<b>92,21,763</b>	<b>1,03,79,917</b>
	<b>10,45,71,858</b>	<b>11,07,26,249</b>

<b>16 OTHER INCOME</b>	<b>Year Ended 31st March, 2016 ₹</b>	<b>Year Ended 31st March, 2015 ₹</b>
Other non-operating income		
Miscellaneous income	35,967	14,788
	<b>35,967</b>	<b>14,788</b>

<b>17 EMPLOYEE BENEFITS EXPENSE</b>	<b>Year Ended 31st March, 2016 ₹</b>	<b>Year Ended 31st March, 2015 ₹</b>
Salaries	2,69,63,959	2,82,69,561
Contribution to provident & other funds	5,32,693	10,56,347
Staff welfare expenses	10,24,767	7,32,980
	<b>2,85,21,419</b>	<b>3,00,58,888</b>

<b>18 FINANCE COST</b>	<b>Year Ended 31st March, 2016 ₹</b>	<b>Year Ended 31st March, 2015 ₹</b>
Interest expenses		
On short term borrowings	2,95,003	2,17,194
	<b>2,95,003</b>	<b>2,17,194</b>

<b>19 OTHER EXPENSES</b>	<b>Year Ended 31st March, 2016 ₹</b>	<b>Year Ended 31st March, 2015 ₹</b>
Brokerage and commission	2,62,84,243	1,75,45,383
Broker Note Stamp	27,54,840	28,81,218
Connectivity charges	12,07,077	9,41,827
Computer Expenses	17,35,232	21,90,121
Director Sitting Fess	2,35,500	1,70,000
Electricity expenses	20,38,537	19,78,734
Insurance Expenses	41,388	45,763
Legal & Professional Fees	13,43,666	12,46,132
Loss on sale/discard of Fixed Assets	-	12,63,781
Rent	70,29,076	63,24,994
Rates and taxes	2,31,738	1,94,456
Repairs - Others	9,07,914	8,41,661
Research Expenses	15,96,949	13,63,275
Bad debt written off	1,58,459	12,46,907
Payment to auditors		
As auditor for statutory audit	75,375	75,000
For tax audit	25,125	25,000
For other services	25,125	25,000
Subscription	15,43,102	9,68,540
Service Charges	8,99,828	10,71,183
Transaction Charges	18,11,592	17,65,846
Travelling Expenses	21,12,881	24,50,896
Vehicle Expenses	6,28,242	7,73,446
Miscellaneous Expenses	48,16,182	57,52,002
	<b>5,75,02,071</b>	<b>5,11,41,165</b>

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

<b>Particulars</b>	<b>Year Ended 31st March, 2016 ₹</b>	<b>Year Ended 31st March, 2015 ₹</b>
a) Amount used as the numerator (₹) Profit after Tax - (A)	1,09,87,734	1,71,37,627
b) Weighted average number of Equity Shares Outstanding used as the denominator for computing Basic Earnings per Share - (B)	5615000	5615000
c) Weighted average number of Equity Shares Outstanding used as the denominator for computing Diluted Earnings per Share - (C)	5615000	5615000
d) Nominal value of Equity Shares (₹)	10	10
e) Basic Earnings per Share (₹) (A/B)	1.96	3.05
f) Diluted Earnings per Share (₹) (A/C)	1.96	3.05

## 21 Other disclosure

21.1 Contingent liabilities :	As at 31st March, 2016	As at 31st March, 2015
Claims against the Company not acknowledged as debts:		
Service tax demand - under appeal	56,90,264	56,90,264
Others - Under appeal/litigation	4,16,504	4,16,504

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

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

### 21.2 Capital account contract remaining to be executed :

Estimated amount of contract remaining to be executed on Capital account and not provided for amounts to ₹ 2,30,00,000/=. Advance paid there against ₹ 75,00,000/- (Previous year ₹ Nil)

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

**21.4** The Employee Stock Option Scheme (SKP ESOP Plan 2010) of the Company was formulated in the year 2010. Under the said Scheme, Options granted have vesting period of one to three years and exercise period of maximum five years. The details of Options granted, lapsed and exercised as on 31st March, 2016 are as under:

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
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)
Number of Options granted upto 31.03.2015	1,00,000	1,00,000
Number of Options exercised upto 31.03.2015	-	-
Number of Options lapsed upto 31.03.2015	44,000	44,000
Number of Options outstanding on 01.04.2015	56,000	56,000
Number of Options granted during the period	-	-
Number of Options exercised during the year	-	-
Number of Options lapsed during the year	8,000	-
Number of Options outstanding at the end of the year	44,000	56,000

Note : Refer Director's Report for other disclosures.

**21.5 Employee Benefits :**

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

**Defined Benefit Plan:**

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

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

**a) Details of funded post retirement plans are as follows : (Amount in ₹)**

Particulars	31st March, 2016	31st March, 2015
<b>I. Components of Employer Expense :</b>		
1 Current Service Cost	4,83,365	4,57,952
2 Past Service Cost	-	-
3 Interest Cost	1,91,775	1,59,232
4 Expected return on Plan Assets	1,46,597	1,73,548
5 Actuarial (Gain) /Loss recognised in the year	2,40,033	6,11,934
6 Expense recognised in the Statement of Profit and Loss	7,68,576	10,55,570
<b>II. Change in Present Value of Defined Benefit Obligation :</b>		
1 Present value of Defined Benefit Obligation at the beginning of the year	26,43,749	25,68,773
2 Acquisition Adjustment	-	-
3 Interest Cost	1,91,775	1,59,232
4 Past Service Cost	-	-
5 Current Service Cost	4,83,365	4,57,952
6 Employees Contribution	-	-
7 Benefits Paid	4,93,119	11,56,737
8 Actuarial (Gain) / Loss	78,502	8,58,812
9 Present value of Defined Benefit Obligation at the end of the year	29,04,272	28,88,032
<b>III. Change in Fair Value of Plan Assets during the period :</b>		
1 Plan Assets at the beginning of the year	18,32,462	21,69,352
2 Expected return on Plan Assets	1,46,597	1,73,546
3 Actual Company Contribution	10,55,570	3,99,421
4 Benefits paid	4,93,119	11,56,737

5	Actuarial Gain / (Loss)	(1,61,531)	2,46,878
6	Plan Assets at the end of the year	23,79,979	18,32,462
<b>IV. Net Asset / (Liability) recognised in the Balance Sheet as at year end:</b>			
1	Present value of Defined Benefit Obligation	29,04,272	28,88,032
2	Fair value of Plan Assets	23,79,979	18,32,462
3	Funded Status [Surplus/(Deficit)]	(5,24,293)	(10,55,570)
4	Net Asset / (Liability) recognised in Balance Sheet	(5,24,293)	(10,55,570)
<b>V. Actuarial Assumptions :</b>			
1	Discount Rate (per annum) %	8.00	8.00
2	Expected return on Plan Assets (per annum) %	8.00	8.00
3	Retirement/Superannuation Age (Year)	58	58
4	Mortality Rates	IALM 2006-08 ULTIMATE	IALM 2006-08 ULTIMATE
<b>VI. Major Category of Plan Assets as a % of the Total Plan Assets as at year end :</b>			
Administered by Insurance Companies (The details with respect to the composition of investment in the fair value of plan assets have not been disclosed in the absence of availability of information)		100%	100%
<b>VI. Expected Payment (within next 12 months)</b>		36103	32123
<b>VII. Basis used to determine the expected Rate of return on Plan Assets :</b>			
The basis used to determine overall expected Rate of return on Plan Assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the Capital and optimise returns within acceptable risk parameters, the Plan Assets are well diversified.			

**b) Other disclosures :**

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

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

ii) The Gratuity have been recognised under “ Contribution to Provident Fund and Other Funds” under Note no. 17.

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

(Amount in ₹.)

Particulars	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2012
<b>Gratuity</b>					
Present value of defined benefit obligation	2904272	2888032	2568773	23,75,224	21,19,538
Fair value of plan assets	2379979	1832462	2169352	17,28,172	15,61,583
(Deficit)/Surplus	(5,24,293)	(10,55,570)	(3,99,421)	(6,47,988)	(5,57,955)

**21.6 Segment information as per Accounting Standard - 17 on 'Segment Reporting':**

The Company is primarily engaged in a single business segment of Broking & Dealing in Securities and related services. All the activities of the company revolves around the main business. As such there are no separate reportable segments as per Accounting Standard - 17 "Segment Reporting".

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

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

- i) Subsidiaries : SKP Commodities Ltd.  
(Common Control) SKP Insurance Advisors Pvt. Ltd  
(formerly SKP Insurance Brokers & Advisors Ltd).
- ii) Key Managerial Personnel (KMP) : Mr. Naresh Pachisia, Managing Director  
Mr. Nikunj Pachisia, Director  
Mrs. Manju Pachisia, Non-Executive Director
- iii) Relatives of Key Managerial Personnel :  
Mr. Naresh Pachisia Mrs. Manju Pachisia (Wife)  
Mr. Nikunj Pachisia (Son)  
Mr. Vaibhav Pachisia (Son)
- iv) Concerns over which KMP and their relatives have substantial interest : M/s. Naresh Pachisia & Sons (HUF)

**b) Transactions with Related parties :**

(Amount in ₹)

Nature of transaction/ Name of the related party	Subsidiaries	Concerns over which KMP and their relatives have substantial Personnel interest	Key Managerial	Relatives of KMP	Total
<b>i) Receiving of Services</b>					
Naresh Pachisia	—	—	50,00,000	—	50,00,000
	—	—	(30,00,000)	—	(30,00,000)
Rajesh Pachisia	—	—	—	—	—
	—	—	(32,25,000)	—	(32,25,000)
Nikunj Pachisia	—	—	18,00,000	—	18,00,000
	—	—	(12,00,000)	(36,552)	(12,36,552)
<b>ii) Rendering of Services</b>					
Demat Charges Received	572	566	3324	0	4,462
	(0)	(562)	(5,022)	(4,105)	(9,689)
Brokerage Earned	2,940	—	25,340	19,743	48,023
	(0)	—	(37,751)	(23,672)	(61,423)
<b>iii) Dividend Paid to Shareholders</b>					
Naresh Pachisia	—	—	57,30,000	—	57,30,000
	—	—	(0)	—	(0)
Manju Pachisia	—	—	—	8,00,000	8,00,000
	—	—	—	(0)	(0)
Nikunj Pachisia	—	—	4,40,000	—	4,40,000
	—	—	(0)	—	(0)



Vaibhav Pachisia	—	—	—	4,40,000	4,40,000
	—	—	—	(0)	(0)
Naresh Pachisia & Sons HUF	—	10,09,400	—	—	10,09,400
<b>iv) Investment in shares of subsidiary company purchased from</b>					
Naresh Pachisia	—	—	—	—	—
	—	—	(6,00,000)	—	(6,00,000)
Rajesh Pachisia	—	—	—	—	—
	—	—	(6,00,000)	—	(6,00,000)
<b>v) Investment purchased during the period from</b>					
Naresh Pachisia	—	—	—	—	—
	—	—	(2,35,80,000)	—	(2,35,80,000)
Nikunj Pachisia	—	—	—	—	—
	—	—	(27,00,000)	—	(27,00,000)
Rajesh Pachisia	—	—	—	—	—
	—	—	(3,11,40,000)	—	(3,11,40,000)
Manju Pachisia	—	—	—	—	—
	—	—	—	(36,00,000)	(36,00,000)
Naresh Pachisia HUF	—	—	—	—	—
	—	(34,20,000)	—	—	(34,20,000)
Rajesh Pachisia HUF	—	—	—	—	—
	—	(19,80,000)	—	—	(19,80,000)
Vatsala Pachisia	—	—	—	—	—
	—	—	—	(1,80,000)	(1,80,000)
<b>vi) Consultancy Charges Paid</b>					
SKP Insurance Brokers & Advisors Pvt. Ltd.	7,20,000	—	—	—	7,20,000
	(3,00,000)	(3,00,000)	—	—	(6,00,000)
<b>vii) Balance Outstanding Accounts payable</b>					
Rajesh Pachisia	—	—	—	—	—
	—	—	—	(21,00,000)	(21,00,000)
SKP Commodities Limited	15,73,709	—	—	—	15,73,709
	(0)	—	—	—	(0)
<b>Accounts receivable</b>					
SKP Commodities Limited	44,32,842	—	—	—	44,32,842
	(44,32,842)	—	—	—	(44,32,842)

- c) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.
- d) No amount has been written back / written off during the year in respect of due to / from related parties.
- e) The amount due from related parties are good and hence no provision for doubtful debts in respect of dues from such related parties is required. ( Refer Note 21.8)
- f) Figures in brackets pertain to previous year.

- 21.8** Trade receivables include ₹ 44,32,842/- (Previous year ₹ 44,33,842/-) receivable from its subsidiary with respect to trade entered into on its behalf in National Spot Exchange Ltd (NSEL). NSEL has not been able to adhere to its payment obligation, however, since the payments are being received in instalments, no provisions has been made.
- 21.9** Details of Investments made covered under section 186 (4) of the Companies Act, 2013:  
The particulars of Investments made are given under “Non - current investments” in Note No. 8
- 21.10** Disclosure under Schedule V to 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.
- 21.11** The previous year’s figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year,

As per our report of even date attached.

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

*Chartered Accountants*

*Firm’s Registration Number - 302082E*

**CA. Sunita Kedia**

Partner

(Membership No. 60162)

Place of signature: Kolkata

Date: 28th April , 2016

**For and on behalf of the Board**

**Naresh Pachisia**

Managing Director

(DIN: 00233768)

**Dipak Kadel**

Company Secretary

**Nikunj Pachisia**

Director

(DIN: 06933720)

**Anil Shukla**

Chief Financial Officer

# INDEPENDENT AUDITORS' REPORT

**To the Members of SKP Securities Limited**

**Report on the consolidated financial statements**

We have audited the accompanying consolidated financial statements of SKP Securities Limited (hereinafter referred to as "the Holding Company") and its Subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and a summary of significant accounting policies and other explanatory information for the year then ended.

**Management responsibility for the consolidated financial statement**

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; 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 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 financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

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

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

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

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group, as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### **Other Matters**

We did not audit the financial statements of SKP Insurance Brokers and Advisors Pvt. Ltd., a subsidiary, whose financial statements reflect total assets of ₹ 15,63,225/- as at 31st March, 2016, total revenues of ₹ 10,78,846/- and net cash flows amounting to ₹ 43,791/- 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 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 financial statements.
- 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 consolidated balance sheet, the statement of profit and loss and the cash flow dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- IV. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- V. On the basis of the written representations received from the directors as at 31st March, 2016 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as at 31st March, 2016 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 Group 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 Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group– Refer Note No. 22.2 to the financial statements.
  - b. The group companies did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - c. There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the Holding company. There were no amounts which were required to be transferred to the investor education and protection fund by the Subsidiary companies.

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

Place of Signature: Kolkata  
Dated: the 28th day of April, 2016

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

## **“Annexure A” To The Independent Auditor’s Report Of Even Date On The Consolidated Financial Statements Of Skp Securities Limited**

### **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 Holding Company”) and its subsidiary companies which are companies incorporated in India, as of March 31, 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors’ Responsibility**

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, 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 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 his 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 companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **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, which is company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

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

Place of Signature: Kolkata  
Dated: the 28th day of April, 2016

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

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016**

PARTICULARS	Note No.	As At	As At
		31st March, 2016	31st March, 2015
		₹	₹
<b>I EQUITY &amp; LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share capital	2	5,61,50,000	5,61,50,000
(b) Reserves and surplus	3	18,63,18,452	18,19,95,370
		<b>24,24,68,452</b>	<b>23,81,45,370</b>
<b>(2) Non -Current Liabilities</b>			
(a) Long-term borrowings	4	23,73,294	—
		<b>23,73,294</b>	<b>—</b>
<b>(3) Current Liabilities</b>			
(a) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note no.22.4)		—	—
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		4,27,43,801	4,52,31,209
(b) Other current liabilities	5	1,63,23,492	1,76,90,389
(c) Short -term provisions	6	19,84,223	1,24,32,937
		6,10,51,516	7,53,54,535
<b>TOTAL</b>		<b>30,58,93,262</b>	<b>31,34,99,905</b>
<b>II ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed assets	7		
(i) Tangible assets		89,84,677	62,92,018
(ii) Intangible assets		—	2,00,000
		89,84,677	64,92,018
(b) Non -current investments	8	11,48,40,120	11,16,00,000
(c) Deferred tax assets	9	20,95,642	22,03,399
(d) Long-term loans & advances	10	3,76,36,158	3,35,06,446
(e) Other Non Current assets	11	10,96,768	10,77,432
		<b>16,46,53,365</b>	<b>15,48,79,295</b>
<b>(2) Current Assets</b>			
(a) Trade receivables	12	5,37,65,799	5,18,21,055
(b) Cash and bank balances	13	8,31,03,413	10,01,65,616
(c) Short-term loans and advances	14	19,32,465	38,15,816
(d) Other current assets	15	24,38,220	28,18,123
		<b>14,12,39,897</b>	<b>15,86,20,610</b>
<b>TOTAL</b>		<b>30,58,93,262</b>	<b>31,34,99,905</b>

Basis of consolidation and significant accounting policies 1

Other disclosures 22

The accompanying notes 1 to 22 are an integral part of the consolidated 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: 28th April, 2016

**For and on behalf of the Board**
**Naresh Pachisia**

Managing Director

(DIN: 00233768)

**Dipak Kadel**

Company Secretary

**Nikunj Pachisia**

Director

(DIN: 06933720)

**Anil Shukla**

Chief Financial Officer



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016**

PARTICULARS	NOTE No.	For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
I. Revenue/Income from operations	16	10,66,93,457	11,43,25,245
II. Other income	17	35,967	14,788
III. <b>Total Revenue (I + II)</b>		<b>10,67,29,424</b>	<b>11,43,40,033</b>
IV. Expenses			
Employee benefits expense	18	3,01,77,324	3,14,48,291
Finance costs	19	2,95,003	2,17,194
Depreciation and amortization expenses	7	17,26,702	34,70,920
Other expenses	20	5,77,43,590	5,31,56,469
Total Expenses		<b>8,99,42,619</b>	<b>8,82,92,874</b>
V. <b>Profit before tax ( III-IV)</b>		<b>1,67,86,805</b>	<b>2,60,47,159</b>
VI. Tax Expenses			
(1) Current tax		55,97,864	96,50,000
(2) Deferred tax		1,07,757	(9,67,529)
(3) Tax in respect of earlier years written off/( back)		-	1,09,556
		<b>57,05,621</b>	<b>87,92,027</b>
<b>Profit for the year (V-VI)</b>		<b>1,10,81,184</b>	<b>1,72,55,132</b>
VII. Earnings per equity share (Face value ₹ 10/- each):			
Basic	21	1.97	3.07
Diluted	21	1.97	3.07
Significant Accounting Policies	1		
Other disclosures	22		

The accompanying notes 1 to 22 are an integral part of the consolidated 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: 28th April, 2016

**For and on behalf of the Board**

<b>Naresh Pachisia</b> Managing Director (DIN: 00233768)	<b>Nikunj Pachisia</b> Director (DIN: 06933720)
<b>Dipak Kadel</b> Company Secretary	<b>Anil Shukla</b> Chief Financial Officer

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

Particulars	Year ended 31st March, 2016		Year ended 31st March, 2015	
	₹	₹	₹	₹
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before Exceptional Items and Extra Ordinary Items and Tax		1,67,86,805		2,60,47,159
Adjustments to reconcile Profit before Exceptional Items, Extra Ordinary Items and Tax to Cash Flow provided by Operating Activities:				
Finance Cost	2,95,003		2,17,194	
Depreciation & Amortisation Expense	17,26,702		34,70,920	
Loss on Sale/Discard of Tangible Fixed Assets	—		12,63,781	
Bad Debts Written off	1,83,756		12,46,907	
		22,05,461		61,98,802
Operating Profit before Working Capital changes		<b>1,89,92,266</b>		<b>3,22,45,961</b>
Adjustments to reconcile Operating Profit to Cash Flow provided by changes in Working Capital :				
Trade Payables	(24,87,408)		(61,25,353)	
Other Current Liabilities	(13,66,897)		42,20,068	
Trade Receivables	(21,28,500)		(32,26,197)	
Long Term loans and advances	(41,29,712)		57,685	
Short Term loans and advances	18,83,351		(8,45,845)	
Other Non Current Assets	(19,336)		24,95,268	
Other Current Assets	62,47,914		15,91,678	
Short term provisions	(5,31,277)		6,56,149	
		(25,31,865)		(11,76,547)
Cash Generated from Operations		<b>1,64,60,401</b>		<b>3,10,69,414</b>
Tax Expense		(87,77,581)		(63,98,210)
Cash Flow before Extraordinary Items		76,82,820		2,46,71,204
Exceptional / Extraordinary Items		—		—
<b>Net Cash Generated / Used - Operating Activities</b>		<b>76,82,820</b>		<b>2,46,71,204</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Additions to Tangible Fixed Assets	(44,19,362)		(1,89,443)	
Sale of Tangible Fixed Assets	2,00,000		2,50,000	
Acquisition of Subsidiary-Net of Cash acquired	—		1,13,890	
Current Investments	—		1,00,00,000	
Investment in shares & Mutual Fund	(32,40,120)		(11,16,00,000)	
<b>Net Cash Generated / Used - Investing Activities</b>		<b>(74,59,482)</b>		<b>(10,14,25,553)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Long Term Borrowings	23,73,294		—	
Repayment of Long Term Borrowings	—		(13,61,910)	
Finance Cost	(2,95,003)		(2,17,194)	
Dividend Paid	(56,15,000)		—	
Interim Dividend Paid	(56,15,000)		—	
Dividend Distribution Tax Paid	(22,65,821)		—	
<b>Net Cash Generated / Used - Financing Activities</b>		<b>(1,14,17,530)</b>		<b>(15,79,104)</b>
<b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>(1,11,94,192)</b>		<b>(7,83,33,453)</b>
<b>Opening Cash and Cash Equivalents</b>		<b>4,01,97,482</b>		<b>11,85,30,935</b>
<b>Closing Cash and Cash Equivalents (Note 13)</b>		<b>2,90,03,290</b>		<b>4,01,97,482</b>

Notes:

1) Cash and Cash Equivalents at the end of the period consists of:

a) Balance with Banks on Current Accounts	54,37,001	4,00,81,103
b) Cash on hand	1,41,289	1,16,379
c) Fixed deposits (maturity less than 3 months)	2,34,25,000	—
	<u>2,90,03,290</u>	<u>4,01,97,482</u>

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

The accompanying notes 1 to 21 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

**C.A. Sunita Kedia**

Partner

(Membership No. 60162)

Place of signature: Kolkata

Date: 28th April 2016

**For and on behalf of the Board**

**Naresh Pachisia**  
Managing Director  
(DIN: 00233768)  
**Dipak Kadel**  
Company Secretary

**Nikunj Pachisia**  
Director  
(DIN: 06933720)  
**Anil Shukla**  
Chief Financial Officer

**Note No.1**

**Basis of Consolidation and Significant Accounting Policies**

**1.1 Principles of Consolidation:**

The Consolidated Financial Statements relate to SKP Securities Limited (“ The Company”) and its Subsidiary. The Company and its Subsidiary constitute the Group. The Consolidated Financial Statements have been prepared on the following basis:

- i) The Financial Statements of the Company and its Subsidiary have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealized profits or losses have been fully eliminated.
- ii) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and events in similar circumstances and are presented in the same manner as the Parent Company’s separate financial statements.
- iii) The Companies considered in the consolidated financial statements are:

Name of the Company	Country of incorporation	Percentage of ownership interest as at		Financial year ends on
		31.03.16	31.03.15	
SKP Commodities Ltd.	India	100%	100%	31st March
SKP Insurance Advisors Pvt. Ltd.*	India	100%	100%	31st March

*\* formerly SKP Insurance Brokers & Advisors Pvt. Ltd.*

**1.2 Basis of preparation**

- i) The Financial Statements of the Subsidiary Company used in the consolidation are drawn upto the same reporting date as of the Company.
- ii) The Consolidated Financial Statements of the Group have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). These Financial Statements have been prepared to comply in all material respects with the Accounting Standards (‘AS’) specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India and relevant applicable provisions of the Companies Act, 1956 and Companies Act, 2013.

These Consolidated Financial Statements are, in so far as they relate to amounts included in respect of Subsidiary company in the audited financial statements, prepared for consolidation in accordance with the requirements of Accounting Standard - 21.

- iii) The financial statements are prepared in accordance with the historical cost convention and the accrual basis of accounting. Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.
- iv) 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. Based on the nature of services provided and time between the rendering of services and their realization in cash and cash equivalents, the company has ascertained its operating cycle as less than 12 months for the purpose of current and non-current classification of assets and liabilities.

**1.3 Significant Accounting Policies**

**i) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets

and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

**ii) Fixed Assets and Intangible Assets**

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

**iii) Depreciation and Amortization**

- a) Depreciation on tangible assets is provided on Straight Line Method ('SLM'), which reflects the management's estimate of the useful lives of the respective fixed assets. Such useful lives are equal to the corresponding useful life prescribed in Part C of Schedule II to Companies Act, 2013.
- b) Depreciation/amortization on assets added, sold or discarded during the year has been provided on pro-rata basis.
- c) Stock Exchange membership card is not being amortized.
- d) Computer Software (Acquired) is amortized on straight line basis over a period of four years.

**iv) Investments**

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

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

**v) Revenue Recognition**

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

**vi) Provisions, Contingent Liabilities and Contingent Assets**

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

Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

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

A Contingent Asset is not recognized in the Accounts.

**vii) Impairment of Assets**

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

**viii) Foreign Currency Transactions**

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

**ix) Employee Benefits**

**a) Defined contribution plan**

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

**b) Defined benefit plan**

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

**x) Taxes on Income**

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

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

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

**xi) Research Expenses**

Research costs are expensed as incurred.

**xii) Earnings Per share**

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

**xiii) Cash flow statement**

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

**NOTES TO CONSOLIDATED ACCOUNTS**

2 SHARE CAPITAL	As at 31st March, 2016		As at 31st March, 2015	
	No.	₹	No.	₹
a) <b>Authorised</b> Equity shares of ₹ 10/- each	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
b) <b>Issued, subscribed and paid-up</b> Equity shares of ₹ 10/- each fully paid up	56,15,000	5,61,50,000	56,15,000	5,61,50,000

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

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

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

Name of Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	No.	% holding	No.	% holding
Mr. Naresh Pachisia	28,65,000	51.02	28,65,000	51.02
Naresh Pachisia & Sons (HUF)	5,04,700	8.99	5,04,700	8.99
Mrs. Manju Pachisia	4,00,000	7.12	4,00,000	7.12

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

The company has reserved for issue of 44,000 (Previous year 56,000) equity shares of par value ₹ 10/- each at a premium of ₹ 19/- each for offering to eligible employees of the company under Employee Stock Option Scheme 2010. These shares reserved for issue are not yet exercised.

3 RESERVES AND SURPLUS	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>General Reserve - opening balance</b>	2,18,76,000	2,08,76,000
Add: Transferred from Surplus	5,00,000	10,00,000
	<b>2,23,76,000</b>	<b>2,18,76,000</b>
<b>Share Premium- opening balance</b>	<b>2,31,65,000</b>	<b>2,31,65,000</b>
<b>Capital Reserve</b>		
<b>Capital Reserve on Consolidation of subsidiary</b>	<b>1,13,890</b>	<b>1,13,890</b>
Surplus in the Statement of Profit and Loss	13,68,40,480	12,73,23,067
Add: Profit for the year as per Statement of Profit and Loss	1,10,81,184	1,72,55,132
<b>Amount available for appropriation</b>	14,79,21,664	14,45,78,199
<b>Appropriations:</b>		
Proposed Dividend	-	56,15,000
Interim Dividend	56,15,000	-
Tax on Proposed dividend	11,43,102	11,22,719
Amount transferred to General Reserve	5,00,000	10,00,000
<b>Net surplus in the Statement of Profit and Loss</b>	<b>14,06,63,562</b>	<b>13,68,40,480</b>
<b>Total Reserves and surplus</b>	<b>18,63,18,452</b>	<b>18,19,95,370</b>

- (i) General reserve is primarily created to comply with the requirements of section 123(1) of the Companies Act, 2013. This is a free reserve and can be utilised for any general purpose like issue of bonus shares, payment of dividend, buy back of shares etc.
- (ii) During the year ended 31st March, 2016, the Board of Directors has paid Interim dividend of ₹ 1/- (Previous year NIL) per equity share. The total dividend appropriation for the year ended March 31, 2016 amounted to ₹ 67,58,102/- (Previous Year NIL) including dividend tax of ₹ 11,43,102/- (Previous Year NIL).
- (iii) During the year ended 31st March, 2015, dividend of ₹ 1/- per equity share was recognised as distribution to equity shareholders. The total dividend appropriation for the year ended March 31, 2015 amounted to ₹ 67,37,719/- including corporate dividend tax of ₹ 11,22,719/-.

<b>4 LONG TERM BORROWINGS</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
<b>Vehicle Loans</b>		
From banks - Secured	23,73,294	–
	<u>23,73,294</u>	<u>–</u>

**a) Nature of Security**

The vehicle loans are secured by way of hypothecation of vehicle purchased. The loan carries interest @ 9.35% p.a.

**b) Terms of repayment:**

Sl. No.	Name of the banks/entities	Amount outstanding as on 31.03. 2016		Period of maturity w.r.t. Balance Sheet date	Number of instalments due as on 31.03.17
		Current* ₹	Non current ₹		
1	HDFC Bank	11,33,537	23,73,294	34 months	12
		–	–	–	–
		(3,28,713)	–	(7 months)	(7)
	<b>Total</b>	11,33,537	23,73,294		–
		(328,713)			

Figures in bracket pertains to previous year.

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

<b>5 OTHER CURRENT LIABILITIES</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
Current maturities of long-term debt*	11,33,537	3,28,713
Unclaimed dividend**	3,62,530	3,48,732
Other payables		
Security/margin deposits	64,36,028	68,91,304
Accrued expenses	39,64,620	75,24,168
Statutory liabilities	22,58,824	23,19,635
Book overdraft balances	18,69,085	–
Others	2,98,868	2,77,837
	<u>1,63,23,492</u>	<u>1,76,90,389</u>

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

\*\* There are no amounts due and outstanding to be credited to Investor Education & Protection Fund.

<b>6 SHORT TERM PROVISIONS</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
Provision for employee benefit-Gratuity	5,24,293	10,55,570
Proposed dividend	–	56,15,000
Provision for		
Income taxes	1,53,87,353	97,89,410
Less: Advance tax and TDS	1,39,27,423	51,49,762
	<u>14,59,930</u>	<u>46,39,648</u>
Tax on dividend	–	11,22,719
	<u>19,84,223</u>	<u>1,24,32,937</u>

**7. FIXED ASSETS**

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
	As at 1st April, 2015	Additions during the year	Deductions/ Adjustments	As at 31st March, 2016	Upto 1st April, 2015	Depreciation for the year	Deductions/ Adjustments	Upto 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
<b>TANGIBLE ASSETS</b>	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Office Equipments	6,75,225	25,518	—	7,00,743	2,24,866	1,60,082	—	3,84,948	3,15,795	4,50,360
Furniture and Fixtures	31,08,835	—	—	31,08,835	16,71,099	5,05,079	—	21,76,178	9,32,657	14,37,736
Computers, Servers and other Information Technology Equipments	5,85,979	1,43,144	—	7,29,123	4,82,474	80,320	—	5,62,794	1,66,329	1,03,505
Vehicles	66,29,700	42,50,700	—	1,08,80,400	23,29,283	9,81,221	—	33,10,504	75,69,896	43,00,417
Total	1,09,99,739	44,19,362	—	1,54,19,101	47,07,722	17,26,702	—	64,34,424	89,84,677	62,92,018
Corresponding figure for the previous year	1,46,79,726	1,89,443	38,69,430	1,09,99,739	39,78,656	30,84,714	23,55,649	47,07,721	62,92,018	

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
	As at 1st April, 2015	Additions during the year	Deductions/ Adjustments during the year	As at 31st March, 2016	Upto 1st April, 2015	Amortisation for the year	Deductions/ Adjustments during the year	Upto 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
<b>INTANGIBLE ASSETS</b>	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Computer software	15,44,825	—	15,44,825	—	15,44,825	—	15,44,825	—	—	—
Stock Exchange Card	2,00,000	—	2,00,000	—	—	—	—	—	—	2,00,000
Total	17,44,825	—	17,44,825	—	15,44,825	—	15,44,825	—	—	2,00,000
Corresponding figure for the previous year	17,44,825	—	—	17,44,825	11,58,619	3,86,206	—	15,44,825	2,00,000	



8 NON - CURRENT INVESTMENTS	As at 31 March, 2016			As at 31 March, 2015		
	Face Value ₹	Quantity Nos.	Amount ₹	Face Value ₹	Quantity Nos.	Amount ₹
<b>Long Term Investments (At cost)</b>						
<b>Investment In Mutual Funds -Other than trade</b>						
<b>Quoted - Fully Paid up</b>						
Birla Sun Life 95 Fund	10	9,194.23	50,00,000	10	4,698.563	25,00,000
Canara Robeco Balance-Direct Growth	10	27,613.57	30,00,000	10	14,396.521	15,00,000
DSP Black Rock Balanced Fund	10	47,589.35	50,00,000	10	24,681.570	25,00,000
Franklin India Balanced Fund	10	55,902.34	50,00,000	10	28,364.046	25,00,000
Franklin Templeton India Short Term Income Plan-Retail-Direct-Growth	1000	4,229.51	1,00,00,000	1000	4,229.514	1,00,00,000
HDFC Balance Fund-Direct-Growth	10	34,223.00	35,00,000	10	25,149.886	25,00,000
HDFC Prudence Fund-Direct-Growth	10	9,689.58	35,00,000	10	8,350.894	30,00,000
ICICI Pru Balanced Fund-Direct-Growth	10	45,181.51	40,00,000	10	29,017.060	25,00,000
ICICI Prudential Balanced Advantage Fund	10	57,249.78	15,00,000	-	-	-
IDFC Premier Equity Fund-Growth	10	28,862.08	20,00,000	10	28,862.084	20,00,000
JP Morgan India Balanced Advantage Fund	10	52,374.67	5,00,000	-	-	-
Kotak Balance Direct Plan-Growth	10	2,38,414.13	45,00,000	10	1,05,210.917	20,00,000
L & T India Prudence Fund Direct Plan Growth	10	2,55,257.62	50,00,000	10	1,03,583.642	20,00,000
Mirae Asset Emerging Bluechip Fund -DC-GR	10	35,056.97	10,00,000	-	-	-
Mirae Asset Prudence Fund	10	50,000.00	5,00,000	-	-	-
Motilal Oswal Most Focused Multicap 35	10	1,53,241.07	25,00,000	10	93,948.050	15,00,000
Principal Balanced Fund	10	9,803.92	5,00,000	10	9,803.922	5,00,000
Reliance RSF Balanced-Direct-Growth	10	1,30,433.02	50,00,000	10	67,914.316	25,00,000
SBI Magnum Balanced Fund	10	49,341.04	45,00,000	10	28,455.703	25,00,000
Sundaram Balanced Fund-Direct-Growth	10	7,571.22	5,00,000	10	7,571.215	5,00,000
Tata Balanced Fund Direct Growth	10	31,780.04	50,00,000	10	17,056.335	25,00,000
UTI Balanced Fund Direct Plan Growth	10	32,050.69	40,00,000	10	16,316.876	20,00,000
			<b>7,60,00,000</b>			<b>4,50,00,000</b>
<b>Investment In Equity shares -Trade</b>						
<b>Quoted - Fully Paid up</b>						
Black Rose Industries Limited	10	20,000	3,90,120	-	-	-
			<b>3,90,120</b>			
<b>Unquoted - Fully Paid up</b>						
Calcutta Stock Exchange Limited	1	250	2,00,000	-	-	-
Sudipta Traders Private Limited	10	85,000	3,82,50,000	10	1,48,000	6,66,00,000
			<b>3,84,50,000</b>			<b>6,66,00,000</b>
			<b>11,48,40,120</b>			<b>11,16,00,000</b>
Aggregate amount of quoted investments			7,63,90,120			4,50,00,000
Aggregate amount of unquoted investments			3,84,50,000			6,66,00,000
Aggregate market value of quoted investments			8,45,62,474			4,99,43,159
Aggregate provision for diminution in value of investments			-			-

Out of the investment in units of quoted mutual funds, units worth ₹ 6,20,00,000/= ( Previous Year ₹ 1,50,00,000/=) 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, 2016 (Previous Year Nil)

<b>9 DEFERRED TAX ASSETS</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
Depreciation/amortisation	20,95,642	22,03,399
	<b><u>20,95,642</u></b>	<b><u>22,03,399</u></b>
<b>10 LONG-TERM LOANS AND ADVANCES (Unsecured, considered good)</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
Capital Advances	75,00,000	-
Security deposits	3,01,36,158	3,35,06,446
	<b><u>3,76,36,158</u></b>	<b><u>3,35,06,446</u></b>
<b>11 OTHER NON-CURRENT ASSETS</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
Fixed deposits with banks - Margin deposit (Non current portion with original maturity period of more than 12 months)	10,00,000	10,00,000
Interest accrued but not due on bank deposits	96,768	77,432
	<b><u>10,96,768</u></b>	<b><u>10,77,432</u></b>
<b>12 TRADE RECEIVABLES</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
<b>a) Debts outstanding for a period exceeding six months - Unsecured</b>		
Considered good	3,43,63,912	3,29,80,801
<b>b) Other debts - Unsecured</b>		
Considered good	1,94,01,887	1,88,40,254
	<b><u>5,37,65,799</u></b>	<b><u>5,18,21,055</u></b>
<b>13 CASH AND BANK BALANCES</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
<b>Cash and cash equivalents</b>		
Balances with banks		
In current accounts	54,37,001	4,00,81,103
Fixed deposits (maturity less than 3 months)	2,34,25,000	-
Cash-on-hand	1,41,289	1,16,379
	<u>2,90,03,290</u>	<u>4,01,97,482</u>
<b>Other bank balances</b>		
Earmarked balances		
Unpaid dividend	3,62,530	3,48,732
Current deposits*	1,23,18,340	1,90,27,636
Margin deposit/Security		
Current portion of original maturity period more than 12 months		
– Fixed Deposit pledged as margin deposits with exchange	3,13,57,397	3,05,52,315
– Fixed Deposit pledged as security against borrowings	1,00,00,000	1,00,00,000
<b>Stamps-on-hand</b>	61,856	39,451
	<b><u>8,31,03,413</u></b>	<b><u>10,01,65,616</u></b>

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

<b>14 SHORT TERM LOANS AND ADVANCES</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
Security deposits (Unsecured, considered good)	45,000	45,000
Other loans and advances		
Prepaid expenses	6,50,695	11,81,657
Advance to staff and others	12,36,770	25,89,159
	<b><u>19,32,465</u></b>	<b><u>38,15,816</u></b>

<b>15 OTHER CURRENT ASSETS</b>	<b>As at 31st March, 2016 ₹</b>	<b>As at 31st March, 2015 ₹</b>
Interest accrued but not due on bank deposits	23,29,857	26,34,444
TDS and other recoverable	1,08,363	1,83,679
	<b><u>24,38,220</u></b>	<b><u>28,18,123</u></b>

<b>16 REVENUE/INCOME FROM OPERATIONS</b>	<b>Year Ended 31st March, 2016 ₹</b>	<b>Year Ended 31st March, 2015 ₹</b>
<b>Sale of services</b>		
Distribution services	3,12,61,566	3,73,84,282
Broking services	4,49,93,165	5,72,84,133
Depository services	31,89,077	36,59,386
Advisory services	1,57,00,000	–
	<b><u>9,51,43,808</u></b>	<b><u>9,83,27,801</u></b>
<b>Other operating revenues</b>		
<b>Profit on sale of current investment</b>	<b>21,71,726</b>	<b>50,15,587</b>
<b>Dividend income on current investment</b>	<b>21,000</b>	<b>3,68,957</b>
<b>Interest income (Gross)</b>		
On fixed deposits	36,63,930	37,69,110
On margin deposits	12,79,079	16,35,355
On late payment from clients	44,13,914	52,08,435
	93,56,923	1,06,12,900
	<b><u>10,66,93,457</u></b>	<b><u>11,43,25,245</u></b>

<b>17 OTHER INCOME</b>	<b>Year Ended 31st March, 2016 ₹</b>	<b>Year Ended 31st March, 2015 ₹</b>
Other non-operating income		
Miscellaneous income	35,967	14,788
	<b><u>35,967</u></b>	<b><u>14,788</u></b>

<b>18 EMPLOYEE BENEFITS EXPENSE</b>	<b>Year Ended 31st March, 2016 ₹</b>	<b>Year Ended 31st March, 2015 ₹</b>
Salaries	2,86,19,864	2,96,58,964
Contribution to provident & other funds	5,32,693	10,56,347
Staff welfare expenses	10,24,767	7,32,980
	<b><u>3,01,77,324</u></b>	<b><u>3,14,48,291</u></b>

<b>19 FINANCE COST</b>	<b>Year Ended 31st March, 2016 ₹</b>	<b>Year Ended 31st March, 2015 ₹</b>
Interest expenses		
On short term borrowings	2,95,003	2,17,194
	<u><b>2,95,003</b></u>	<u><b>2,17,194</b></u>

<b>20 OTHER EXPENSES</b>	<b>Year Ended 31st March, 2016 ₹</b>	<b>Year Ended 31st March, 2015 ₹</b>
Brokerage and commission	2,63,53,950	1,87,66,471
Broker Note Stamp	27,68,773	31,97,542
Connectivity charges	14,75,129	11,25,537
Computer Expenses	17,79,513	23,28,979
Director Sitting Fees	2,35,500	1,70,000
Electricity expenses	20,38,537	19,78,734
Insurance Expenses	44,739	53,803
Legal & Professional Fees	6,58,168	12,96,532
Loss on sale/discard of Fixed Assets	-	12,63,781
Rent	70,29,076	63,24,994
Rates and taxes	2,40,538	2,03,576
Repairs - Others	9,07,914	8,41,661
Research Expenses	15,96,950	13,63,275
Bad debt written off	1,83,756	12,46,907
Payment to auditors		
As auditor for statutory audit	96,100	95,618
For tax audit	27,125	27,000
For other services	38,366	26,686
Subscription	17,05,801	11,34,540
Service Charges	8,99,828	10,71,183
Transaction Charges	18,11,592	19,42,794
Travelling Expenses	22,44,343	26,38,632
Vehicle Expenses	6,28,241	7,73,446
Miscellaneous Expenses	49,79,651	52,84,778
	<u><b>5,77,43,590</b></u>	<u><b>5,31,56,469</b></u>

## 21 Earnings per Share -

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

<b>Particulars</b>	<b>Year Ended 31st March, 2016 ₹</b>	<b>Year Ended 31st March, 2015 ₹</b>
a) Amount used as the numerator (₹)		
Profit after Tax - (A)	1,10,81,184	1,72,55,132
b) Weighted average number of Equity Shares Outstanding used as the denominator for computing Basic Earnings per Share - (B)	5615000	5615000
c) Weighted average number of Equity Shares Outstanding used as the denominator for computing Diluted Earnings per Share - (C)	5615000	5615000
d) Nominal value of Equity Shares (₹)	10	10
e) Basic Earnings per Share (₹) (A/B)	1.97	3.07
f) Diluted Earnings per Share (₹) (A/C)	1.97	3.07

## 22 Other disclosure

- 22.1** In accordance with Accounting Standard 21 “Consolidated Financial Statements”, the Consolidated Financial Statements of the Group include the financial statements of the Holding Company and its subsidiaries.

The subsidiaries considered in the preparation of these consolidated financial statements are:–

Name of the Party & Nature of relationship	Country of Origin	% Holding As at 31st March, 2016
<b>Subsidiary</b>		
SKP Commodities Ltd.	India	100.00%
SKP Insurance Advisors Pvt. Ltd.	India	100.00%

### 22.2 Contingent liabilities :

Particulars	As at 31st March, 2016	As at 31st March, 2015
Claims against the Company not acknowledged as debts:		
Service tax demand - under appeal	56,90,264	56,90,264
Others - Under appeal/litigation	4,16,504	4,16,504

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

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

### 22.3 Capital account contract remaining to be executed :

Estimated amount of contract remaining to be executed on Capital account and not provided for amounts to ₹ 2,30,00,000/=. Advance paid there against ₹ 75,00,000/- (Previous year ₹ Nil)

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

- 22.5** The Employee Stock Option Scheme (SKP ESOP Plan 2010) of the Company was formulated in the year 2010. Under the said Scheme, Options granted have vesting period of one to three years and exercise period of maximum five years. The details of Options granted, lapsed and exercised as on 31st March, 2016 are as under:

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
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)
Number of Options granted upto 31.03.2015	1,00,000	1,00,000
Number of Options exercised upto 31.03.2015	–	–
Number of Options lapsed upto 31.03.2015	44,000	44,000
Number of Options outstanding on 01.04.2015	56,000	56,000

Number of Options granted during the period	–	–
Number of Options exercised during the year	–	–
Number of Options lapsed during the year	8,000	–
Number of Options outstanding at the end of the year	44,000	56,000

Note : Refer Director's Report for other disclosures.

## 22.6 Employee Benefits :

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

### Defined Benefit Plan:

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

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

### a) Details of funded post retirement plans are as follows : (Amount in ₹)

Particulars	31st March, 2016	31st March, 2015
<b>I. Components of Employer Expense :</b>		
1 Current Service Cost	4,83,365	4,57,952
2 Past Service Cost	–	–
3 Interest Cost	1,91,775	1,59,232
4 Expected return on Plan Assets	1,46,597	1,73,548
5 Actuarial (Gain) /Loss recognised in the year	2,40,033	6,11,934
6 Expense recognised in the Statement of Profit and Loss	7,68,576	10,55,570
<b>II. Change in Present Value of Defined Benefit Obligation :</b>		
1 Present value of Defined Benefit Obligation at the beginning of the year	26,43,749	25,68,773
2 Acquisition Adjustment	–	–
3 Interest Cost	1,91,775	1,59,232
4 Past Service Cost	–	–
5 Current Service Cost	4,83,365	4,57,952
6 Employees Contribution	–	–
7 Benefits Paid	4,93,119	11,56,737
8 Actuarial (Gain) / Loss	78,502	8,58,812
9 Present value of Defined Benefit Obligation at the end of the year	29,04,272	28,88,032
<b>III. Change in Fair Value of Plan Assets during the period :</b>		
1 Plan Assets at the beginning of the year	18,32,462	21,69,352
2 Expected return on Plan Assets	1,46,597	1,73,546

3	Actual Company Contribution	10,55,570	3,99,421
4	Benefits paid	4,93,119	11,56,737
5	Actuarial Gain / (Loss)	(1,61,531)	2,46,878
6	Plan Assets at the end of the year	23,79,979	18,32,462
<b>IV. Net Asset / (Liability) recognised in the Balance Sheet as at year end:</b>			
1	Present value of Defined Benefit Obligation	29,04,272	28,88,032
2	Fair value of Plan Assets	23,79,979	18,32,462
3	Funded Status [Surplus/(Deficit)]	(5,24,293)	(10,55,570)
4	Net Asset / (Liability) recognised in Balance Sheet	(5,24,293)	(10,55,570)
<b>V. Actuarial Assumptions :</b>			
1	Discount Rate (per annum) %	8.00	8.00
2	Expected return on Plan Assets (per annum) %	8.00	8.00
3	Retirement/Superannuation Age (Year)	58	58
4	Mortality Rates	IALM 2006-08 ULTIMATE	IALM 2006-08 ULTIMATE
<b>VI. Major Category of Plan Assets as a % of the Total Plan Assets as at year end :</b>			
Administered by Insurance Companies (The details with respect to the composition of investment in the fair value of plan assets have not been disclosed in the absence of availability of information)		100%	100%
<b>VI. Expected Payment (within next 12 months)</b>		36103	32123
<b>VII. Basis used to determine the expected Rate of return on Plan Assets :</b>			
The basis used to determine overall expected Rate of return on Plan Assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the Capital and optimise returns within acceptable risk parameters, the Plan Assets are well diversified.			

**b) Other disclosures :**

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

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

- ii) The Gratuity have been recognised under “ Contribution to Provident Fund and Other Funds” under Note no. 18.
- iii) The history of experience adjustments for funded post retirement plans are as follows :

(Amount in ₹.)

Particulars	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2012
<b>Gratuity</b>					
Present value of defined benefit obligation	2904272	2888032	2568773	23,75,224	21,19,538
Fair value of plan assets	2379979	1832462	2169352	17,28,172	15,61,583
(Deficit)/Surplus	(5,24,293)	(10,55,570)	(3,99,421)	(6,47,988)	(5,57,955)

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

The Company is primarily engaged in a single business segment of Broking & Dealing in Securities and related services. All the activities of the company revolves around the main business. As such there are no separate reportable segments as per Accounting Standard - 17 ‘‘Segment Reporting’’.

**22.8 Related party disclosures as per Accounting Standard - 18 are given below :****a) Name of the related parties and description of relationship :**

- i) Key Managerial Personnel (KMP) : Mr. Naresh Pachisia, Managing director  
Mr. Nikunj Pachisia, Director
- ii) Relatives of Key Managerial Personnel:  
Mr. Naresh Pachisia Mrs. Manju Pachisia (Wife)  
Mr. Nikunj Pachisia (Son)  
Mr. Vaibhav Pachisia (Son)
- iii) Concerns over which KMP and their : M/s. Naresh Pachisia & Sons (HUF)  
relatives have substantial interest :

**b) Transactions with Related parties :**

(Amount in ₹)

Nature of transaction/ Name of the related party	Concerns over which KMP and their relatives have substantial Personnel interest	Key Managerial	Relatives of KMP	Total
<b>i) Receiving of Services</b>				
Naresh Pachisia	–	50,00,000	–	50,00,000
		(30,00,000)	–	(30,00,000)
Rajesh Pachisia	–	–	–	–
		(32,25,000)	–	(32,25,000)
Nikunj Pachisia	–	18,00,000	–	18,00,000
		(12,00,000)	(36,552)	(12,36,552)
<b>ii) Rendering of Services</b>				
Demat Charges Received	566	3324	–	3,890
	(562)	(5,022)	(4,105)	(9,689)
Brokerage Earned	–	25,340	19,743	45,083
	–	(37,751)	(23,672)	(61,423)
<b>iii) Dividend Paid to Shareholders</b>				
Naresh Pachisia	–	57,30,000	–	57,30,000
		(0)	–	(0)
Manju Pachisia	–	–	8,00,000	8,00,000
		–	(0)	(0)
Nikunj Pachisia	–	4,40,000	–	4,40,000
		(0)	–	(0)
Vaibhav Pachisia	–	–	4,40,000	4,40,000
		–	(0)	(0)
Naresh Pachisia & Sons HUF	10,09,400	–	–	10,09,400



<b>iv) Investment in shares of subsidiary company purchased from</b>				
Naresh Pachisia	–	–	–	–
	–	(6,00,000)	–	(6,00,000)
Rajesh Pachisia	–	–	–	–
	–	(6,00,000)	–	(6,00,000)
<b>v) Investment purchased during the period from</b>				
Naresh Pachisia	–	–	–	–
	–	(2,35,80,000)	–	(2,35,80,000)
Nikunj Pachisia	–	–	–	–
	–	(27,00,000)	–	(27,00,000)
Rajesh Pachisia	–	–	–	–
	–	(3,11,40,000)	–	(3,11,40,000)
Manju Pachisia	–	–	–	–
	–	–	(36,00,000)	(36,00,000)
Naresh Pachisia HUF	–	–	–	–
	(34,20,000)	–	–	(34,20,000)
Rajesh Pachisia HUF	–	–	–	–
	(19,80,000)	–	–	(19,80,000)
Vatsala Pachisia	–	–	–	–
	–	–	(1,80,000)	(1,80,000)
<b>vi) Balance Outstanding</b>				
Accounts payable				
Rajesh Pachisia	–	–	–	–
	–	–	(21,00,000)	(21,00,000)

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

**22.9** Details of Investments made covered under section 186 (4) of the Companies Act, 2013:

The particulars of Investments made are given under “Non - current investments” in Note No. 8

**22.10 Additional Information as per Schedule III of the Companies Act, 2013**

(Amount in ₹)

Name of the entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss (Profit after tax)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
<b>Parent</b>				
1 SKP Securities Limited	95.10%	23,05,75,192	105.27%	1,16,65,656
<b>Subsidiaries</b>				
<b>Indian:</b>				
1 SKP Commodities Ltd.	4.30%	1,04,38,239	0.10%	10,712
2 SKP Insurance Advisors Pvt. Ltd.	0.60%	14,55,021	-5.37%	(5,95,184)
Minority Interests in subsidiaries	0.00%	—	0.00%	—
Total	100%	24,24,68,452	100%	1,10,81,184

Note: Figures are after elimination of related party transactions between entities considered for consolidation.

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

As per our report of even date attached.

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

*Chartered Accountants*

*Firm's Registration Number - 302082E*

**CA. Sunita Kedia**

Partner

(Membership No. 60162)

Place of signature: Kolkata

Date: 28th April, 2016

**For and on behalf of the Board**

**Naresh Pachisia**

Managing Director

(DIN: 00233768)

**Dipak Kadel**

Company Secretary

**Nikunj Pachisia**

Director

(DIN: 06933720)

**Anil Shukla**

Chief Financial Officer

**SKP SECURITIES LTD**  
**CIN NO: L74140WB1990PLC049032**

**Registered Office: Chatterjee International Centre,  
33A, Jawaharlal Nehru Road, Level 21, Kolkata 700 071**  
**Tel.: +91 33 40077000 E-mail:cs@skpmoneywise.com**  
**Website: www.skpmoneywise.com**

**ADMISSION SLIP**

To be handed over at the entrance of the Meeting Hall

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

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

I hereby record my presence at the 26th Annual General Meeting of the members of SKP Securities Limited at MCC Chamber of Commerce & Industry, 15B, Hemant Basu Sarani, Kolkata 700001 on Saturday, 30th July, 2016 at 10:00 am.

Member's / Proxy's signature

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

Note : Please carry the copy of the Annual Report for 2015-16 at the Meeting Hall.

**SKP SECURITIES LTD**

CIN NO: L74140WB1990PLC049032

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

**PROXY FORM**  
**Form No. MGT-11**

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

Name of the member(s): .....

Registered Address: .....

Email ID: ..... Folio No/Client ID/DP ID: .....

I/We, being the holder(s) 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:

<b>Reso No.</b>	<b>Resolution</b>	<b>For</b>	<b>Against</b>
	<b>Ordinary Business</b>		
1.	Adoption of Balance Sheet as at 31st March, 2016, the Profit & Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.		
2.	Re-appointment of Mrs. Manju Pachisia, Director retiring by rotation.		
3.	Ratification of appointment of Statutory Auditors and fixing their remuneration		

Signed this.....day of.....2016



Signature of shareholder

Signature of proxy holder(s)

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

## Payment through Electronic Mode MANDATE FORM

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

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

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

Dear Sirs,

### Payment through NECS

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

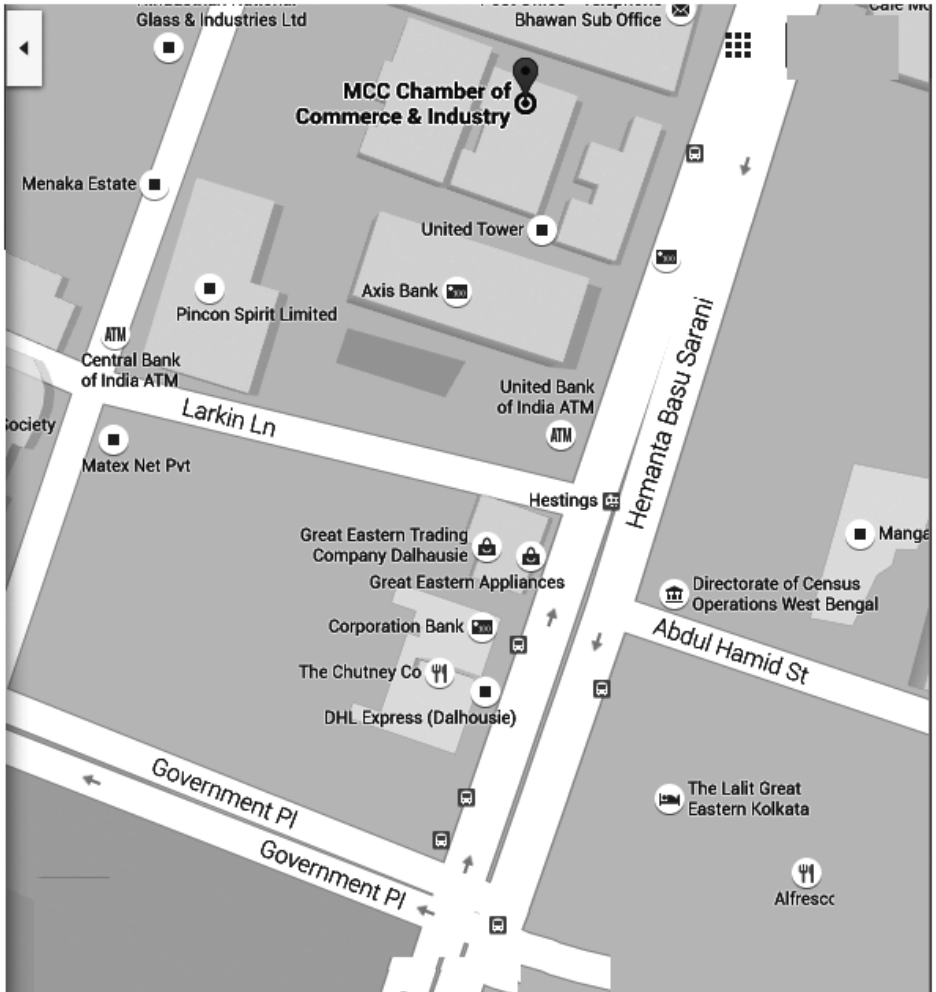
1. Folio No./ Client ID No./ DP ID No. ....  
(Folio No. Given in ordinary (equity) share certificate(s)/DP & Client ID Nos. given by your DP)
2. Shareholder's Name (First / Sole) .....
3. Shareholder's Address.....
4. Telephone No ..... E-mail ID .....
5. Income Tax Permanent Account (PAN) No.....
6.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

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

Date:

Signature of the first/sole shareholder

Route Map to the AGM Venue



## SKP Team Awards 2015



**Mrs. Manju Pachisia, Director, presenting the awards**

## Fun@work@SKP



