



ANNUAL
REPORT
2018-19

❄ **Board of SHCIL Services Limited** ❄



Ramesh N. G. S.
Non-Executive Chairman



G Anantharaman
Independent Director



D. C. Jain
Independent Director



Umesh Punde
Additional Director



Amit Dassi
Additional Director



Sarala Menon
Additional Director



Sanjay Pote
MD & CEO

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BOARD OF DIRECTORS (AS ON JULY 26, 2019)

Ramesh N.G.S.	Non - Executive Chairman
G. Anantharaman	
D. C. Jain	
Umesh Punde	
Amit Dassi	
Sarala Menon	
Sanjay Pote	Managing Director & CEO
Rajneesh Singh	Company Secretary
Neha Sunke	Chief Financial Officer
Statutory Auditors	D. R. Mohnot & Co., Chartered Accountants
Internal Auditors	M/s Shah Gupta & Co., Mumbai
Compliance Auditors	M/s Mehta Sanghvi & Associates., Mumbai
Secretarial Auditors	M/s SVVS & Associates Company Secretaries LLP, Mumbai
Registered Office:	SHCIL House, P-51, T.T.C. Industrial Area, MIDC, Mahape, Navi Mumbai 400 710 CIN NO: U65990MH1995GOI085602 Tel: 91 - 22 6177 8600 Fax: 91-22 6177 8609
Mumbai Office:	12/14, UTI Building, Bank Street, Cross Lane, Near Old Custom House, Fort, Mumbai – 400 023 Tel: 91 – 22 2262 2713 Web: www.shcilservices.com

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the Twenty Fourth Annual Report of your Company along with the Audited Statement of Accounts for the financial year ended March 31, 2019.

Pursuant to the notification dated February 16, 2015 issued by the Ministry of Corporate Affairs, your Company has adopted the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 w.e.f. April 1, 2016.

Financial Performance

During the year ended March 31, 2019, your company earned gross income of ₹ 5098.50 lakhs. The Profit after tax was ₹ 858.90 lakhs registering a growth of 9%. The Total Comprehensive Income for the year was ₹ 858.10 lakhs registering a growth of 10%. The financial results are summarized below:

	(₹ In lacs)	
Particulars	2018-19	2017-18
Total Income	5,098.50	5,498.98
Total Expenditure	3,908.34	4,171.57
Profit/ (Loss) Before Tax	1,190.16	1,327.41
Profit/ (Loss) After Tax	858.90	944.98
Total Comprehensive Income	858.10	949.32
Net Worth	6,603	6,035
Book Value per Equity Share (₹)	108.42	99.10
Earning per share (₹)	14.10	15.52

Dividend

The Board of Directors are pleased to recommend a final dividend of ₹3.50 per equity share (35%) of face value of ₹10/- each for the financial year ended March 31, 2019. The dividend payment is subject to approval of members at the ensuing Annual General Meeting. This dividend shall be subject to dividend distribution tax to be paid by Company.

Transfer to reserves

The Company does not propose to transfer any amount to the general reserve. An amount of ₹ 858.10 lakhs is retained in the Profit & Loss Account.

Economic and capital market developments

The US economy grew by an annualized 3.2% in Jan-March 2019 period on a big boost from inventories and trade that offset slowdown in consumer and business spending, with President Donald Trump touting the report as much stronger than expected. Gross domestic product rose at an annualized rate of 2.6% in Oct-Dec 2018 period. The FOMC raised the fed funds rate a quarter point to 2.5% on December 19, 2018 and haven't changed since then. Oil prices went from four years high to a bear market. The year was marked by several issues starting from high crude oil prices, rupee faltering to new record lows, US-China trade tensions, delay in Brexit breakthrough among others.

The rate of gross domestic product (GDP) growth in India in the Jan-March quarter of 2018-19 slipped to 5.8%, slowing from a 6.6% expansion in Oct - Dec 2018 period mainly due to a slowdown seen in the country's key sectors like agriculture, industry and manufacturing in the past nine months. The Central Statistics Office also revealed that GDP growth during the 2018-19 fiscal stood at 6.8%, lower than 7.2% in the previous financial year.

The lower GDP growth figures are attributed to weaker domestic consumption, slower global growth and tensions between the United States and China. India witnessed a 23-notch jump to a record 77th position in the World Bank's latest report on the ease of doing business that captured the performance of 190 countries.

The central bank has reduced the policy repo rate by another 25bps to 5.75% while the Marginal Standing Facility (MSF) rate are at 6.0%. Consumer price inflation inched to a 6-month high of 2.9% in April 2019, led by a rise in food and fuel amid weak demand conditions and uncertainty on the monsoons.

Union Budget 2019-20 presented by Finance Minister Nirmala Sitharaman comes out to be an ambitious one, aiming to fulfill the dreams of Government to take India's economy to USD 5 trillion by 2024. The budget 2019 offers incentives for startups and MSMEs, re-initiates disinvestment, strengthens NBFCs, eases the tax compliance norms, prioritises empowerment of rural India and women and focuses on infrastructural development including roads, railways, waterways and airways.

In sharp contrast to the election results, Indian markets had a relatively tepid performance, the benchmark NIFTY 50, briefly reacted positively to breach the 12,000 mark for the first time but then eased off steadily. On sectoral basis, the banks, energy and IT sector outperformed followed by FMCG and Pharma. While the laggards were led by media, auto and telecom. Despite several challenges including the NBFCs-triggered liquidity crisis as well as global trade tensions, the Indian equities market emerged as one of the best performers globally in 2018-19.

Operations review

Your Company is in the business of Stock Broking and is a member of BSE-Cash, NSE-Cash, Derivatives & Currency Derivatives and MCX commodities segment. The Stock Broking services are offered to both retail investors and institutional clients. To achieve better growth, your company has forwarded its application for the membership of Indian Commodities Exchange (ICEX).

ICEX is a first commodity exchange of India offering derivative contract in Diamonds. After a successful up gradation of the Online & Mobile Trading Platform, your company has further invested in the overhauling its Back-Office by shifting it to newer advanced software which has additional features to streamline the processes and allow dynamic structuring of the systems. With the improved trading & operation platforms, your Company is actively looking to enhance the business through Alternate Channel Partners in the Retail space and Foreign Portfolio Investors in the Institutional space. Your company has also started sending real time alerts via SMS to the clients whenever they transact on exchange platform. This will improve the service and also reduce the complaints by the clients for unauthorized trades.

Subsidiaries

Your Company does not have any subsidiary.

Details to be reported u/s 134 (3) (ca) of the Companies Act, 2013

Details of fraud by an employee have been provided under the point covering "Explanation and comments by the Board on qualifications, reservation and comments made by the Statutory Auditors".

Directors Responsibility Statement

To the best of their knowledge and belief and according to the

information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013 and confirm that:

- a. in the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any
- b. the directors have 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 your Company as at March 31, 2019 and of the profit of the Company for the year ended on that date;
- c. proper and sufficient care has been taken for the 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 fraud and other irregularities;
- d. the annual accounts have been prepared on a going concern basis;
- e. proper internal financial controls were in place and such financial controls are adequate and operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Internal Financial Controls

The Company had laid down internal financial controls to be followed by the company. Such internal financial controls are adequate and were operating effectively barring instances mentioned in the point "Explanation and comments by the Board on qualifications, reservation and comments made by the Statutory Auditors" wherein Internal Control Systems were breached. Your Company is committed to taking effective steps in improving the Internal Controls.

Directors and Key Managerial Personnel (KMP)

Shri Ramesh N.G.S is the Non-Executive Chairman and Shri Sanjay Pote is MD & CEO of your Company. Your Company has seven Directors which include one Woman Director and two Independent Directors.

The shareholders of the Company at its Annual General Meeting held on September 07, 2018 have appointed Shri D. C. Jain as an Independent Director for a term of five consecutive years. All the Independent Directors have given declarations that they meet the criteria of Independence as laid under Section 149 of the Companies Act, 2013.

The Board, on the recommendations of the Nomination & Remuneration Committee has appointed Shri Umesh Punde, Shri Amit Dassi and Ms. Sarala Menon as Additional Directors of the Company with effect from July 26, 2019 to hold office up to the date of the Annual General Meeting. On July 15, 2019, Mr. Vineet Potnis and Ms. Kalpana Joshi resigned from the Board of the Company. The Board appreciates the valuable contribution made by them during their association with the company.

Shri Sanjay Pote, MD & CEO; Shri Rajneesh Singh, Company Secretary and Ms. Neha Sunke, CFO are the Key Managerial Personnel of the Company. Ms. Neha Sunke was appointed as CFO w.e.f. April 23, 2019.

Number of Meetings of the Board

Regular meetings of the Board and its committees are held to discuss and decide on various business policies, strategies, etc.

During the year, five Board Meetings were convened and held. The intervening gaps between the meetings were within the period prescribed under the Companies Act, 2013. The details of meetings of the Board and various Committees of the Board are given in the Corporate Governance Report.

Annual Evaluation of Performance of the Board

The Board of Directors are the cornerstone of the corporate governance framework of the Company. An effective Board ensures that the long term strategic objectives of the Organization are being achieved and are in line with the interests of multiple stake holders.

In line with the above philosophy and pursuant to Section 149 read with Schedule IV of the Companies Act, 2013, the Company has put in place a mechanism to facilitate evaluation of performance of Board as a whole, which includes evaluation of the performance of each of the Directors, including Independent Directors, Chairperson, and Board as a whole.

The responses were sought from Directors through questionnaires on various aspects of the Board's functioning in close alignment with the stated objectives of the Company. On the basis of response received from the Directors, the Board carried out an annual performance evaluation of its own performance, Directors individually as well as the evaluation of the working of the regular committees of Board. The Nomination & Remuneration Committee undertook an evaluation of each Director's performance.

The Independent Directors met separately without the attendance of non-independent directors and members of management, where they discussed and reviewed the performance of non-independent directors, and Board as a whole; and also performance of the Chairperson. They further assessed the quality, quantity and timelines of flow of information between the Company's management and the Board. Overall, the Independent Directors expressed their satisfaction on the performance and effectiveness of the Board as well as Chairman of the Board.

The Nomination & Remuneration Committee undertook an evaluation of each Director's performance. There has been no material adverse observation or conclusion consequent to such evaluation and review

Nomination and Remuneration Policy

In terms of the requirements under the Companies Act, 2013, the Company has put in place a Policy on remuneration of Directors, Key Managerial Personnel and other employees.

The said Policy is guided by the set of principles and objectives as particularly envisaged under Section 178 of the Companies Act, 2013. The Policy outlines attributes and criteria to be taken into account while appointing a Director, which includes academic and professional qualifications, experience, skill sets, etc. Appointment of Directors are considered and recommended by the Nomination & Remuneration Committee in the first instance, and thereafter approved by the Board and Shareholders, as necessary or required.

The Remuneration of Non-Executive Directors comprises sitting fees for attending the meetings of Board/ Committees of the Board. None of the Directors were entitled to Stock Options.

The MD & CEO is entitled to fixed pay as well as variable pay linked to performance. The payment of remuneration to the Managing Director is subject to approval by Nomination & Remuneration Committee, Board and Shareholders.

The NRC Policy of the Company is placed on the website of your Company at www.shcilservices.com

Audit Committee

The details of the Composition and meetings of Audit Committee are included in the Corporate Governance report which forms part of this report.

Auditors

Being subsidiary of Government Company, your Company is also a Government Company. The Office of Comptroller and Auditor General of India (CAG) vide its letter dated July 19, 2018 had appointed M/s. D R Mohnot & Co, Chartered Accountants as Statutory Auditors of your Company under Section 139 of the Companies Act, 2013 for the financial year 2018-19.

Your Company has an elaborate internal audit system. Internal Audit of the functions and activities of the Company is carried out by a reputed firm of Chartered Accountants.

Statutory Auditors Report

The Auditors has qualified the audit report for the year 2018-19, details of which is provided in the next paragraph.

Qualification, reservations or comments made by Statutory Auditors in his report.

The Statutory Auditors in their Statutory Audit Report for F.Y. 2018-19 had mentioned that the Company's Trade Receivables includes amount of ₹ 3,50,43,261/- for which details are not available with Company and auditors are not able to comment on the financial impact on the carrying value of trade receivables and consequential impact, if any on the profit and loss account for the year ended March 31, 2019. Accordingly, the Auditors had issued a qualified opinion report for financial year 2018-19. Further, Auditors have inter-alia mentioned following in their Audit report:

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2019

- a. The company did not have an appropriate internal control system regarding Bank reconciliation of Client Bank Account and some accounting entries have been passed in control account grouped in trade receivable by crediting Bank account without any supporting /justifications, hence there are unidentified trade receivables as at 31st March 2019.

A 'material weakness' is a deficiency or a combination of deficiencies, in internal financial control over financial reporting, such as there is a reasonable possibility that a material misstatement of the company's annual or interim financial statement will not be prevented or detected on a timely basis.

In our opinion, except for the effect of material weakness described above, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st 2019, based on the internal control over financial reporting criteria established by the Company considering the essentials components of internal control stated in the Guidance Note of Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Explanation and Comments by the Board on qualification, reservations or comments made by Statutory Auditors.

Your Company carried out detailed checking and initially few double credits to the clients were noticed. There were large numbers of entries, your Company needed to reconcile not only the current year but also the previous year's entries and bank reconciliations. In view of the same, the services of reputed professional/consultant providing reconciliation services were availed and the assignment for the reconciliation was given to M/s PKF Proserve Pvt. Limited,

Chartered Accountants

The Company undertook a thorough checking and found certain suspicious entries in the bank account maintained for pay-in & pay-out of funds to exchange. The said account and trade finance activity was mainly handled by one of the employee who on enquiry had confessed having misappropriated the funds of the company by passing the fictitious entries in books of account.

Accordingly, a fact finding committee was constituted. Based on the fact finding committee report, the errant employee was suspended and Police Complaint/FIR was filed. The suspected fraud was also communicated to the Statutory Auditors. The matter is under investigations by Police Authorities. Further, the internal departmental inquiry has also been initiated by your company

The ACB and Board of SHCIL Services Limited (SSL) at its meeting held on June 10, 2019 had considered and discussed the suspected false/forged transaction by errant suspended employee and noted the corrective actions viz, Lodgement of FIR with Police Authorities, intimation of claim with your Company's insurer, further strengthening of maker checker system, mandatory capturing IFSC codes for clients, request to bank for lien marking on the amounts lying in the accounts where the funds were transferred fraudulently.

Taking a serious note, the ACB/Board had a threadbare, detailed and in-depth deliberation on the areas of vulnerabilities at length and suggested inter-alia the following corrective measures to be undertaken by your Company.

- Appropriate remedial measures to be taken, including daily bank reconciliation, UCC specific transfers and payouts. Verification of bank balances/cash flows periodically.
- To implement the auto payout process with the help of Bank.
- A forensic audit to be conducted by reputed Audit firm preferably empanelled with SEBI for conducting the forensic audit.
- Concurrent Internal Audit to be conducted and the risk management role to be undertaken by full time Chief Risk Officer.
- Job rotation/change in role of employees be carried and also a review of others handling Trade Finance portfolio.
- To review the bank operating powers for all the bank accounts.
- Broad level vacancies be identified and appropriate manpower with relevant experience may be recruited.
- To review the structure of SHCIL Services Limited and suggest changes, if any, in such an exercise.

Your company is taking all the measures to plug the loopholes and the areas of vulnerabilities and to drastically improve the Internal Controls.

Comptroller and Auditor General of India (C&AG) Audit

The Comptroller and Auditor General of India (C&AG), vide letter dated August 9, 2019, informed that C & AG have decided not to conduct the supplementary audit of the financial statements of your Company for the year ended March 31, 2019 and as such have no comments to make under Section 143(6)(a) of the Companies Act, 2013. Copy of the same is placed next to the Statutory Auditors' Report forming part of the financial statements.

Particulars of Loans, Guarantee and Investments

Your Company has not given any loans, guarantees and investments within the purview of Section 186 of the Companies Act, 2013.

Related Party Transactions

All the Related Party Transactions (RPTs) that were entered into during the financial year were on arms' length basis and were in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 as well as the Policy on Related Party Transaction adopted by the Company. As prescribed under section 177(3) of the Companies Act, 2013, RPTs are placed before the Audit Committee. None of the transactions with related parties falls under the scope of section 188(1) of the Act.

All the RPTs have been approved by the Audit Committee of the Board on the strength of management representation that they are in the ordinary course of business at arm's length price.

The Form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies Act, (Accounts) Rules, 2014 is annexed as Annexure A to this Report.

Significant and Material Orders Passed by the Regulators or Courts or Tribunal:

There are no material orders passed by the regulators or courts or tribunals impacting the going concern status and the company's operations in future.

Risk Management

The Company recognizes that risk is an integral part of business and is committed to managing the risk in a proactive and efficient manner. The Company periodically assesses risk in the internal and external environment. The Risk Management Committee inter-alia reviews various risks your Company is exposed to and considers the mitigants suggested by the business heads/departmental heads. The details of Risk Management Committee are included in Corporate Governance Report which forms part of this report.

Committee on Prevention of Sexual Harassment

Your Company has constituted an Anti-Sexual Harassment Committee as required under "Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013." The Committee includes an external Independent Member viz., Ms. Sneha Khandekar. The Company has not received any complaint of sexual harassment during the financial year 2018-19.

Code of Conduct to regulate, monitor and report trading

The Securities and Exchange Board of India [Prohibition of Insider Trading Regulations, 2015] (Regulations) inter alia provides that market intermediary registered with SEBI is mandatorily required to formulate a code of conduct to regulate, monitor and report trading by its employees. Your Company being a SEBI registered intermediary has formulated a code of conduct to regulate monitor and report trading by its employees / Directors.

Extract of Annual Return

Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9 is annexed at **Annexure B**.

Corporate Governance

Your Company is not a listed entity. Nevertheless, it endeavors to comply with Corporate Governance norms. A report thereof is

annexed at **Annexure C**.

Corporate Social Responsibility

The brief outline of the Corporate Social Responsibility (CSR) policy of our Company and the initiatives undertaken on CSR during the year are set out in the **Annexure D** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR policy is also available on the website of the Company at **www.shcilservices.com**

Particulars of Employees

None of the employees of your Company were in receipt of remuneration in excess of the limits as laid down under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Fixed Deposits

The Company has not accepted any fixed deposits from the public during the financial year 2018-19. Hence, no information is required to be appended to this report.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Conservation of energy & technology absorption

Your Company does not carry any manufacturing activities. However, it has taken steps towards conservation of energy and continues to use latest technologies for improving the productivity and quality of its services. The company uses energy efficient LED lights equipped with latest technology having features of lower power usage and improved performance. The Company is using energy efficient VRF/VRV system of air conditioning.

Foreign exchange earnings and outgo

Foreign exchange earnings and outgo during the year under review:

Foreign Exchange earnings - Nil

Foreign Exchange outgo - Nil

Acknowledgements

The Board places on record its deep appreciation for the excellent support and patronage of Government of India, the Governments of various States & the concerned Government departments / agencies, Securities and Exchange Board of India (SEBI). The Board also expresses its sincere thanks to National Stock Exchange of India Limited (NSEIL), Bombay Stock Exchange Limited (BSE), Metropolitan Stock Exchange of India Limited (MSEI), Multi Commodity Exchange of India Limited (MCX) National Securities Depository Limited (NSDL), Central Depository Services Limited (CDSL), Clearing Corporation of India Limited (CCIL), Association of Mutual Funds, Banks, Clients and the Shareholders for their cooperation and support in various spheres of your Company's activities. The Board of Directors also expresses its gratitude for the exemplary services rendered by the employees of your Company.

For and on behalf of the Board of Directors

Ramesh N.G.S.

Non Executive Chairman

Place : Mumbai

Date : July 26, 2019

FORM AOC -2

(Pursuant to clause (h) of sub-section (3) of Section 134 (3) (h) of the Act, and 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 arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: None

(a) Name(s) of the related party and nature of relationship	Not Applicable
(b) Nature of contracts/arrangements/transactions	Not Applicable
(c) Duration of the contracts / arrangements/transactions	Not Applicable
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Not Applicable
(e) Justification for entering into such contracts or arrangements or transactions	Not Applicable
(f) Date(s) of approval by the Board	Not Applicable
(g) Amount paid as advances, if any:	Not Applicable
(h) Date on which the special resolution was passed	Not Applicable
(i) Amount paid as advances, if any	Not Applicable
(j) Date on which special resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act,2013	Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis: None

(a) Names(s) of the related party and nature of relationship	Not Applicable
(b) Nature of contracts/arrangements/transactions	Not Applicable
(c) Duration of the contracts/arrangements/transactions	Not Applicable
(d) Salient terms of the contracts or arrangements of transactions including the value, if any	Not Applicable
(e) Date(s) of approval by the Board, if any	Not Applicable
(f) Amount paid as advances, if any	Not Applicable

For and on behalf of the Board of Directors

Place: Mumbai
Date: July 26, 2019

Ramesh N.G.S
Non-Executive Chairman

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2019

[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:-U65990MH1995GOI085602
- ii) Registration Date: February 14, 1995
- iii) Name of the Company: SHCIL Services Limited
- iv) Category / Sub-Category of the Company: Government Company
- v) Address of the Registered office and contact details: SHCIL House, Plot No.P-51, TTC Industrial Area, MIDC, Mahape, Navi Mumbai-400710
- vi) Whether listed company Yes / No: No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:
 Link Intime India Pvt. Ltd.
 C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai – 400083
 Tel. No. +91 22 49186000

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	Share Broking	9971520	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Stock Holding Corporation of India Limited	U67190MH1986GOI040506	Holding	100	Section 2(46) read with the Section 2(87)
2.	IFCI Limited	L74899DL1993GOI053677	Ultimate Holding Company	----	Section 2(46) read with the Section 2(87)

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% of Total Shares	
A. Promoters										
(1) Indian										
a) Individual/HUF										
b) Central Govt										
c) State Govt (s)										
d) Bodies Corp.	--	6,089,703*	6,089,703*	100	--	6,089,703*	6,089,703*	100		Nil
e) Banks / FI										
f) Any Other....										
Sub-total (A) (1):-										
(2) Foreign										
a) NRIs-Individuals										
b) Other-Individuals										
c) Bodies Corp.										
d) Banks / FI										
e) Any Other....										
Sub-total (A) (2):-										
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	--	6,089,703	6,089,703	100	--	6,089,703	6,089,703	100		Nil
B. Public Shareholding										
1. Institutions	--	--	--	--	--	--	--	--	--	--
a) Mutual Funds										
b) Banks / FI										
c) Central Govt										
d) State Govt(s)										
e) Venture Capital Funds										
f) Insurance Companies										
g) FIIs										
h) Foreign Venture Capital Funds										
i) Others (specify)										
Sub-total (B)(1):-										
2. Non-Institutions	--	--	--	--	--	--	--	--	--	--
a) Bodies Corp.										
i) Indian										
ii) Overseas										
b) Individuals										
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh										
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh										
c) Others (specify)										
Sub-total (B)(2):-										
Total Public Shareholding (B)=(B)(1)+(B)(2)	--	--	--	--	--	--	--	--	--	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)		6,089,703	6,089,703	100	--	6,089,703	6,089,703	100		

* of the above 7 equity shares are held by seven nominees (one share each) of Stock Holding Corporation of India Limited

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1	Stock Holding Corporation of India Limited (Equity Shares)	--	6,089,703	6,089,703	100	--	6,089,703	6,089,703	100	Nil

(iii) Change in Promoters' Shareholding (There is no change in Promoters' Shareholding)

S. No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year			
	No change during the year			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			
	No change during the year			
	At the End of the Year			
	No change during the year			

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): (All the shares of the Company are held by its Holding Company Stock Holding)

S. No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the top 10 Shareholders			
	At the beginning of the year			

	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			

	At the End of the Year			

(v) Shareholding of Directors and Key Managerial Personnel

S. No.	For Each of Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Shareholding at the end of 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
	Directors						
1	Shri Ramesh N.G.S.	--	--	--	--	--	--
2	Shri G. Anantharaman	--	--	--	--	--	--
3	Shri D.C. Jain	--	--	--	--	--	--
4	Shri Vineet Potnis (Nominee of SHCIL)	1	--	1	--	1	--
5	Ms. Kalpana Joshi	---	--	--	--	--	--
6	Shri Sanjay Pote	--	--	--	--	--	--
	KMPs						
1	Shri Sanjay Pote-MD & CEO	--	--	--	--	--	--
2	Shri Rajneesh Singh-Company Secretary	--	--	--	--	--	---

V. INDEBTEDNESS-NIL

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹)

Sr. No	Particulars of Remuneration	Name of the Managing Director	
		Shri Sanjay Pote	
1	Gross Salary (excluding Commission)		
	(a) Salary as per provisions contained in Section 17 (1) of the Income tax Act, 1961		24,65,927/-
	(b) Value of perquisites u/s 17 (2) Income tax Act, 1961		72,612/-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		0
2	Stock Option		0
3	Sweat Equity		0
4	Commission - as% of profit		0
5	Others –Employer contribution to provident and other funds		1,02,266/-
	Total		26,40,805/-
	Ceiling as per the Act*		65,82,566/-

*Remuneration paid to the Managing Director is within the ceiling provided under Section 196 of the Companies Act, 2013

B. Remuneration to other directors:

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
	Independent Directors	Shri G. Anantharaman	D.C.Jain	
	• Fee for attending board / committee meetings	₹ 6,90,000/-	₹ 5,70,000/-	₹ 12,60,000/-
	• Commission	--	--	--
	• Others, please specify	--	--	--
	Total (1)	₹ 6,90,000/-	₹ 5,70,000/-	₹ 12,60,000/-
	Other Non-Executive Directors	Shri Ramesh N.G.S. **	Shri Vineet Potnis **	Ms. Kalpana Joshi **
	• Fee for attending board / committee meetings	₹ 2,50,000/-	₹ 4,30,000/-	₹ 5,30,000/-
	• Commission	--	--	--
	• Others, please specify	--	--	--
	Total (2)	₹ 2,50,000/-	₹ 4,30,000/-	₹ 5,30,000/-
				₹ 12,10,000/-

** Fees for attending the meetings paid to Stock Holding Corporation of India Limited.

C. Remuneration to Key Managerial personnel other than MD/Manager/WTD

(Amount in ₹)

Sr. No	Particulars of Remuneration	Key Managerial Personnel		Total
		CEO *	Company Secretary	
		Shri Sanjay Pote	Shri Rajneesh Singh	
1	Gross Salary (excluding Commission)			
	(a) Salary as per provisions contained in Section 17(1) of the Income tax Act,1961		25,34,625/-	25,34,625/-
	(b) Value of perquisites u/s 17 (2) Income tax Act,1961		56,306/-	56,306/-
	(c) Profits in lieu of salary under section 173(3) Income-tax Act,1961			
2	Stock Option			
3	Sweat Equity			
4	Commission - as% of profit			
5	Others –Employer contribution to provident and other funds		1,04,616/-	1,04,616/-
	Total		26,95,547/-	26,95,547/-

*Shri. Sanjay Pote is a Managing Director and CEO of the Company. Hence, details of his remuneration are mentioned in the Table A above under the heading Remuneration to Managing Director, Whole-time Directors and/or Manager

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There are no penalties, punishment or compounding of offences during the year ended March 31, 2019.

REPORT ON CORPORATE GOVERNANCE

(forming part of Directors' Report for financial year ended March 31, 2019)

The Company's philosophy on code of Governance

The Company is not a listed entity. Nevertheless, it endeavors to comply with Corporate Governance norms as specified under SEBI Listing and Disclosure Regulation 2015. The Company's philosophy on corporate governance recognizes the accountability of the Board & Officers and the importance of decisions to all constituents, including customers, employees, investors, business associates, regulatory authorities and the Community at large. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value over a period of time.

Board of Directors

The Board consists of 7 members, of which 2 are independent directors. The day-to-day management of the company vests in the hands of the MD & CEO.

The details of Directorships held by the Directors as on July 26, 2019 in other companies are as follows:

Shri Ramesh N.G.S.

Sr. No	Name of company/Institution	Nature of interest
1	Stock Holding Corporation of India Limited	Managing Director & CEO
2	Stockholding Document Management Services Limited (Formally SHCIL Projects Limited)	Non Executive Chairman
3	Wonder Home Finance Limited	Director
4.	StockHolding Securities IFSC Limited	Director

Shri G Anantharaman

Sr. No	Name of company/Institution	Nature of interest
1	Shriram General Insurance Company Limited	Independent Director
2	Central Insurance Repository Limited	Independent Director
3	Invesco Trustee Private Limited	Additional Director

Shri Sanjay Pote

Sr. No	Name of company/Institution	Nature of interest
--	--	--

Shri Umesh Punde

Sr. No	Name of company/Institution	Nature of interest
--	--	--

Shri Amit Dassi

Sr. No	Name of company/Institution	Nature of interest
--	--	--

Smt. Sarala Menon

Sr. No	Name of company/Institution	Nature of interest
--	--	--

Shri D. C. Jain

Sr. No	Name of company/Institution	Nature of interest
1	Suguna Fincorp Pvt. Ltd.	Director
2	Wonder Home Finance Limited	Director
3	IIFL Asset Reconstruction Limited	Chief Executive Officer
4	IRM Limited	Director

Details of the Board Meeting and Attendance

The Board of Directors meet at least once in every three months. Six meetings were held during the financial year 2018-19. Details of Board Meetings held are as follows:

Sr. No.	Date of the Board Meeting	Total number of Directors on the date of the meeting	No. of Directors attended	% of Attendance
1	April 24, 2018	6	6	100%
2	July 24, 2018	6	6	100%
3	October 26, 2018	6	5	83%
4	January 29, 2019	6	5	83%
5	March 14, 2019	6	6	100%

Attendance of Directors at Board Meetings and Annual General Meeting during the financial year 2018-19:

Sr. No.	Name of the Director	April 24, 2018	July 24, 2018	October 26, 2018	January 29, 2019	March 14, 2019	Attendance at the AGM held on September 7, 2018
1	Shri Ramesh N.G.S	√	√	√	√	√	√
2	Shri Sanjay Pote	√	√	√	√	√	√
3	Shri Vineet Potnis	√	√	LoA	LoA	√	√
4	Shri D. C. Jain	√	√	√	√	√	√
5	Shri G. Anantharaman	√	√	√	√	√	√
6	Smt. Kalpana Joshi	√	√	√	√	√	√

LoA = Leave of absence. √ = attended

Details of Audit Committee and Attendance

The accounts of your Company are audited every quarter and the audited quarterly and annual financial statements are placed before the Audit Committee for their consideration, review and recommendations before submission to the Board for approval.

The terms of reference of the Audit Committee of the Board inter alia includes the terms referred to under Section 177 (4) of the Companies Act, 2013.

As on March 31, 2019, the Audit Committee comprised of three members viz., Shri G. Anantharaman (Chairman), Shri D. C. Jain, Independent Director and Shri Vineet Potnis, Director. The details of attendance of the Directors at the Audit Committee meetings during the FY 2018-19 are as follows:

Sr. No.	Name of the Director	Category	Attendance at the Audit Committee Meeting				
			24-Apr-18	24-July-18	26-Oct-18	29-Jan-19	15-Mar-19
1	Shri G Anantharaman	Independent	√	√	√	√	√
2	Shri D. C. Jain	Independent	√	√	√	√	√
3	Shri Vineet Potnis	Director	√	√	LoA	LoA	√

LoA = Leave of absence; √ = attended.

Details of Risk Committee

The Risk Management Committee inter-alia review various risks your Company is exposed to/ risk associated with any new activities and considers the mitigants suggested by the business heads/ departmental heads. As on March 31, 2019, the Risk Committee comprised of Shri G Anantharaman, Shri Vineet Potnis and Ms. Kalpana Joshi. The details of attendance of the Directors at the Risk Management Committee meetings during the FY 2018-19 are as follows:

Sr. No.	Name of the Director	Category	Attendance at the Risk Management Committee Meeting			
			24-April-18	24 July-18	26 Oct-18	29 Jan-19
1	Shri G Anantharaman	Independent	√	√	√	√
2	Shri Vineet Potnis	Director	√	√	LoA	LoA
3	Smt. Kalpana Joshi	Director	√	√	√	√

Details of Nomination Remuneration Committee (NRC) and Attendance

Your Company has constituted a Nomination and Remuneration Committee (NRC). As required under Section 178 (3) of the Companies Act, 2013, the NRC has inter alia formulated the criteria for determining qualifications, positive attributes and independence of Directors, recommend the appointment of persons who may be appointed as Directors, Key Managerial and Senior Management position (one level below the MD & CEO / WTD) in accordance with the criteria laid down in this policy, recommend to the Board the remuneration payable to KMP, Senior Management Personnel and other employees and recommend to the Board remuneration, if any, payable to the Directors, etc.

As on March 31, 2019, the Committee comprised of four directors viz., Shri G. Anantharaman (Chairman), Shri D. C. Jain, Shri. Vineet Potnis and Smt. Kalpana Joshi as members. The details of attendance of the Directors at the Nomination and Remuneration Committee meetings during the FY 2018-19 are as follows:

Sr. No.	Name of the Director	Category	Attendance at the Nomination & Remuneration Committee Meeting	
			24-Apr-18	14-Mar-19
1	Shri G Anantharaman	Independent	√	√
2	Shri D. C. Jain	Independent	√	√
3	Shri Vineet Potnis	Director	√	√
4	Smt. Kalpana Joshi	Director	√	√

LoA = Leave of absence; √ = attended.

Details of Corporate Social Responsibility (CSR) Committee and Attendance

The CSR policy of your Company has been prepared pursuant to Section 135 of the Act, CSR Rules, any circulars / notifications issued by the MCA. The role of CSR Committee includes :

- Formulating and recommending to the Board of Directors the CSR policy and indicating activities to be undertaken.
- Recommending the amount of expenditure for the CSR activities.
- Monitoring CSR activities from time to time.

The CSR Committee comprises of Shri Vineet Potnis (Chairman), Smt. Kalpana Joshi (Director) and Shri D. C. Jain (Independent Director) as members.

The CSR Committee met once during the year. The detail of attendance of the Directors at the CSR Committee meeting is as under:

Sr. No.	Name of the Director	Category	Attendance
			24 July -18
1	Shri Vineet Potnis	Director	√
2	Shri D. C. Jain	Independent	√
3	Ms. Kalpana Joshi	Director	√

√ = attended.

General Meetings

Annual General Meeting (AGM) and Extraordinary General Meeting (EGM) of the Company were held at Navi Mumbai and the details for the past three years are as under:

General Meeting	21st AGM	22nd AGM	23rd AGM
Year	2015-16	2016-17	2017-18
Venue	SHCIL House, P-51,T.T.C Industrial Area, MIDC Mahape, Navi Mumbai- 400710	SHCIL House, P-51,T.T.C Industrial Area, MIDC Mahape, Navi Mumbai- 400710	The Regenza by Tunga Plot No. 37, Sector-30A, Vashi, Navi Mumbai, Maharashtra - 400703
Date of Meeting	September 16, 2016	September 8, 2017	September 7, 2018

The special resolutions passed during the last three years, were as under:

Meeting no.	Resolution No.	Particulars of Resolution
21 st AGM	-	-
22 nd AGM	-	-
23 rd AGM	-	-

Disclosures

There were no transactions of your Company of material nature with its Directors, KMP or their relatives etc. that may have potential conflict with the interest of your Company at large.

Shareholder Information**a) Annual General Meeting**

September 9, 2019 at 3.30 p.m. at Stock Holding Corporation of India Limited, 301, Centre Point, Dr. Babasaheb Ambedkar Road, Parel, Mumbai - 400012

b) Date of Book closure/record date

September 9, 2019

c) Dividend payment date

Dividend after September 9, 2019 but within the statutory time limit.

d) Listing on Stock Exchange

The Company's shares are not listed in any stock exchange.

e) Distribution of shareholdings as on March 31, 2019

The Company is wholly owned subsidiary of Stock Holding Corporation of India Limited (StockHolding).

f) Address of correspondence

The Company Secretary
SHCIL Services Limited
P-51, T.T.C, Industrial Area
MIDC, Mahape,
Navi Mumbai 400 710

Annexure D**Annual Report on CSR activities****1. A brief outline of your Company's CSR policy including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**

Your Company strongly believes that Business & Corporate Social Responsibility (CSR) go hand-in-hand.

The Board of your Company after taking into account the recommendations of the Corporate Social Responsibility (CSR) Committee of the Board has approved the CSR policy. The CSR policy is also displayed on the website <http://www.shcilservices.com/>.

The CSR activities of your Company are towards the under mentioned areas.

- Eradicating hunger, poverty and malnutrition, promoting preventive health care, sanitation, etc.;
- Promoting education, including special education and employment enhancing vocation skills, etc.;
- Ensuring environmental sustainability, ecological balance including contribution to the clean Ganga fund set up by the Central Govt. for rejuvenation of river Ganga, etc.;
- Any other area under Schedule VII of Section 135 of the Companies Act, 2013.

All the CSR activities of your Company are predominantly being undertaken through its Holding Company StockHolding and SHCIL Foundation Trust, a public charitable trust registered under Section 12 (A) of the Income Tax Act, 1961. The Trust carries out certain activities directly and also indirectly by way of donations to credible NGOs which are eligible to issue certificate under Section 80G of the Income Tax Act, 1961.

2. Composition of the CSR Committee

Your Company has a CSR Committee of Directors comprising of the following members.

- Shri Vineet Potnis, Director, Chairman
- Shri D. C. Jain, Independent Director
- Smt Kalpana Joshi, Director

3. Average net profit of the Company for last three financial years for the purpose of computation of CSR

1048 Lakhs

4. Prescribed CSR expenditure (two percent of the amount as in item 3 above).

The Company is required to spend ₹21 lakh.

5. Details of CSR spend for the financial year :

- Total amount spent for the financial year: ₹21 lakh.
- Amount unspent, if any : Nil

c. Manner in which the amount spent during the financial year is detailed below :

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs Local area or other Specify the State and district where project or programs was undertaken	Amount outlay (budget) project or program-wise (in `)	Amount spent on the projects or programs Sub-heads 1.Direct expenditure on projects or programs 2.Overheads (In `)	Cumulative expenditure upto the reporting period (in `)	Amount spent ; direct or through implementing agency
1	Swadhar The project was for education including the residential expenses of the under privileged children of commercial sex workers.	Promoting Education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently able and livelihood enhancement projects.	Pune, Maharashtra	15,00,000/-	15,00,000/-	15,00,000/-	Through SHCIL Foundation, a Public Charitable Trust registered under Section 12 (A) of Income Tax Act, 1961 with the Holding Company, StockHolding as the settlor.
2	Yuva Foundation The project is for women empowerment through life skill development in tribal areas of Ramgarh District Rachi, Jharkhand. Through this project SSL contributes to the education and overall development of tribal children of the nearby area.	Promoting Education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently able and livelihood enhancement projects.	Ranchi, Jharkhand	6,00,000/-	6,00,000/-	21,00,000/-	Through SHCIL Foundation, a Public Charitable Trust registered under Section 12 (A) of Income Tax Act, 1961 with the Holding Company, StockHolding as the settlor.

*Shri Vineet Potnis, Chairman CSR Committee resigned on July 15, 2019.

Place: Mumbai
Date: July 26, 2019

Sanjay Pote
MD & CEO

D. C. Jain
Independent Director

INDEPENDENT AUDITORS REPORT

To,
The Members of SHCIL Services Limited, Mumbai

Report on the Audit of Stand alone Financial Statements

Qualified Opinion

We have audited the Financial statements of SHCIL Services Limited (“the company”), which comprise the Balance sheet as at 31st March, 2019, the Statements of Profit and Loss, (including other comprehensive Income) for the year then ended on that date, the statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein referred to as “the financial statements”)

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards (“the IND-AS”), of the state of affairs of the company as at 31st March, 2019, its profit, its cash flows and changes in equity for the year then ended on that date.

Basis for Qualified Opinion

The Company’s Trade Receivables includes amount of ₹ 3,50,43,261/- for which no details are available with Company. In view of this, we are unable to comment on the financial impact of this matter, on the carrying value of Trade Receivables and consequential impact, if any, on the Profit and Loss Account for the year ended on 31st March, 2019.

We conducted our audit in accordance with the Standards on Auditing (SA) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis of Qualified Opinion section we have determined the matters describe below to be the key audit matters to be communicated in our report.

KEY AUDIT MATTER	RESPONSE TO KEY AUDIT MATTER
<p>Accuracy and Completeness of Revenue in respect of Brokerage Income</p> <p>Brokerage income is received from numerous clients through Contract Notes (Billing). Accounting software based on master data of each client and transactions of respective client on exchange accounts for Brokerage Income on daily basis.</p>	<p>Principal Audit Procedures:</p> <p>Our Audit Approach was a combination of test of internal control and substantive procedures which are as follows:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating exchange files being uploaded in accounting Software. • Selected sample of exchange files and verified the same with accounting record. • Selected sample clients and verified percentage of brokerage in System with brokerage slab as per KYC. <p>Verified Contract Notes on sample basis for evaluating calculation of brokerage.</p> <p>Conclusion</p> <p>Our Procedure did not identify any material exceptions.</p>

Other Matter

The Comparative Financial Information of the Company for the Year ended 31st March, 2018 included in these Financial Statements were Audited by another Auditor, who expressed an unmodified Opinion on these Financial Statements on 24th April 2018 respectively.

Responsibilities of the management and those charged with governance for the financial statements

The company’s Broad of Directors is responsible for matters as stated in section 134(5) of the companies act, 2013 (“the act”) with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other Comprehensive Income, Cash flows and Changes in Equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standard (IND-AS) as specified under section 133 of the Companies Act, 2013 (“the act”).

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

In preparing the Financial Statements, management is responsible for assessing the ability of the Company to continue as Going Concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, as has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our Objective are to obtain reasonable assurance about whether the Financial Statements as a whole are free from Material Misstatements, whether due to fraud or error; and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material Misstatements when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud and error; design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal controls.
- Obtain and understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the company has in place and adequate internal financial control systems over financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management use of going concern basis of accounting and based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditors report. However, future events or condition may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters the planned scope and timing of the audit and significant audit findings, including

any significant deficiencies in internal control that we identify during our audit.

- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sort and obtained all the information and explanations to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the statement of Profit and Loss, the Cash Flow Statement and the statement of changes in Equity dealt by this Report are in agreement with the books of accounts;
 - d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under sections 133 of the act, read with the relevant rules and the Rule 7 of the companies (Audit and Auditors) Rules, 2014;
 - e) In terms of directions u/s 143 (5) of the Act, issued by Comptroller and Auditor General of India and based on information as available with us we state;
 - i) According to information and explanations given to us, the company has a system in place to process all the accounting transactions through IT system and all accounting transactions are processed in IT systems only.
 - ii) According to information and explanations given to us by the company has not taken any loan from lenders, hence there are no instances waiver/write off of debts/loans/interests etc by the lender.
 - iii) According to information and explanations given to us by the company they have not received any specific funds for specific schemes from central/ state agencies.
 - f) On the basis of written representations received from the directors as on 31st March 2019 taken on record by the board of directors, none of the directors is disqualified as on 31st March 2019 form being appointed as a director in terms of section 164(2) of the Act.

- g) 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”. Our report expresses unmodified opinion on the adequacy and the operating effectiveness of the company’s internal financial controls over financial reporting.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The company has disclosed the impact of pending Litigations on its financial position in Note 22 to the financial statements;
- ii) The company does not have any long term contracts including derivative contracts and also

as per the Board’s estimates, there are no material foreseeable losses, requiring provision under the applicable law or Indian Accounting Standards;

- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For D. R. Mohnot & Co
Chartered Accountants
FRN – 001388C

D. R. Mohnot
(Partner)
M. No. 070579

Place: Mumbai
Date: 25th April 2019

ANNEXURE A TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of SHCIL Services Limited ('the Company') for the year Ended on 31st March 2019. We report that:

- (i) (a) the company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) the fixed assets have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification.
- (c) there are no immovable properties in the name of the company and therefore sub clause 3 (i)(c) does not apply.
- (ii) In respect of Inventories, the company' nature of operations does not require it to hold inventories. Consequently clause 3(ii) of the Order is not applicable.
- (iii) According to information and explanations given to us the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly sub clauses (a) (b) and (c) of clause 3(iii) of the order are not applicable.
- (iv) According to the information and explanations given to us, company has not given any loans, investments, guarantees and security accordingly provisions of section 185 and 186 of the Act are not applicable
- (v) The company has not accepted any deposits as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Accordingly, clause 3 (v) of the order is not applicable.
- (vi) The company is not a manufacturing concern, therefore it does not require to maintain cost records under clause 3(vi) of the order under sub section (1) of section 148 of the companies Act, 2013.
- (vii) (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing applicable undisputed statutory dues, including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, Goods and service tax, cess and any other statutory dues to the appropriate authorities during the year and no such dues are outstanding for more than six months from the date they become payable.
- (b) According to the information and explanations given to us there are no dues in respect of service tax or duty of customs or duty of excise or value added tax or Goods and Service Tax or cess which have not been deposited on account of any dispute. However as on 31st March 2019 according to information and explanations given to us, the following dues of income tax have not been deposited by the company on account of disputes.

Name of the Statute	Nature of Dues	Amount (In ₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Regular Assessment	8,06,597	AY 2012-13	CIT (A)
Income Tax Act 1961	Regular Assessment	132,10,184	AY 2015-16	CIT (A)

- (viii) According to the information and explanation given to us and as per our examination of books of account the company has not borrowed any money from financial institutions, banks or debenture holders. Accordingly, the provision of clause 3(viii) of the order does not apply.
- (ix) The company has not raised any money by way of initial public offer or further public offer or from term loan.
- (x) During the course of our examination of books of accounts, carried out in accordance with generally accepted Auditing Standards in India and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have been informed of such case by management.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid or provided managerial remuneration during the year according to provision of section 197 read with schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company as defined under section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable
- (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 Note 27 to the financial statements as required by the applicable Indian Accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For D. R. Mohnot & Co
Chartered Accountants
FRN – 001388C

D. R. Mohnot
(Partner)
M. No. 070579

Place: Mumbai
Date: 25th April 2019

ANNEXURE B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of SHCIL Services Limited ("the Company") as of 31st March 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, 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 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 judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our Audit, the following material weakness has been identified as at 31st March 2019.

- a) The Company did not have an appropriate internal control system regarding Bank reconciliation of Client Bank Account and some accounting entries have been passed in control accounts grouped in trade receivable by crediting Bank Accounts without any supporting/justifications, hence there are unidentified trade receivables as at 31st March 2019.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects of the material weakness described above, 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, 2019, 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.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 financial statements of the Company, and the material weakness does affect our opinion on the financial statements of the Company.

For D. R. Mohnot & Co
Chartered Accountants
FRN – 001388C

D. R. Mohnot
(Partner)
M. No. 070579

Place: Mumbai
Date: 25th April 2019

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SHCIL SERVICES LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of financial statements of SHCIL Services Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 25.04.2019.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of SHCIL Services Limited for the year ended 31 March 2019 under section 143(6)(a) of the Act.

**For and on the behalf of the
Comptroller and Auditor General of India**

**(Roop Rashi)
Director General of Commercial Audit and
ex-officio Member, Audit Board-1, Mumbai**

Place : Mumbai
Date : 09-08-2019

BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Note	March 31, 2019 ₹	March 31, 2018 ₹
ASSETS			
Non-current assets			
Property plant and equipment	2.1	7,716,954	5,564,908
Intangible assets	2.2	1,340,947	2,952,104
Intangible assets under development	2.2	-	-
		9,057,901	8,517,012
Financial assets			
Advances, Deposits and Receivables	3a	11,131,998	4,830,000
Other financial assets	4a	5,750,000	25,800,000
Deferred Tax Assets (net)	5	4,307,601	4,122,057
Non - Current Tax Asset	6	41,328,114	86,281,835
Total Non-Current Assets		71,575,614	129,550,904
Current assets			
Financial assets			
Advances, Deposits and Receivables	3b	112,650,910	69,130,579
Other financial assets	4b	29,450,976	33,893,968
Investments	7	163,766,156	50,781,103
Trade receivables	8	665,585,410	628,468,539
Cash and cash equivalents	9a	442,572,594	603,765,698
Bank Balance other than Cash and Cash equivalents	9b	347,312,034	315,000,000
Total Current Assets		1,761,338,080	1,701,039,887
		1,832,913,694	1,830,590,791
Total Assets			
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	60,897,030	60,897,030
Other equity		599,375,592	542,564,358
Total Equity		660,272,622	603,461,388
Liabilities			
Non-current liabilities			
Financial liabilities			
Long term provisions	11	2,068,541	1,648,725
Total Non-Current Liabilities		2,068,541	1,648,725
Current liabilities			
Financial liabilities			
Trade payables	12	1,030,667,516	1,125,107,972
Other financial liabilities	13	84,523,388	70,754,989
Short-term provisions	14	336,367	620,644
Other current liabilities	15	55,045,260	28,997,073
Total Current Liabilities		1,170,572,531	1,225,480,678
Total Equity and liability		1,832,913,694	1,830,590,791

The accompanying notes are an integral part of these financial statement.

Significant accounting policies and Notes to Financial Statement

1 to 42

As per Our Report of even date attached

For and on behalf of
D. R. Mohnot & Co.
 Chartered Accountants
 FRN: 001388C

For and on behalf of Board of Directors
SHCIL Services Limited

D.R.Mohnot
 Partner
 Membership No. 070579

Neha Sunke
 Chief Financial Officer

Sanjay Pote
 Managing Director
 & Chief Executive Officer

Ramesh N.G.S.
 Non Executive
 Chairman

Rajneesh Singh
 Company Secretary

G. Anantharaman
 Director

D. C. Jain
 Director

Place: Mumbai
Date: April 25, 2019

Vineet Potnis
 Director

Kalpana Joshi
 Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Note	March 31, 2019 ₹	March 31, 2018 ₹
Revenue:			
Revenue from operations (Net)	16	447,004,954	515,654,893
		447,004,954	515,654,893
Other income	17	62,844,746	34,243,081
Total Revenue		509,849,700	549,897,974
Expenses:			
Employee benefits expense	18	51,529,873	49,149,621
Finance costs		-	-
Sub - brokerage expenses	19	261,910,035	300,930,432
Depreciation and amortisation	2	5,306,430	6,415,402
Other expenses	20	72,087,408	60,661,282
Total expenses		390,833,746	417,156,737
Profit before tax		119,015,954	132,741,237
Tax expenses			
	21		
Current tax expenses		33,311,459	38,373,837
Current tax adjustment for earlier years		-	-
Deferred tax expenses		(185,544)	(130,593)
Net profit for the year		85,890,039	94,497,993
Other Comprehensive Income			
OCI items not reclassified to profit or loss			
Remeasurement of net defined benefit liability		(80,040)	610,226
Income tax relating to item not to be classified in profit and loss in subsequent period		-	(175,989)
Net OCI items not reclassified to profit or loss		(80,040)	434,237
Total comprehensive Income for the period		85,809,999	94,932,230
Earnings per equity share:			
	24		
(1) Basic (in ₹)		14.10	15.52
(2) Diluted (in ₹)		14.10	15.52
Weighted average number of equity shares used in computing earning per shares			
Basic		6,089,703	6,089,703
Diluted		6,089,703	6,089,703

The accompanying notes are an integral part of these financial statement.

Significant accounting policies and Notes to Financial Statement

1 to 42

As per Our Report of even date attached

For and on behalf of
D. R. Mohnot & Co.
Chartered Accountants
FRN: 001388C

For and on behalf of Board of Directors
SHCIL Services Limited

D.R.Mohnot
Partner
Membership No. 070579

Neha Sunke
Chief Financial Officer

Sanjay Pote
Managing Director
& Chief Executive Officer

Ramesh N.G.S.
Non Executive
Chairman

Rajneesh Singh
Company Secretary

G. Anantharaman
Director

D. C. Jain
Director

Place: Mumbai
Date: April 25, 2019

Vineet Potnis
Director

Kalpana Joshi
Director

STATEMENTS OF CHANGE IN EQUITY

Particulars	Equity Share Capital	Reserve & Surplus			Total Equity
		Retained earnings	Securities premium account	Other components of equity*	
Opening Balance - April 1, 2018	60,897,030	432,177,612	92,845,447	17,541,299	603,461,388
Dividend paid during the year for FY 2017-18	-	(24,054,327)	-	-	(24,054,327)
Dividend Distribution Tax	-	(4,944,438)	-	-	(4,944,438)
Retained Earnings - Transferred from current period P&L	-	85,890,039	-	-	85,890,039
Other comprehensive income - Defined Benefit Employee Cost	-	(80,040)	-	-	(80,040)
Closing Balance - March 31, 2019	60,897,030	488,988,846	92,845,447	17,541,299	660,272,622
Closing Balance - March 31, 2018	60,897,030	432,177,612	92,845,447	17,541,299	603,461,388

* Other components of equity includes Bank Commission on Guarantee given by Holding Company and Preference shares - Deemed Equity Contribution

Securities premium - received on equity shares issued are recognized in securities premium account

The accompanying notes are an integral part of these financial statement.

Significant accounting policies and Notes to Financial Statement 1 to 42

As per Our Report of even date attached

For and on behalf of
D. R. Mohnot & Co.
 Chartered Accountants
 FRN: 001388C

For and on behalf of Board of Directors
SHCIL Services Limited

D.R.Mohnot
 Partner
 Membership No. 070579

Neha Sunke
 Chief Financial Officer

Sanjay Pote
 Managing Director
 & Chief Executive Officer

Ramesh N.G.S.
 Non Executive
 Chairman

Rajneesh Singh
 Company Secretary

G. Anantharaman
 Director

D. C. Jain
 Director

Place: Mumbai
Date: April 25, 2019

Vineet Potnis
 Director

Kalpana Joshi
 Director

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019

	March 31, 2019 ₹	March 31, 2018 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	119,015,954	132,741,237
Adjustments to reconcile profit before tax to net cash flows :		
Depreciation	5,306,430	6,415,402
Interest On Income Tax Refund	(18,620,652)	-
Dividend from Mutual Funds	(6,987,007)	(3,623,277)
Interest Income	(32,292,231)	(28,307,009)
Reversal of Provisions	(1,705,319)	(1,321,753)
Provision for Doubtful Debts	83,389	-
Remeasurement of net defined benefit liability	(80,040)	610,226
Operating profit before working capital changes	64,720,524	106,514,826
Working capital adjustments :		
(Increase)/ Decrease in Trade Receivables	(37,200,259)	(20,965,432)
(Increase)/ Decrease in Advance and Deposits & other financial Assets	(43,520,331)	58,718,477
(Increase)/Decrease in Other Current Financial Assets	23,563,879	(16,531,544)
Increase/ (Decrease) in Other Current Liability	26,048,187	4,293,863
Increase/ (Decrease) in Trade payables and Other Current Financial Liabilities	(78,966,738)	283,235,868
Increase/ (Decrease) in Short Term and Long Term Provisions	135,539	(260,924)
Cash generated from operations	(45,219,201)	415,005,134
Direct Taxes paid	11,642,262	(40,218,358)
Net cash from operating activities	(33,576,939)	374,786,776
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(5,847,318)	(1,099,998)
Purchase of Investments	(112,985,053)	131,227,071
Dividends from Mutual Funds	6,987,007	3,623,277
Interest Earned	33,221,344	25,513,308
Interest On Income Tax Refund	18,620,652	-
(Increase)/Decrease in Security Deposit with Others	-	(79,358)
(Increase)/Decrease in Deposit with Exchanges	(6,301,998)	47,000,000
Bank deposits not considered as cash & cash equivalents (net)	-	40,000,000
Net cash used in investing activities	(66,305,366)	246,184,300
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(24,054,327)	(15,833,227)
Dividend Distribution Tax paid	(4,944,438)	(3,223,329)
Net cash from financing activities	(28,998,765)	(19,056,556)
NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS	(128,881,070)	601,914,520
Cash and Cash equivalents at the beginning of the period	918,765,698	316,851,178
Cash and Cash equivalents at the end of the period	789,884,628	918,765,698

	March 31, 2019	March 31, 2018
	₹	₹
Notes		
1. Cash & Cash Equivalents		
Cash on Hand	34,303	8,988
Balances with Banks:		
- In Current Accounts	299,874,514	451,044,840
- In Fixed Deposits	489,975,811	467,711,870
Cash & Cash Equivalents considered for Cash flow	789,884,628	918,765,698
Other Bank Balances	-	-
Cash and Bank Balances as per Note 9	789,884,628	918,765,698

The accompanying notes are an integral part of these financial statement.

Significant accounting policies and Notes to Financial Statement

1 to 42

As per Our Report of even date attached

For and on behalf of
D. R. Mohnot & Co.
 Chartered Accountants
 FRN: 001388C

For and on behalf of Board of Directors
SHCIL Services Limited

D.R.Mohnot
 Partner
 Membership No. 070579

Neha Sunke
 Chief Financial Officer

Sanjay Pote
 Managing Director
 & Chief Executive Officer

Ramesh N.G.S.
 Non Executive
 Chairman

Rajneesh Singh
 Company Secretary

G. Anantharaman
 Director

D. C. Jain
 Director

Place: Mumbai
Date: April 25, 2019

Vineet Potnis
 Director

Kalpna Joshi
 Director

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

Note 1

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

Corporate information

SHCIL Services Limited (formerly National Depository Corporation of India Ltd.) was incorporated on 14th February, 1995. It is engaged in the business of broking and advisory services from 14th March, 2006. The Company's registered office is at Mahape, Navi Mumbai.

With effect from 28th March, 2014 Stock Holding Corporation of India Ltd. (SHCIL) - the Holding Company, has become a subsidiary of IFCI Ltd. & hence IFCI Ltd. is the Ultimate Holding Company for SHCIL Services Ltd. from the said date.

1. Significant Accounting Policies

Overall consideration

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements, except where the company has applied certain accounting policies and exemptions upon transition to Ind AS.

1.1 Basis of preparation

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain assets and liabilities where fair value model has been used, e.g. certain financial assets and liabilities measured at fair value, etc. The Ind AS are prescribed under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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.

The Ind AS is applicable to the Company with effect from 1st April, 2016, being a Subsidiary of the Stock Holding Corporation of India Limited falling under the mandatory Phase 1.

1.2 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and there ported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.3 Current / non-current classification

Assets and liabilities in the balance sheet are classified into current/ non-current. An asset is classified as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

1.4 Foreign currency translation

Functional and presentation currency

The financial statements are presented in INR, which is the functional currency

Foreign currency transactions and balances

- i. Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing at the date of transaction.
- ii. Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.
- iii. Monetary items denominated in foreign currencies at the period are restated at the period rates.
- iv. Non-monetary items denominated in foreign currencies are carried at cost.

1.5 Fair value measurement

Financial instruments, such as, derivatives, equity investments, etc. are measured at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure the fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.6 Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Following specific recognition criteria must also be met before revenue is recognized:

- i) All transactions/income/expenses are accounted in the books on accrual basis except commission income on Initial Public Offer (IPO) and Follow on Public Offer (FPO) which are being booked on receipt basis.
- ii) Dividend is recognized when the Company's right to receive dividend is established by the reporting date.
- iii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of profit and loss.
- iv) Charges collected on cheques dishonoured/bounced and interest on delayed payment is recognized on actual basis.
- v) The company enters into a contract with customer at the time of registration and the contract identifies the performance obligations and transaction price (Brokerages etc). Revenue from Brokerage is recognized on the date of the transaction (i.e. trade date).

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

1.7 Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or as incurred.

1.8 Property, plant and equipment

Items of property, plant and equipment (PP&E) are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure related to an item of PP&E are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Depreciation on PP&E is charged under the straight line method over the useful life of the assets as specified in Schedule II to the Companies Act, 2013 except for the below tabulated class of assets wherein a lesser useful life has been estimated due to rapid advancement in technology:

Particulars	Useful life as per Schedule II (in year)	Useful life as per estimated by the management (in year)
Motor Car	8	3
Mobiles	5	2
Servers & Networks	6	4

Useful life & residual value for other items of PP&E:

Particulars	Useful life w.e.f. 01.04.2014 Residual Value - Nil	Useful life up to 31.03.2014 Residual Value 5 %
Plant & Machinery	15	20
Furniture & Fixtures	10	15
Electrical Installations and Equipment	10	20
Office Equipment	5	20
Computer Hardware : End user devices such as Desktops, Laptops etc.	3	3

An item of PP&E and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

1.9 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost.

Computer software which forms an integral part of the related hardware is capitalised along with the hardware as fixed asset. Software which are not an integral part of computer hardware and from which future economic benefits are expected are treated as intangible assets.

Software developed internally is recognized as an asset at cost when significant economic benefits are expected to accrue in future. Cost comprises all expenditure that can be directly attributed for creation, production and making the software ready for its intended use and excludes any tax for which input credit is taken.

All finite-lived intangible assets, including capitalised internally developed software, are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing. The following useful lives are applied:

Particulars	Useful life w.e.f. 01.04.2014 Residual Value - Nil	Useful life up to 31.03.2014 Residual Value 5 %
Computer Software	3	3

Amortisation has been included within 'depreciation and amortisation expense. Subsequent expenditures on the maintenance of intangible assets are expensed as incurred. When an intangible asset is disposed off, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

1.10 Leased Assets

Finance leases

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the Company obtains ownership of the asset at the end of the lease term.

For leases of land and buildings, the minimum lease payments are first allocated to each component based on the relative fair values of the respective lease interests. Each component is then evaluated separately for possible treatment as a finance lease, taking into consideration the fact that land normally has an indefinite economic life.

The interest element of lease payments is charged to profit or loss, as finance costs over the period of the lease.

Operating leases

All other leases are treated as operating leases. Where the Company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit. Associated costs, such as maintenance and insurance, are expensed as incurred.

1.11 Impairment testing of goodwill, other intangible assets and property, plant and Equipment

The Company reviews the carrying values of tangible and intangible assets for any possible impairment at each balance sheet date. An impairment loss is recognized in the Statement of Profit and Loss when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net of selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value based on appropriate discount rate. If at the balance sheet date there is any indication that a previously assessed impaired loss no longer exists then such loss is reversed and the asset is restated to that extent

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of a related business combination and represent the lowest level within the Company at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated (determined by the Company's management as equivalent to its operating segments) are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating units) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

1.12 Financial Instruments:

a. Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

b. Subsequent measurement

i. Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

ii. Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

iii. Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

iv. Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments

1.13 Income taxes

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Provision for current income tax is made on the basis of the assessable income under the Income tax Act, 1961.

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

1.14 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with othershort-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

1.15 Equity, Reserves and Dividend payments

Share capital represents the nominal (par) value of shares that have been issued. Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits. Other components of equity include the following:

- remeasurement of net defined benefit liability – comprises the actuarial losses from changes
- in demographic and financial assumptions and the return on plan assets

Retained earnings include all current and prior period retained profits.

All transactions with owners of the parent are recorded separately within equity.

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

1.16 Post-employment benefits and short-term employee benefits

Post-employment benefit plans

The Company provides post-employment benefits through various defined contribution and defined benefit plans.

Defined contribution plans

Employee Benefits in the form of Provident Fund and Superannuation Fund are considered as defined contribution plans and the contributions are charged to the Statement of Profit and Loss of the Period when the respective contributions are due.

Defined benefit plans

Retirement Benefit in the form of gratuity is considered as defined benefit obligation and is provided for on the basis of an actuarial valuation using the projected unit credit method, as at the date of the balance sheet. Actuarial gain or losses if any are immediately recognised in the statement of Profit & Loss.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

Management estimates the DBO annually with the assistance of independent actuaries. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to government or high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension liability.

Service cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Net interest expense on the net defined benefit liability is included in finance costs. Gains and losses resulting from remeasurements of the net defined benefit liability are included in other comprehensive income.

Short-term employee benefits

Short-term employee benefits, including holiday entitlement, are current liabilities included in pension and other employee obligations, measured at the undiscounted amount that the Company expects to pay as a result of the unused entitlement.

1.17 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and as realisable estimate can be made of the amount of the obligation. When the Company expects some or all of the provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost.

1.18 Contingent liabilities

Contingent Liabilities are not recognised but are disclosed in notes in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

1.19 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive income for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before other comprehensive income for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

1.20 Financial risk management

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior managements supported by Risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The policies for managing each of these risks are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price. Financial instruments affected by market risk include loans and borrowings and deposits. The company is not exposed to currency risk and other price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations and company's investment in debt based financial assets viz. Fixed Deposits & Investments in Liquid Mutual Funds.

Credit risk

Credit risk is the risk that counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example trade & other receivables, placing fixed deposits, investment in mutual funds, etc.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

The company continuously monitors defaults of customers and other counterparties, identified by the company, and incorporates this information into its credit risk controls. The company's policy is to deal only with creditworthy customers wherein the credit given is backed by either cash margin in client's account or guarantee by the Sub brokers.

Liquidity risk

Liquidity risk is that the company might be unable to meet its obligations. The company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business.

The company's objective is to maintain cash and marketable securities to meet its liquidity requirements. The company considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The company's existing cash resources and trade receivables significantly exceed the current cash outflow requirements. Cash flows from trade and other receivables are all contractually due within six months.

1.21 Significant accounting judgements, estimates and assumptions

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

2.1 Property plant and equipment

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2019:

Particulars	Leasehold Premises	Furniture and fixture	Office Equipment	Mobiles	Vehicles	Computer Hardware	Servers & Network	Total
Gross carrying value as of April 1, 2018	5,063,418	735,825	931,969	301,665	2,483,117	7,026,030	34,596,014	51,138,038
Additions	-	9,500	21,143	332,232	1,653,281	137,820	3,634,105	5,788,081
Deletions	-	6	29,495	-	-	140,100	539,730	709,331
Gross carrying value as of March 31, 2019	5,063,418	745,319	923,617	633,897	4,136,398	7,023,750	37,690,389	56,216,788
Accumulated depreciation as of April 1, 2018	5,063,415	518,229	787,221	212,365	2,238,363	6,643,477	30,110,014	45,573,084
Depreciation	-	37,565	57,615	140,153	281,588	237,569	2,940,834	3,695,324
Accumulated depreciation on deletions	-	4	29,493	-	-	199,356	539,721	768,574
Accumulated depreciation as of March 31, 2019	5,063,415	555,790	815,343	352,518	2,519,951	6,681,690	32,511,127	48,499,834
Carrying value as of March 31, 2019	3	189,529	108,274	281,379	1,616,447	342,060	5,179,262	7,716,954
Carrying value as of March 31, 2018	3	217,596	144,748	89,300	244,754	382,553	4,486,000	5,564,908

2.2 Intangible assets

Following are the changes in the carrying value of acquired intangible assets for the year ended March 31, 2019:

Particulars	Intangible Assets- Computer Software	Intangible Assets under Development - Computer Software	Total
Gross carrying value as of April 1, 2018	37,539,872	-	37,539,872
Additions	-	-	-
Deletions	3,826,607	-	3,826,607
Gross carrying value as of March 31, 2019	33,713,265	-	33,713,265
Accumulated depreciation as of April 1, 2018	34,587,814	-	34,587,814
Depreciation	1,611,106	-	1,611,106
Accumulated depreciation on deletions	3,826,602	-	3,826,602
Accumulated depreciation as of March 31, 2019	32,372,318	-	32,372,318
Carrying value as of March 31, 2019	1,340,947	-	1,340,947
Carrying value as of March 31, 2018	2,952,058	-	2,952,058

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

Note 3

Financial Assets

Advance, Deposits and Receivable

3a. Non-Current

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Base capital deposit with Exchanges	9,801,998	3,500,000
Deposits with Professional Clearing Member (Holding Co.)	1,200,000	1,200,000
Security deposits - Others	130,000	130,000
Total 3a	11,131,998	4,830,000

3b. Current

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Secured, considered good		
Advances for Margin Trading	-	1,502,808
	-	1,502,808
Unsecured, considered good unless otherwise stated		
Prepayments	9,659,459	5,130,872
Margin Deposit F&O & Others	92,810,714	52,152,441
Margin Deposit with Exchanges	10,055,104	10,025,425
	112,525,277	67,308,738
Receivable		
Other receivable.	125,633	319,033
	125,633	319,033
Total 3b	112,650,910	69,130,579
Total Carrying Value (3a+3b)	123,782,908	73,960,579

Note 4

Other financial assets

4a. Non current assets

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Long term deposits with banks with original maturities more than 12 months	5,750,000	25,800,000
Total 4a	5,750,000	25,800,000

4b. Current assets

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Accrued interest on fixed deposit	3,175,740	4,104,853
Input-Goods and Service Tax	25,860,228	29,068,931
	29,035,968	33,173,784
Other Current Assets		
Considered Good :-	415,008	720,184
Considered Doubtful	-	-
	415,008	720,184
Total 4b	29,450,976	33,893,968
Total Carrying Value (4a+4b)	35,200,976	59,693,968

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019
Note 5
Deferred Tax Assets (net)

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Timing difference due to depreciation as per Income Tax and Companies Act	2,720,697	2,482,653
Provision for doubtful debts	886,595	854,021
Provision for compensated Absences/Leave Encashment	692,996	680,983
Provision for Gratuity	7,313	104,400
Total	4,307,601	4,122,057

Note 6
Non - Current Tax Assets (net)

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Advance payment of taxes and Tax Deducted at Source (net of provision for taxes)	41,328,114	86,281,835
Total	41,328,114	86,281,835

Note 7
Current Investments

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Unquoted Mutual Funds	163,766,156	50,781,103
Details of investment		
Daily Dividend Plan of Liquid Schemes of Mutual Funds		
Unquoted		
35,096.567 Units at ₹ 1,002.0849 of Baroda Pioneer Mutual Fund (March 18: 25,407.599 Units at ₹ 1,002.0124)	35,169,740	25,458,729
49,341.644 Units at ₹ 1,019.4457 of UTI Liquid Cash Plan (March 18: 5,069.672 Units at ₹ 1,019.4457)	50,301,129	5,168,255
35,009.873 Units at ₹ 100.1476 of ICICI Mutual Fund (March 18: Nil Units at ₹ 100.0685)	3,506,155	-
2,32,454.555 Units at ₹100.2410 of Birla Sunlife Cash Plus (March 18: 100,826.880 Units at ₹ 100.2721)	23,301,477	10,110,123
51,366.693 Units at ₹ 1002.3548 of IDBI Mutual Fund (March 18: 100,20.400 Units at ₹ 1,002.3548)	51,487,655	10,043,996
Total	163,766,156	50,781,103

Note 8
Trade Receivables

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Outstanding for a period exceeding six months		
Considered Good	6,439,209	3,148,738
Considered Doubtful	3,044,627	2,961,238
Less: Provision For doubtful debts	(3,044,627)	(2,961,238)
	6,439,209	3,148,738
Other Debts *		
Considered Good - Client Dues (Includes amount due on Settlement from clients & from exchanges - Refer Note 30)	659,146,201	625,319,801
Considered Doubtful	-	-
Total	665,585,410	628,468,539

In term of agreement with SHCIL, trade receivables are Guaranteed by SHCIL.

*Other Debts includes amount due on settlement on clients and Rs.3,50,43,261/- is unidentifiable as on date and the same is under reconciliation.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

Provision For doubtful debts		
Particulars	March 31, 2019	March 31, 2018
	₹	₹
Opening	2,961,238	3,001,257
Add : Addition during the period	83,389	-
Less : Reversal during the period	-	40,019
Closing Balance	3,044,627	2,961,238

Note 9

9a. Cash and cash equivalents

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Balances with banks - In current accounts*	299,874,514	451,044,840
Cheques in hand	-	-
Cash in hand	34,303	8,988
Balances with banks- In deposit accounts with original maturity less than 3 months	142,663,777	152,711,870
Total	442,572,594	603,765,698

* Balances With Bank in Current Account includes, Clients Bank Balance of ₹ 29,37,18,380/- and Own Bank Balance of ₹ 61,56,134/- as on March 31, 2019.

9b. Bank Balance other than Cash and cash equivalents

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Bank deposit accounts (more than 3 months but less than 12 months maturity)	347,312,034	315,000,000
Total	347,312,034	315,000,000

Other Bank Balances in deposit accounts includes fixed deposits with banks aggregating to ₹ 28.29 cr (As at March 31, 2018 - 28.08 cr) against which lien has been marked by the banks as security for guarantees issued on behalf of the Company.

10 Equity Share Capital

(A) Authorised, Issued, Subscribed & Paid up

	March 31, 2019		March 31, 2018	
	Number	₹	Number	₹
Authorised				
Equity Shares of ₹ 10 each fully paid	18,000,000	180,000,000	18,000,000	180,000,000
7% Non-Cumulative Convertible Preference Shares of ₹ 10 each fully paid	2,000,000	20,000,000	2,000,000	20,000,000
	20,000,000	200,000,000	20,000,000	200,000,000
Issued, Subscribed and Paid up				
Equity Shares of ₹ 10 each fully paid	6,089,703	60,897,030	6,089,703	60,897,030
Total	6,089,703	60,897,030	6,089,703	60,897,030

(B) Reconciliation of shares outstanding at the beginning and end of the year

	March 31, 2019		March 31, 2018	
	Number	₹	Number	₹
Equity Shares				
Shares outstanding at the beginning of the year	6,089,703	60,897,030	6,089,703	60,897,030
Addition during the year	-	-	-	-
Shares outstanding at the end of the year	6,089,703	60,897,030	6,089,703	60,897,030

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

(C) Terms/rights attached to shares

Terms/rights attached to equity shares

The Company has only one class of equity shares having the par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share except in the case of voting by show of hands.

(D) Details of shares held by holding company & shareholders holding more than 5% shares in the company

Number of Shareholder	March 31, 2019		March 31, 2018	
	Number	%	Number	%
Equity Shares				
Stock Holding Corporation of India Ltd	6,089,696	99.99	6,089,696	99.99

(E) Information regarding issue of shares in the last five years

In FY 2015-16, 319,703 Equity shares of ₹ 10/- each (face value) has been allotted as fully paid up pursuant to conversion of 7 % Non-cumulative preference shares without payment being received in cash. The said 7 % Non-cumulative preference shares payment received by Company through bank.

The Company has not issued any bonus shares.

The Company has not undertaken any buyback of shares.

Note 11

Long term provisions

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Provision for employee benefits		
Provision for compensated absences	2,056,073	1,648,725
Provision for gratuity	12,468	-
	2,068,541	1,648,725

Note 12

Trade payables

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Due to micro, small and medium enterprises (Refer Note 23)	-	-
Other than micro, small and enterprises:		
Dues to holding company - sub brokerage	-	60,328
Dues to other Sub Brokers	7,551	408,176
Client Dues (Includes amount due on settlement to Clients & to Professional Clearing Member for F&O Segment - (Refer Note 30)	1,030,659,965	1,124,639,468
	1,030,667,516	1,125,107,972

Note 13

Other Financial Liabilities

CURRENT

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Other Financial Liabilities		
Margin deposits from Holding Company as sub broker	20,000,000	20,000,000
Margin deposits from other sub broker	902,247	-
Due to Holding Company - Others	9,935,654	14,371,250
Employee benefits payable	9,500,000	12,000,000
Provision for expenses*	27,116,345	19,745,352
Due to vendors	17,069,143	4,638,387
Total	84,523,388	70,754,989

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

*Provision for expenses		
Particulars	March 31, 2019	March 31, 2018
	₹	₹
Opening	19,745,352	2,962,146
Add : Addition during the period	27,116,345	19,745,352
Less : Reversal during the period	19,745,352	2,962,146
Closing Balance	27,116,345	19,745,352

Note 14

Short-term provisions

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Provision for employee benefits		
Provision for gratuity	12,645	301,665
Provision for compensated absences	323,722	318,979
	336,367	620,644

Note 15

Other Current liabilities

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Statutory dues including provident fund and taxes (includes amount due on settlement - Refer Note 30)	25,186,760	19,132,681
Others-(Client's Fund)	29,125,918	8,254,828
Payable to Exchange	712,772	1,609,564
Income Received In Advance	19,810	-
	55,045,260	28,997,073

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019
Note 16
Revenue from operations (Net)

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Commission and Brokerage (net)	439,216,796	510,587,296
Other Operational Revenue	7,788,158	5,067,597
	447,004,954	515,654,893

Note 17
Other income

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Interest Income		
Interest on Deposits with Banks	32,292,231	28,307,009
Interest on Margin Trading	45,111	143,589
Interest on IT Refund	18,620,652	405,240
Dividend on Current Investments	6,987,007	3,623,277
Other Income		
Sundry balances written back (refer note 32)	157,867	108,329
Reversal of Provisions	1,705,319	1,321,753
Insurance Claim Received	2,863,025	-
Miscellaneous Income	173,534	333,884
	62,844,746	34,243,081

Note 18
Employee benefits expense

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Employee Costs		
Salaries, allowances and bonus	47,380,918	45,712,910
Contribution to provident and other funds	1,621,366	1,602,880
Staff welfare expenses	1,293,956	1,706,780
Training and Development	1,233,633	127,051
	51,529,873	49,149,621

Note 19
Sub - brokerage expenses

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Sub - Brokerage Expenses	261,910,035	300,930,432
	261,910,035	300,930,432

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

Note 20

Other expenses

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Outsourcing Expenses - Professional	1,642,985	1,191,940
Outsourcing Expenses - Contractor	7,612,098	10,022,798
Exchange Expenses	1,144,117	780,946
Bank Charges	1,032,671	935,182
Connectivity Charges	824,293	366,444
Depository Participant/Custodian Fees	159,804	151,162
Rent & Taxes	5,484,847	4,443,681
Electricity Charges	1,574,846	1,832,383
Service Tax and GST Expenses	934,410	187,202
Security Charges	854,096	766,940
Sub-Broker Dealer Incentive	1,136,935	3,820,126
Insurance Charges	2,072,052	2,253,369
Subscription Charges	3,761,715	1,937,200
Repairs & Maintenance - Software	14,057,202	6,535,334
Repairs & Maintenance - Plant & Machinery	4,334,217	1,196,888
Repairs & Maintenance - Others	3,551,433	3,514,881
Travelling & Conveyance	962,986	867,532
Postage & Courier	3,367,631	3,650,469
Telephone & Communication	201,909	626,822
Printing & Stationery Charges	3,333,669	3,576,725
Directors Sitting Fees	2,620,000	1,850,000
Legal Fees	490,750	474,500
Professional Fees*	6,028,486	4,258,997
Corporate Social Responsibility (Refer Note 38)	2,100,000	2,200,000
Provision For Doubtful Debts/ Advances	83,389	-
Sundry Balances Written Off (Refer Note 32)	143,724	1,439,486
Advertisement & Publicity	104,425	86,080
Other Miscellaneous Expenses	2,472,718	1,694,195
	72,087,408	60,661,282

* Inclusive of Auditor remuneration Refer note 26.

Note 21

Income Taxes

Tax expense in the statement of profit and loss comprises:

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Current Taxes (Including OCI)	33,311,460	38,549,826
Current tax adjustment for earlier years	-	-
Deferred Taxes	(185,544)	(130,593)
Income Tax expense	33,125,916	38,419,233

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

A reconciliation of Income tax provision to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Profit before income taxes	118,935,914	133,351,463
Enacted tax rates in India	29.12%	28.84%
Computed expected tax expense	34,634,138	38,458,562
Effect of exempt non-operating income	(2,034,616)	(1,044,953)
-Provision for doubtful debts/advances	(472,306)	(381,194)
-Employee benefits (net)	120,001	(75,250)
-Depreciation	231,191	582,197
-Other non-deductible expenses	833,052	1,010,464
Income tax expense	33,311,460	38,549,826

The following table provides the details of income tax assets and income tax liabilities as of March 31, 2019, March 31, 2018;

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Income tax assets	74,639,573	124,831,661
Current income tax liabilities	(33,311,460)	(38,549,826)
Net income tax assets/ (liability) at the end	41,328,113	86,281,835

The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2019 and March 31, 2018 is as follows:

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Net current income tax asset/ (liability) at the beginning	86,281,835	84,613,303
Income tax paid	(11,642,262)	40,218,358
Current income tax expense	(33,311,460)	(38,373,837)
Income tax on other comprehensive income	-	(175,989)
Net income tax asset/ (liability) at the end	41,328,113	86,281,835

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

22 Contingent liabilities

i) Under Income Tax Act, 1961

Nature of Dues and Assessment Year (A Y)	Amount ₹	Forum
A Y 2012-13 - Regular Assessment	806,597	CIT(A)
A Y 2015-16 -Regular Assessment	13,210,184	CIT(A)
	14,016,781	

Note:- The Demand of A.Y. 2012-13 and A.Y. 2015-16 amount of ₹ 35,04,195 are adjusted against refund of A.Y. 2010-11. The demand of A.Y. 2013-14 and A.Y. 2014-15 amount of ₹ 2,23,01,290 are fully adjusted against refund of A.Y. 2011-12 and A.Y. 2012-13.

ii) Estimated amount of contracts remaining to be executed on capital account and not provided for the year ended March 31, 2019 ₹ 2,13,61,729/- (Previous period ended March 31, 2018 - ₹ NIL)

iii) The Company has received summons dated 6th March 2018 from Court of Additional Chief Metropolitan Magistrate, 4th court, Girgaon, Mumbai) for violation of provisions of section 81, 193 and 285 of Companies Act 1956 which took place prior to financial year 2008-09. SHCIL Services Limited had earlier filed the compounding applications with Regional Director, Mumbai. However on follow up it was understood that the compounding applications are not traceable. Now on the advice of legal consultants we have filed a fresh compounding application dated September 11, 2018 with ROC. The Compounding fee is the prerogative of Court, however based on past compounding orders, penal provision and as discussed with Advocates, the liability on account of Compounding application will not be a material amount and the same is unascertainable at the present.

23 Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

Based on the information with the Company, the amount overdue to the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2019 on account of principal amount together with interest is ₹ NIL. (Previous period ended March 31, 2018 - ₹ NIL)

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

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remain unpaid	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

24 Basic and Diluted Earnings per share (EPS) has been computed as under:-

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Profit for the year - for basic EPS	85,890,039	94,497,993
Weighted average no. of shares - basic EPS	6,089,703	6,089,703
Basic EPS	14.10	15.52
Profit for the year - for diluted EPS	85,890,039	94,497,993
Weighted average no. of shares - diluted EPS	6,089,703	6,089,703
Diluted EPS	14.10	15.52
Face value per share	10	10

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

25 Leases (Cancellable)

The Company has entered into Operating Lease Agreement with SHCIL for Office Premises in :

(a) UTI Building, Fort, Mumbai, whereby SHCIL had granted to the Company, the liberty to use and occupy the Demised Premises as a office space for a period of three years w. e. f. from March 1, 2017 purely as a License-cum-Allottee of office space, without having any right, title or interest upon the demised premises.

(b) ML Tower, Navi Mumbai, whereby SHCIL had granted to the Company, the liberty to use and occupy the Demised Premises as a office space for a period of Six month w. e. f. from March 18, 2019 purely as a License-cum-Allottee of office space, without having any right, title or interest upon the demised premises.

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Due within one year	2,786,004	360,000
1 to 5 years	-	330,000
After 5 years	-	-
Total lease payments to be made	2,786,004	690,000
Lease payments recognised in the Profit & Loss Account	360,000	2,820,000

26 Auditor's Remuneration (excluding GST)

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Statutory audit	1,050,000	1,000,000
Tax audit	150,000	150,000
Certification Fees	-	300,000
In other capacity:		
Out of Pocket Expenses	98,944	67,923
Total	1,298,944	1,517,923

27 Related Party Disclosures

A. The related parties for SSL as per the new Companies Act would inter-alia include the following:

(a) Ultimate Holding Company of SSL

IFCI LIMITED

(b) Holding Company of SSL

Stock Holding Corporation of India limited (SHCIL)

(c) Associate Company of SSL

Stock Holding Document Management Services Limited (subsidiary of SHCIL)

(d) Key Management Personnel of SSL

1. Shri Sanjay Pote - Managing Director and Chief Executive Officer (w. e. f. 1st April 2018)
2. Shri Nitin Jog - Managing Director and Chief Executive Officer (up to 31st March 2018)
3. Shri Ramesh N G S - Non executive Director (Chairman)*
4. Shri Vineet Potnis - Non-Executive Director *
5. Ms. Kalpana Joshi - Non-Executive Director *
6. Shri G Anantharaman -Independent Director*
7. Shri D.C. Jain -Independent Director *
8. Shri P H Kutumbe -Independent Director *(up to 5th March 2018)
9. Shri Rajneesh singh - Company Secretary

* The ICAI - Ind AS Transition facilitation group's bulletin dated July 31,2017 clarified independent directors coverage under definition of KMP under para 9 of Ind AS 24. Disclosures being made in this section accordingly for said purposes.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

B. Particulars of Transaction with Related Parties

March 31, 2019 (₹) March 31, 2018 (₹)	Period Ended March 31, 2019		
Nature of Transaction	Holding Company	Key Managerial Personnel and their Relatives	Associate Company
Brokerage Income (IFCI LIMITED)			
For March 31, 2019	347,518	-	-
<i>For March 31, 2018</i>	25,775	-	-
Brokerage Income			
For March 31, 2019	1,273,553	933	-
<i>For March 31, 2018</i>	1,075,999	-	-
Service charges received			
For March 31, 2019	2,334,210		
<i>For March 31, 2018</i>	2,146,554	-	-
Outsourcing Expenses			
For March 31, 2019	-	-	5,684,115
<i>For March 31, 2018</i>	-	-	7,115,299
Sub- Brokerage Expenses			
For March 31, 2019	259,989,521	-	-
<i>For March 31, 2018</i>	300,367,082	-	-
Reimbursement of Expenses (Net)			
For March 31, 2019	13,958,679	-	-
<i>For March 31, 2018</i>	15,805,656	-	-
Sitting Fees			
For March 31, 2019	-	1,260,000	-
<i>For March 31, 2018</i>	-	840,000	-
Salary / Deputation Cost of Employees			
For March 31, 2019	3,888,916	5,105,788	-
<i>For March 31, 2018</i>	4,311,244	6,328,348	-
Outstanding balances :			
Trade and other payable			
For March 31, 2019	17,263,229	-	549,455
<i>For March 31, 2018</i>	15,993,033	-	486,157
Trade and other receivable			
For March 31, 2019	3,435,752	-	-
<i>For March 31, 2018</i>	3,621,061	-	-
Deposits payable			
For March 31, 2019	20,000,000	-	-
<i>For March 31, 2018</i>	20,000,000	-	-
Deposits receivable			
For March 31, 2019	93,960,714	-	-
<i>For March 31, 2018</i>	51,681,450	-	-

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019
28 Managerial Remuneration

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
MD&CEO & Company Secretary		
Salary , Allowances & Incentives (Including GST/Service tax : For March 2019 ₹ 9,19,042/- ; For March 2018 ₹ 8,74,028/-)	5,817,948	5,648,566
Contribution to Provident Fund	206,882	197,700
Contribution to Retirement Benefits	178,164	261,136
Total	6,202,994	6,107,402

29 Employee benefits
Defined contribution plans:

(i) Particulars	March 31, 2019 ₹	March 31, 2018 ₹
The company has recognised the following amounts in the Statement of Profit and Loss for the period		
Contribution to Employees Provident and other Funds	1,621,366	1,473,798
Contribution to Employees Superannuation Fund	-	129,082
Total	1,621,366	1,602,880

(ii) Defined benefits plans:
(A) Gratuity
(i) Funded status of the plan

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Present value of unfunded obligations	-	-
Present value of funded obligations	2,832,402	2,335,427
Fair value of plan assets	(2,807,289)	(2,033,762)
Net Liability (Asset)	25,113	301,665

(ii) Profit and loss account for the period

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Service cost:		
Current service cost	395,621	343,522
Past service cost and loss/(gain) on curtailments and settlement	-	85,921
Net interest cost	7,997	11,740
Total included in 'Employee Benefit Expense'	403,618	441,183

Other Comprehensive Income for the current period

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	37,577	(98,412)
Due to change in demographic assumption	-	-
Due to experience adjustments	52,746	34,779
Return on plan assets excluding amounts included in interest income	(10,283)	4,115
Amounts recognized in Other Comprehensive Income	80,040	(59,518)

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

(iii) Reconciliation of defined benefit obligation

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Opening Defined Benefit Obligation	2,335,427	1,987,741
Transfer in/(out) obligation	-	-
Current service cost	395,621	343,522
Interest cost	177,185	144,707
Actuarial loss/(gain) due to change in financial assumptions	37,577	(98,412)
Actuarial loss/(gain) due to change in demographic assumption	-	-
Actuarial loss/ (gain) due to experience	52,746	34,779
Past service cost	-	85,921
Loss (gain) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Sub-total included in OCI	-	-
Benefits paid	(166,154)	(162,831)
Closing Defined Benefit Obligation	2,832,402	2,335,427

(iv) Reconciliation of plan assets

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Opening value of plan assets	2,033,762	1,657,335
Transfer in/(out) plan assets	-	-
Expenses deducted from the fund	-	-
Interest Income	169,188	132,967
Return on plan assets excluding amounts included in interest income	10,283	(4,115)
Assets distributed on settlements	-	-
Contributions by employer	760,210	410,406
Assets acquired in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Benefits paid	(166,154)	(162,831)
Closing value of plan assets	2,807,289	2,033,762

Category of Assets at the end of the year

Particulars	Gratuity March 31, 2019 (Funded) ₹	Gratuity March 31, 2018 (Funded) ₹
Insurer Managed Fund	2,807,289	2,033,762
Central Govt Security	24.71%	24.71%
State Govt Security	36.96%	36.96%
Other Loans	0.03%	0.03%
Other Approved Security	1.04%	1.04%
Ncd/Bonds	25.78%	25.78%
Equity	6.98%	6.98%
Fixed Deposit	4.16%	4.16%
Mutual Fund	0.00%	0.00%
CBLO	0.34%	0.34%
TOTAL	100%	100%

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019
(v) Reconciliation of net defined benefit liability

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Net opening provision in books of accounts	301,665	330,406
Transfer in/(out) obligation	-	-
Transfer (in)/out plan assets	-	-
Employee Benefit Expense as per Annexure 2	403,618	441,183
Amounts recognized in Other Comprehensive Income	80,040	(59,518)
	785,323	712,071
Benefits paid by the Company	-	-
Contributions to plan assets	(760,210)	(410,406)
Closing provision in books of accounts	25,113	301,665

Reconciliation of asset Ceiling

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Opening value of asset ceiling	-	-
Interest on opening value of asset ceiling	-	-
Loss/(gain) on assets due to surplus/deficit	-	-
Closing value of plan asset ceiling	-	-

(vi) Composition of the plan assets

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Government of India Securities	0%	0%
State Government Securities	0%	0%
High quality corporate bonds	0%	0%
Equity shares of listed companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Policy of insurance	100%	100%
Bank Balance	0%	0%
Other Investments	0%	0%
Total	100%	100%

(vii) Bifurcation of liability as per schedule III

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Current Liability*	12,645	301,665
Non-Current Liability	12,468	-
Net Liability	25,113	301,665

* The current liability is calculated as expected contributions for the next 12 months or the net liability whichever is lower.

(viii) Principle actuarial assumptions

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Discount Rate	7.60%	7.70%
Salary Growth Rate	5.00%	5.00%
Withdrawal Rates	2% at all ages	2% at all ages
Rate of Return on Plan Assets	7.60% P.a.	7.70% P.a.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

(ix) Sensitivity to key assumptions

Particulars	March 31, 2019 (12 months)	March 31, 2018 (12 months)
Discount rate varied by 0.5%		
+ 0.5%	2,651,061	2,182,940
Change in DBO (%)	-6.40%	-6.53%
-0.5%	3,030,817	2,502,546
Change in DBO (%)	7.01%	7.16%
Salary growth rate varied by 0.5%		
+ 0.5%	3,028,396	2,500,961
Change in DBO (%)	6.92%	7.09%
-0.5%	2,648,548	2,178,663
Change in DBO (%)	-6.49%	-6.71%
Withdrawal rate (W.R.) varied by 20%		
W.R. x 110%	2,852,710	2,370,357
Change in DBO (%)	0.72%	1.50%
W.R. x 90%	2,811,475	2,298,471
Change in DBO (%)	-0.74%	-1.58%

(x) Expected benefit payments

Particulars	March 31, 2019 (12 months) ₹	
	Cash flows (₹)	%
2019	82,273	0.9%
2020	88,907	1.0%
2021	94,188	1.0%
2022	102,546	1.1%
2023	107,658	1.2%
2024 - 2028	710,145	7.7%

The future accrual is not considered in arriving at the above cash-flows.

(B) Leave Encashment

(1) Ordinary Leave Benefits

(i) Funded status of the plan

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Present value of unfunded obligations	1,472,051	1,324,970
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Net Liability (Asset)	1,472,051	1,324,970

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019
(ii) Profit and loss account for current period

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Service cost:		
Current service cost	809,948	903,549
Past service cost and loss/(gain) on curtailments and settlement	-	-
Net interest cost	102,023	73,615
Net value of remeasurements on the obligation and plan assets	(183,440)	(550,708)
Total included in 'Employee Benefit Expense'	728,531	426,456
Actuarial loss/(gain) due to change in financial assumptions	6,549	(17,667)
Actuarial loss/(gain) due to change in demographic assumption	-	132,418
Actuarial loss/ (gain) due to experience adjustments	(189,989)	(665,459)
Return on plan assets excluding amounts included in interest income	-	-
Net actuarial Loss/(Gain)	(183,440)	(550,708)

(iii) Reconciliation of defined benefit obligation

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Opening Defined Benefit Obligation	1,324,970	1,596,699
Transfer in/(out) obligation	-	-
Current service cost	809,948	903,549
Interest cost	102,023	73,615
Actuarial loss/(gain) due to change in financial assumptions	6,549	(17,667)
Actuarial loss/(gain) due to change in demographic assumption	-	132,418
Actuarial loss/ (gain) due to experience adjustments	(189,989)	(665,459)
Past service cost	-	-
Losses (gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Benefits Paid	(581,450)	(698,185)
Benefits Payable	-	-
Closing Defined Benefit Obligation	1,472,051	1,324,970

(iv) Reconciliation of net defined benefit liability

Particulars	March 31, 2019	March 31, 2018
	₹	₹
Net opening provision in books of accounts	1,324,970	1,596,699
Transfer in/(out) obligation	-	-
Transfer (in)/out plan assets	-	-
Employee benefit expense as per annexure 2	728,531	426,456
	2,053,501	2,023,155
Benefits paid by the company	(581,450)	(698,185)
Amounts transferred to 'payable account'	-	-
Contributions to plan assets	-	-
Closing provision in books of accounts	1,472,051	1,324,970

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

(v) Bifurcation of liability as per schedule III

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Current Liability*	235,621	255,034
Non-Current Liability	1,236,430	1,069,936
Net Liability	1,472,051	1,324,970

* The current liability is calculated as expected benefits for the next 12 months.

(vi) Principle actuarial assumptions

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Discount Rate	7.60%	7.70%
Salary Growth Rate	5.00%	5.00%
Withdrawal Rates	2% at all ages	2% at all ages
Leave Availment Rate	5% p.a.	5% p.a.
Leave Encashment Rate	10% p.a.	10% p.a.

(vii) Sensitivity to key assumptions

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Discount rate varied by 0.5%		
+ 0.5%	1,439,895	1,296,574
(% Change)	-2.18%	-2.14%
-0.5%	1,505,700	1,354,692
(% Change)	2.29%	2.24%
Salary growth rate varied by 0.5%		
+ 0.5%	1,506,383	1,355,328
(% Change)	2.33%	2.29%
-0.5%	1,438,962	1,295,727
(% Change)	-2.25%	-2.21%
Withdrawal rate (W.R.) varied by 10%		
W.R. x 110%	1,469,306	1,322,392
(% Change)	-0.19%	-0.19%
W.R. x 90%	1,474,816	1,327,629
(% Change)	0.19%	0.20%

(viii) Expected benefit payments

Particulars	March 31, 2019 ₹	%
	Cash flows	
2019	235,621	11.70%
2020	229,434	11.40%
2021	201,527	10.00%
2022	176,989	8.80%
2023	155,414	7.70%
2024 - 2028	543,717	26.90%

The future accrual is not considered in arriving at the above cash-flows.

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019
(2) Sick Leave Benefits
(i) Bifurcation of liability as per schedule III

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Current Liability*	88,101	63,945
Non-Current Liability	819,643	578,789
Net Liability	907,744	642,734

* The current liability is calculated as expected benefits for the next 12 months.

(ii) Principle actuarial assumptions

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Discount Rate	7.60%	7.70%
Salary Growth Rate	5.00%	5.00%
Withdrawal Rates	2% at all ages	2% at all ages
Leave Availment Rate	3% p.a.	3% p.a.
Leave Encashment Rate	0% p.a.	0% p.a.

(iii) Sensitivity to key assumptions

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Discount rate varied by 0.5%		
+ 0.5%	1,752,852	620,490
(% Change)	93.10%	-3.46%
-0.5%	1,882,094	666,391
(% Change)	107.34%	3.68%
Salary growth rate varied by 0.5%		
+ 0.5%	1,883,465	666,899
(% Change)	107.49%	3.76%
-0.5%	1,751,050	619,832
(% Change)	92.90%	-3.56%
Withdrawal rate (W.R.) varied by 20%		
W.R. x 110%	1,787,259	623,045
(% Change)	96.89%	-3.06%
W.R. x 90%	1,844,366	663,350
(% Change)	103.18%	3.21%

30 Amount due on settlement (net) represents amount receivable from/ (payable to) Clearing House, Clients and Brokers as under:
As at the end of current Year

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Due to Clearing House	(88,745)	(34,833)
Due from Clearing House	166,519,796	233,201,041
Due to Clients	(412,047,655)	(507,920,458)
Due from Clients	251,632,525	281,153,999
Government - Taxes	(1,899,249)	(1,997,442)
Net Receivable/ Payable	4,116,672	4,402,307

31 The Company operates only in one segment i.e. stock broking and hence there are no reportable segments as defined in Indian Accounting Standard (IND AS -108) on "Segment Reporting".

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

32 During the year ended March 31, 2019 the Company has written back certain payables for which no claim was received amounting to ₹ 1,57,867/- (Previous period ended March 31, 2018 - ₹ 1,08,329/-). The Company has also written off old balances of ₹ 1,43,724/- (Previous period ended March 31, 2018 - ₹ 14,39,486/-). The above has been done in line with the policy as approved by the Board of Directors.

33 SSL enters into a contract with its customers at the time of on boarding through client registration Kits. Specific performance obligations of SSL, Brokerage slabs, charges for other facilities, interest on delayed payments etc have been defined in the contract (Client registration kits) with the customers.

Once the orders given by clients are executed by SSL in exchange the performance obligation of SSL is satisfied and we are eligible to book brokerage income and the client is obliged to pay before Pay in. Also contract notes (billing) are subsequently generated and delivered to clients.

Break up of brokerage income being majority of income is as follows.

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
NSE (Cash)	185,710,421	143,049,038
BSE (Cash)	232,798,549	351,413,660
Futures & Options	20,539,185	14,816,234
Other Commission	168,642	1,308,363
Total	439,216,796	510,587,296

34 Financial assets and liabilities

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Categories of financial assets		
Carrying values of financial assets measured at amortised cost		
Advances, Deposits and Receivable (Refer Note :3)	123,782,908	73,960,579
Deposits with banks (Refer Note :4)	5,750,000	25,800,000
Trade and other receivables (Refer Note :8)	665,585,410	628,468,539
Cash and cash equivalent (Refer Note :9)	789,884,628	918,765,698
	1,585,002,946	1,646,994,816
Measured at FVPL		
Investment in mutual funds (quoted and unquoted) (Refer Note :7)	163,766,156	50,781,103
	163,766,156	50,781,103
Total carrying values of financial assets	1,748,769,102	1,697,775,919
Total fair values of financial assets	1,748,769,102	1,697,775,919
Categories of financial liabilities		
Carrying value of financial liabilities measured at amortised cost		
Trade payables (Refer Note :12)	1,030,667,516	1,125,107,972
Other financial liabilities (Refer Note :13)	84,523,388	70,754,989
Total carrying values of financial liabilities	1,115,190,904	1,195,862,961
Total fair values of financial liabilities	1,115,190,904	1,195,862,961

35 Financial Risk Management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price. Financial instruments affected by market risk include loans and borrowings and deposits. The Company is not exposed to currency risk and other price risk. SSL has been offering exposure to the clients which may have impact of market fluctuations, however the Company has robust risk management system which is monitoring the risk on continuous basis and taking all the risk mitigation measures.

Credit risk analysis

Credit risk refer to the risk of default on its obligation by the counter party resulting in financial loss. Credit risk always managed by the Company by proper approvals. Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the end of the reporting period, as summarised below:

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

Classes of financial assets – carrying amounts:

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Investments (Refer Note :7)	163,766,156	50,781,103
Advances & Deposit -Non current (Refer Note :3)	123,782,908	73,960,579
Trade and Other Receivables (Refer Note :8)	665,585,410	628,468,539
Total	953,134,473	753,210,221

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks with high credit ratings assigned by the credit rating agencies. Investments primarily include investment in liquid mutual fund units.

The trade receivables at reporting date analysed by the length of time past due, are:

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Up to 6 months (Refer Note :8)	659,146,201	625,319,801
More than 6 months (Refer Note :8)	6,439,209	3,148,738
Total	665,585,410	628,468,539

In term of agreement with SHCIL, trade receivable is Guarantee by SHCIL.

Liquidity risk analysis

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding bank borrowings. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

As of March 31, 2019, the Company had a working capital of ₹ 59,07,65,548/- including cash and cash equivalents & Bank Balance other than Cash and Cash equivalents of ₹ 78,98,84,628/- and current investments of ₹ 16,37,66,155/-

As of March 31, 2019 the outstanding employee benefit obligations were ₹24,04,908/-, out of which Gratuity obligation has been substantially funded and for compensated absence Company have positive cash flow. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2019:

Particulars	Less than 6 months	6 to 12 months
Trade payables (Refer Note :12)	1,030,667,516	-
Other current financial liabilities (Refer Note :13)	84,523,388	-

36 Fair value hierarchy

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

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

Hierarchy of financial assets and liabilities measured at fair value

Financial assets:

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Level 1		
Quoted equity shares	-	-
Mutual funds at NAV (Refer Note :7)	163,766,156	50,781,103
Total Level 1	163,766,156	50,781,103
Level 2		
	-	-
Total Level 2	-	-
Level 3		
	-	-
Total Level 3	-	-
Total	163,766,156	50,781,103

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

37 Capital management policies

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The gearing ratio at the end of the years was as follows:-

Particulars	March 31, 2019 ₹	March 31, 2018 ₹
Debt	-	-
Less: Cash and cash equivalents and Bank Balance other than Cash and Cash equivalents	(789,884,628)	(918,765,698)
Net Debt	(789,884,628)	(918,765,698)
Total equity Capital	60,897,030	60,897,030
Capital gearing ratio	(12.97)	(15.09)

38 Corporate Social Responsibility (CSR) Expenses

(i) Gross amount required to be spent by the company during the current year is ₹ 21,00,000/- (March 31,2018 ₹ 22,00,000/-)

(ii) Amount spent during the year

	In Cash	Yet to be paid in cash	Total
Construction/acquisition of any assets	-	-	-
On purpose other than above	2,100,000.00	-	2,100,000.00

(iii) Related party transaction during the year to CSR expenditure is ₹ 21,00,000/- (March 31,2018 ₹ 22,00,000/-)

(iv) Corporate social Responsibility (CSR) amount has been paid to M/s. SHCIL Foundation Trust. The CSR activities of the Trust include eradicating hunger, poverty; promoting healthcare, education & sanitation; ensuring environmental sustainability, etc.

39 Company was operating from the premises situated at SHCIL House, P-51, TTC Industrial Area, MIDC, Mahape, Navi Mumbai – 400710, leased out to it by its holding Company Stock Holding Corporation of India Limited. On Monday, December 11, 2017 fire incident occurred at the above mentioned premises. Based on Preliminary assessed estimated Architect certificate, fire incident has resulted in damage to office premises & Property due to emanating heat. Written down values of above Fixed assets stand of ₹14 as on December 2017. Estimated replacement cost of the above fixed assets is ₹ 84,85,000/-. Company uses temporary premises provided by the Holding Company for its day to day operation for which Company is paying of ₹ 4,09,334 per month to Holding Company.

40 The Company had incurred foreign currency expenditure amounting to ₹ 66,312 towards Online Training, during financial year ended March 31, 2019.(Previous period ended March 31, 2018 - ₹ NIL)

41 The Board has recommended the final dividend of ₹ 3.50/- per equity share for the financial year 2018-19 subject to approval of Shareholders in the Annual General Meeting . Hence the total outflow will be of ₹ 2,56,95,110/- including Dividend Distribution Tax of ₹ 43,81,149/- .

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2019

42 Figures for the corresponding previous Financial year have been regrouped and rearranged to confirm to those of current Financial year.

Schd No	Remark	Amount	To Schedule	From Shchedule
4b	The Tax Asset & Liability of GST have now been shown at gross amount instead of netting the same.	12,598,319	Other current liabilities.	Other Financial Assets (Current).
4b	Outstanding Debit balance relating to trading of Stock Holding Corporation of India Ltd now transferred to Trade Receivable.	665,370	Trade receivables	Other Financial Assets (Current).
8	BSE/NSE charges receivable transferred to Other Financial assets.	555,412	Other Financial Assets (Current).	Trade receivables
13	Client balances before opening of trading a/c now transferred.	6,139,748	Other current liabilities.	Other financial liabilities (Current).
17	ODIN Charges are related to company's revenue from operations.	312,781	Revenue from operations (Net)	Other income
20	Training & Development of Employees now transferred to employee benefit expenses.	127,051	Employee benefits expense	Other expenses

As per Our Report of even date attached

For and on behalf of
D. R. Mohnot & Co.
 Chartered Accountants
 FRN: 001388C

For and on behalf of Board of Directors
SHCIL Services Limited

D.R.Mohnot
 Partner
 Membership No. 070579

Neha Sunke
 Chief Financial Officer

Sanjay Pote
 Managing Director
 & Chief Executive Officer

Ramesh N.G.S.
 Non Executive
 Chairman

Rajneesh Singh
 Company Secretary

G. Anantharaman
 Director

D. C. Jain
 Director

Place: Mumbai
Date: April 25, 2019

Vineet Potnis
 Director

Kalpana Joshi
 Director

PHOTO GALLERY



❄
Shri G Anantharaman, Independent Director, welcoming Shri. Amit Dassi, Vice-President, Stock Holding, on his induction as Additional Director on the Board of SSL.



❄
Shri D. C. Jain, Independent Director, welcoming Ms. Sarala Menon, Asst. Vice-President, Stock Holding, on her induction as Additional Director on the Board of SSL.



PHOTO GALLERY



❄️
**Ms. Parvathy Vaidyanath,
Head - Business Development,
SSL addressing at New Edge
Co-operative Banking Multicity
Summit held at Pune, Maharashtra.**



❄️
**Shri. Rizwann Bagwan, Deputy
Manager, Business Development,
SSL making a presentation at
New Edge Co-operative Banking
Multicity Summit held at Pune,
Maharashtra. SSL participated in
the event as institutional broking
partner.**



❄️
**Winning team of SHCIL Services Ltd. in Inter Group (Woman) Cricket Tournament held
at Vashi Sports Club, Navi Mumbai .**





Ms. Chandni Lamba, Trustee, SHCIL Foundation Trust with the tribal children at Ramgarh near Ranchi, Jharkhand. SHCIL Services Ltd. supports these children by providing education & quality health services.



Interactive session with girls & young adolescent women from the deprived section of the society. SSL provides Vocational training and life skill development to these women through its NGO partner 'YUVA foundation'.



Children after performing the 'Santhali Dance' as a welcome gesture for SHCIL Foundation volunteers in Ramgarh, Jharkhand. These children are beneficiaries of the various programs run for them by SHCIL Services Limited in collaboration with the NGO 'YUVA Foundation'.




The project 'MOHOR' in Pune, for children of commercial sex workers is supported by SHCIL Services Ltd., which provides for education, Boarding & Nutrition for the underprivileged children.





SHCIL Services Ltd.

Registered Office: SHCIL House, P-51, TTC Industrial Area, MIDC, Mahape, Navi Mumbai - 400710
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