

LKP
Since 1948

LKP SECURITIES LIMITED



Annual Report

2018

Board of Directors**DIN**

Mr. Pratik M Doshi	00131122
Mr. S S Gulati	02404230
Ms. Sangeeta Jhaveri*	03636133
Mr. Ganesh Malhotra	07581670
Mr. Sajid Mohamed**	06878433

* Resigned w.e.f. August 14, 2017

** Appointed w.e.f. September 27, 2017

Company Secretary

Mr. Siddharth Mehta

Auditors:

MGB & Co. LLP
Peninsula Park,
Tower B, 19th Floor,
Lower Parel, Mumbai 400 013

Registered office:

203, Embassy centre,
Nariman point,
Mumbai 400021
Tel: 400024785/40024786

CIN: L67120MH1994PLC080039

Registrar and Share Transfer Agent

M/s. Adroit Corporate Services Private Limited
19, Jafarbhoj Industrial Estate, 1st Floor,
Makawana Road, Marol Naka,
Andheri (East), Mumbai 400 059.
Tel. No.022- 28590942

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24th Annual General meeting on Friday, 24th August, 2018

at 11.00 a.m. at M.C. Ghia Hall, Hargovindas Building, 18/20, Kaikhushru Debash Marg, Mumbai 400001.

DIRECTORS' REPORT

The Directors present the Twenty Fourth Annual Report and Audited Accounts of the Company for the year ended March 31, 2018.

FINANCIAL RESULTS	2017 – 2018 (Rs. in lacs)	2016 – 2017 (Rs. in lacs)
Profit before tax	1318.13	(8.86)
Less: Tax Expense for the Year	521.21	(59.27)
Profit after tax	796.92	50.42
Profit brought forward from previous year	(604.43)	(689.42)
Other Comprehensive income (Adjustment)	26.15	34.58
Amount available for appropriation	218.64	(604.43)

DIVIDEND

The Board of Directors are pleased to recommend a dividend @ Rs.0.10/- per equity share of the Company for the financial year ended 31st March, 2018.

PERFORMANCE REVIEW

During the year under review, the company recoded the total revenue of Rs. 8652.99 lacs against previous year Rs.6579.31 lacs; profit after tax stood at Rs.796.92 lacs for the year under review as compared to previous year of Rs. 50.42 lacs.

FIXED DEPOSITS

The Company has no public deposits as of date and will not accept any deposits without prior approval of the Statutory Authorities concerned.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Auditors' function is defined in their letter of engagement. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

SUBSIDIARY

As per the Circular No. 51/12/2007-CL-III dated 8th February, 2011 issued by Government of India, Ministry of Corporate Affairs, the required financial information in the consolidated balance sheet is given in respect of Company's subsidiaries i.e. LKP Wealth Advisory Private Limited in Form AOC 1 annexed as "Annexure A" in Annual Report.

The annual accounts of the aforesaid subsidiary and the related detailed information shall be made available to shareholders of the Company, seeking such information at any point of time. The annual accounts of the subsidiary company shall also be kept open for inspection by any shareholder at the Registered office at 203 Embassy Centre, Nariman Point, Mumbai 400 021.

DIRECTORS

Mr. S S Gulati retires by rotation and being eligible offers himself for re-appointment. Your Directors recommend his re-appointment.

The Board of Directors appointed Mr. Sajid Moahmed (DIN 06878433) as an Additional Director with effect from 27th September, 2017 pursuant to section 161 of the Companies Act, 2013 as an Additional Independent Director holding office only up to the date of the ensuing Annual General Meeting.

In accordance with the requirements of Section 149 and 152 of the Companies Act, 2013 appointment of Mr. Sajid Mohamed as an Independent Director on the Board of the Company, requires approval of the Members of the Company.

The requisite resolutions for the appointment of Independent Directors are being proposed in the Notice of the ensuing Annual General Meeting for the approval of the Members.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed in Section 149(6) of the Companies Act, 2013.

The information on the particulars of the Directors proposed for appointment/ re-appointment has been given in the Notice of the Annual General Meeting.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and provisions of Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the Board has carried out an evaluation of its own performance, the directors individually as well

as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Remuneration Policy

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

Meetings

During the year five Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of section 134(3)(c) read with section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended on March 31, 2018 and state that :

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. 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 the Company at the end of the financial year and of the profit of the Company for that period;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDITORS

The term of the existing Statutory Auditors M/s MGB & Co. LLP is coming to end from. The Board of Directors have recommended re-appointment of M/s MGB & Co. LLP to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the 25th Annual General Meeting.

The Company has received a letter from them to the effect that their appointment, if made, would be within the provision prescribed under Section 139 of the Companies Act, 2013. Your Directors recommend their appointment.

SECRETARIAL AUDIT

Pursuant to provisions of section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s V. R. Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "**Annexure B**".

The observation made and as stated with respect to certain non-compliances as required under various regulations of SEBI (Listing Obligations and Disclosure Requirements) regulations 2015 are self-explanatory. The Company has noted the same and the Board of Directors have discussed the same in detail to avoid such future non-compliances.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "**Annexure C**".

CORPORATE SOCIAL RESPONSIBILITY

Presently Corporate social responsibility provisions are not applicable to Company.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no **materially significant** related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. The requisite details are given in Form AOC 2 is annexed herewith as "**Annexure D**".

CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Code has been placed on the Company's website www.lkpsc.com

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has established a vigil mechanism to be known as the 'Whistle Blower Policy' for its Directors and employees, to report instances of unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct. The aim of the policy is to provide adequate safeguards against victimization of whistle blower who avails of the mechanism and also provide direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

Accordingly, 'Whistle Blower Policy' has been formulated with a view to provide a mechanism for the Directors and employees of the Company to approach the Ethics Counselor or the Chairman of the Audit Committee of the Company.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise a concern about serious irregularities within the Company.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

INFORMATION PURSUANT TO SECTION 134(3) OF THE COMPANIES ACT, 2013

The information required pursuant to rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms a part of this report. However, as per the first proviso to section 136(1) and second proviso of rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the report and the financial statements are being sent to the members of the Company excluding statement of particulars of employees under rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. If any member is interested in obtaining the copy of the said statement may write to the Company Secretary in advance.

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Annexed as "**Annexure E**".

The prescribed particulars of Conservation of Energy, Technology Absorption do not apply to your Company. There are no foreign exchange earnings & outgo during the year under report.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements are furnished herewith and form part of this Report and Accounts. These statements have been prepared on the basis of audited financial statements received from the Subsidiary Company as approved by their Board of Directors.

CORPORATE GOVERNANCE

The Report on Corporate Governance along with a Certificate of compliance from the Practising Company Secretaries and Management Discussion and Analysis Report forms part of this Report.

SHARE CAPITAL

Pursuant to scheme of "ESOP 2017", during the year under review, Nomination and Remuneration Committee has granted 37,00,000 Stock Options to the employees of the Company.

ACKNOWLEDGEMENT

Your Directors would like to place on record their sincere appreciation to Shareholders, Bankers, Institutions and Employees for their co-operation and support.

**For and on behalf of the
Board of Directors**

Mumbai
Date: May 16, 2018

Pratik Doshi
Managing Director
DIN 00131122

S S Gulati
Director
DIN02404230

Annexure 'A'**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiary company**Subsidiary**

1. Name of the subsidiary: LKP Wealth Advisory Private Limited
2. The date since when subsidiary was acquired: Since Incorporation i.e. 08/08/2014
3. Reporting period for the subsidiary concerned: 01/04/2017 to 31/03/2018
4. Share capital: Rs. 76,00,000/-
5. Reserves and surplus: Rs. 34,16,574/-
6. Total assets: 1,94,07,496/-
7. Total Liabilities: 83,90,922/-
8. Investments: NIL
9. Turnover: 1,73,00,611/-
10. Profit before taxation: 38,83,956/-
11. Provision for taxation: 14,00,000/-
12. Profit after taxation: 24,83,956/-
13. Proposed Dividend: NIL
14. Extent of shareholding (in percentage): 99.98%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: None
2. Names of subsidiaries which have been liquidated or sold during the year: None

For and on behalf of the Board of Directors

Mumbai
Date: May 16, 2018

Pratik Doshi
Managing Director
DIN 00131122

S.S.Gulati
Director
DIN 02404230

Annexure 'B'**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

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

To,
The Members,
LKP Securities Limited.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by LKP Securities Limited (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder; except for
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as applicable to the company:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (not applicable to the company during the audit period)
 - (d) The Securities and Exchange Board of India Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable to the company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable to the company during the audit period);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (not applicable to the company during the audit period); and
 - (i) The Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992;
- (v) Other Applicable Acts;
 - (a) The Employees Provident Fund & Miscellaneous Provisions Act, 1952;
 - (b) Employees State Insurance Act, 1948;
 - (c) Payment of Gratuity Act, 1972;
 - (d) The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013;

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

- *Appointment of one Women Director on the Board of Directors of the Company as per provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not complied with;*
- *The quorum for the Audit Committee meeting of the Company convened on 4th August, 2017 was not as per the provisions of Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and*

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

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

- (i) *Special resolution passed vide annual general meeting dated 24th May, 2017 for re-appointment of Mr. Pratik Doshi as Managing Director of the company;*
- (ii) *Special resolution passed at the annual general meeting dated 24th May, 2017 for approval of the Employee Stock Option Plan, 2017.*

For V.R. Associates

Place : Mumbai
Date : 16th May, 2018

Company Secretaries
V. Ramachandran
CP 4731

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

'Annexure I' to Secretarial Audit Report

To,
The Members,
LKP Securities Limited.

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

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

For V.R. Associates

Place : Mumbai
Date : 16th May, 2018

Company Secretaries
V. Ramachandran
CP 4731

Annexure 'C'
Form No. MGT-9

EXTRACT OF ANNUAL RETURNS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L67120MH1994PLC080039
ii.	Registration Date	03/08/1994
iii.	Name of the Company	LKP SECURITIES LIMITED
iv.	Category / Sub-Category of the Company	Company limited by shares
v.	Address of the Registered office and contact details	203 Embassy Centre, Nariman Point, Mumbai 400021
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Adroit Corporate Services Private Limited 19, Jafarbhoj Industrial Estate, 1 st Floor, Makawana Road, Marol Naka, Andheri (East), Mumbai 400 059. Tel. No.022- 28590942

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	Stock broking	66120	94.75

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	LKP Wealth Advisory Private Limited	U67190MH2014PTC256997	Subsidiary Company	100.00%	2(87)(ii)

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 01/04/2017				No. of Shares held at the end of the year 31/03/2018				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
a) Individual/HUF	--	--	--	--	--	--	--	--	--
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt. (s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	23742120		23742120	32.43	23742120	--	23742120	32.43	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any Other...									
i. Directors	604332	--	604332	0.83	604332	--	604332	0.83	1.01
ii. Directors relatives	22797666	--	22797666	31.14	23546604	--	23546604	32.15	
Sub-total (A) (1):-	47144118	--	47144118	64.39	47893056	--	47893056	65.41	1.01
(2) Foreign									
a) NRIs - Individuals	--	--	--	--	--	--	--	--	--
b) Other - Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other...	--	--	--	--	--	--	--	--	--
Sub-total (A) (2):-		--			--	--			--

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2017				No. of Shares held at the end of the year 31/03/2018				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	47144118	--	47144118	64.39	47893056	--	47893056	65.41	--
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	--	8400	8400	0.01	--	8400	8400	0.01	--
b) Banks / FI	300	15000	15300	0.02	300	15000	15300	0.02	--
c) Central Govt.	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIs	1416420	--	1416420	1.93	2049882	--	2049882	2.80	0.86
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (Specify)	--	--	--	--	--	--	--	--	--
Sub-total (B) (1)	1416720	23400	1440120	1.97	2050182	23400	2073582	2.83	0.86
(2) Non - Institutions									
a) Bodies Corp.									
i) Indian	6605210	48006	6653216	9.09	4555128	--	4555128	6.22	(2.86)
ii) Overseas	4364934	--	4364934	5.96	4364934	--	4364934	5.96	--
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakh	8511782	1865866	10377648	14.17	9443229	1780620	11223849	15.34	1.17
ii) Individual shareholders holding nominal share capital in excess of Rs.2 lakh	1886838	--	1886838	2.58	1929883	--	1929883	2.64	0.06
c) Others (Specify)									
c-1) NON RESIDENT INDIANS(INDIVIDUALS)	696233	596550	12927830	1.77	531298	590550	1121848	1.53	(0.23)
c-2) CLEARING MEMBER	20463		20463	0.03	14690	--	14690	0.02	(0.01)
c-3) TRUSTS	1200		1200	--	1200	--	1200	--	--
c-4) DIRECTORS	39876	100	39976	0.05	39876	100	39976	0.05	--
c-5) CORPORATE BODY - BROKER	39876	100	39987	0.05	3150	--	3150	--	--
Sub-total (B)(2)	22126536	2510522	24637058	33.65	20883388	2371270	23254658	31.76	(1.87)
Total Public Shareholding(B)= (B) (1)+(B)(2)	23543256	2533922	26077178	35.61	22933570	2394670	25328240	34.59	(1.01)
C. Shares held by Custodian for GDRs & ADRs.	--	--	--	--	--	--	--	--	--
Promoter and Promoter Group	--	--	--	--	--	--	--	--	--
Public -	--	--	--	--	--	--	--	--	--
Sub-total (C)	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	70687374	2533922	73221296	100	70826626	2394670	73221296	100	0.00

ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2017			Share holding at the end of the year 31/03/2018			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. M. V. Doshi	22097316	30.18	--	22246254	30.37	--	0.19
2	Mr. Pratik M. Doshi	604332	0.83	--	604332	0.83	--	--
3	Miss Ira P. Doshi	600000	0.82	--	600000	0.82	--	--
4	Mrs. Shital A. Sonpal	100350	0.14	--	100350	0.14	--	--
5	Bhavana Holdings Pvt. Ltd.	8457030	11.55	--	8457030	11.55	--	--
6	Sea Glimpse Investments Pvt. Ltd.	15285090	20.88	--	15285090	20.88	--	--
7	Miss Samaya Pratik Doshi	--	--	--	600000	0.82	--	0.82
	Total	47144118	64.39	--	47893056	65.41	--	1.01

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		As on date	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
1	Mr. Mahendra V. Doshi					
	At the beginning of the year	01/04/2017	22097316	30.18	22097316	30.18
	Change during the year	16/05/2017	--	--	600000	(0.82)
	Inter-se Transfer	08/01/2018	--	--	748938	1.02
	Acquired	31/03/2018			22246254	30.37
	At the end of Year					
2	Mr. Pratik M. Doshi					
	At the beginning of the Year	01/04/2017	604332	0.83	604332	0.83
	Change during the Year	--	--	--	--	--
	At the end of Year	31/03/2018	--	--	604332	0.83
3	Miss. Ira Pratik Doshi					
	At the beginning of the year	01/04/2017	600000	0.82	600000	0.82
	Change during the year	--	--	--	--	--
	At the end of Year	31/03/2018	--	--	600000	0.82
4	Mrs. Shital A Sonpal					
	At the beginning of the year	01/04/2017	100350	0.14	100350	0.14
	Change during the year	--	--	--	--	--
	At the end of Year	31/03/2018	--	--	100350	0.14
			--	--	--	--
5	Bhavna Holdings Pvt. Ltd.					
	At the beginning of the year	01/04/2017	8457030	11.55	8457030	11.55
	Change during the year	--	--	--	--	--
	At the end of Year	31/03/2018	--	--	8457030	11.55
6	Sea Glimpse Investment Pvt. Ltd.					
	At the beginning of the year	01/04/2017	2547515	20.88	2547515	20.88
	Change during the year	--	--	--	--	--
	At the end of Year	31/03/2018	--	--	2547515	20.88
7	Miss. Samaya Pratik Doshi					
	At the beginning of the year	01/04/2017	--	--	--	--
	Change during the year	16/05/2017	--	--	600000	0.81
	Inter-se Transfer	31/03/2018	--	--	600000	0.81
	At the end of Year					

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

Sl. No.	For Each of the Top 10 Shareholders	As on date	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
1	Agrud Capital Pte. Ltd.	01/04/2017	4364934	5.96	4364934	5.96
		31/03/2018	0	0.00	4364934	5.96
2	Grovsnor Investment Fund Ltd.	01/04/2017	2400000	3.28	2400000	3.28
		27/10/2017	(100000)	(0.14)	2300000	3.14
		31/10/2017	(70000)	(0.10)	2230000	3.05
		03/11/2017	(30000)	(0.04)	2200000	3.00
		10/11/2017	(25735)	(0.04)	2174265	2.97
		22/12/2017	(66711)	(0.09)	2107554	2.88
		29/12/2017	(186317)	(0.25)	1921237	2.62
		31/03/2018	0	0.00	1921237	2.62
3	India Max Investment Fund Ltd.	01/04/2017	780420	1.07	780420	1.07
		28/04/2017	336000	0.46	1116420	1.52
		05/05/2017	300000	0.41	1416420	1.93
		29/09/2017	(734538)	(1.00)	681882	0.93
		27/10/2017	(21000)	(0.03)	660882	0.90
		16/03/2018	1079000	1.47	1739882	2.38
		23/03/2018	310000	0.42	2049882	2.80
		31/03/2018	0	0.00	2049882	2.80
		4	Sadguru Express Pvt. Ltd.	01/04/2017	1087218	1.48
16/03/2018	(1087218)			(1.48)	0	0.00
31/03/2018	0			0.00	0	0.00
5	Padmakshi Financial services Private Limited	01/04/2017	174166	0.24	174166	0.24
		21/04/2017	350000	0.48	524166	0.72
		28/04/2017	407710	0.56	931876	1.27
		22/09/2017	(3300)	(0.00)	928576	1.27
		29/09/2017	(500)	(0.00)	928076	1.27
		13/10/2017	(15000)	(0.02)	913076	1.25
		31/10/2017	(10000)	(0.01)	903076	1.23
		03/11/2017	(10000)	(0.01)	893076	1.22
		10/11/2017	(11349)	(0.02)	881727	1.20
		17/11/2017	(23957)	(0.03)	857770	1.17
		02/02/2018	(188315)	(0.26)	669455	0.91
		09/02/2018	14749	0.02	684204	0.93
		23/02/2018	12412	0.02	696616	0.95
		02/03/2018	(38846)	(0.05)	657770	0.90
		09/03/2018	5000	0.01	662770	0.91
16/03/2018	(5000)	(0.01)	657770	0.90		
31/03/2018	0	0.00	657770	0.90		
6	Sayanata Basu	01/04/2017	917352	1.25	917352	1.25
		31/03/2018	0	0.00	917352	1.25
7	Marytime Trimpe Pvt. Ltd.	01/04/2017	784794	1.07	784794	1.07
		31/03/2018	0	0.00	784794	1.07
8	Padmakshi Capital Pvt. Ltd.	01/04/2017	757710	1.03	757710	1.03
		21/04/2017	(350000)	(0.48)	407710	0.56
		28/04/2017	(407710)	(0.56)	0	0.00
		09/03/2018	10705	0.01	10705	0.01
		16/03/2018	5000	0.01	15705	0.02
31/03/2018	0	0.00	15705	0.02		
9	Prime India Investment Fund Ltd.	01/04/2017	636000	0.87	636000	0.87
		28/04/2017	(336000)	0.46	300000	0.41
		05/05/2017	(300000)	0.41	0	0.00
		31/03/2018	0	0.00	0	0.00
10	Rashmikant Amrattal Shah	01/04/2017	366186	0.50	366186	0.50
		31/03/2018	0	0.00	366186	0.50

Note : Decreased by sale / transfer to other (-)

(V) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	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
1	Mr. Pratik Doshi Managing Director				
	01/04/2017 31/03/2018	604332 --	0.83 --	604332 604332	0.83 0.83
2	Mr. S S Gulati Non-Executive Director	39976 --	0.05 --	39976 39976	0.05 0.05
	01/04/2017 31/03/2018				
3	Mr. Ganesh Malhotra Independent Director				
	01/04/2017 31/03/2018	-- --	-- --	-- --	-- --
4	Ms. Sangeeta Jhaveri Independent Director				
	01/04/2017 14/08/2017 (Resigned)	-- --	-- --	-- --	-- --
5	Mr. Girish Majrekar Chief Financial Officer				
	01/04/2017 31/03/2018	600 --	-- --	600 600	-- --
6.	Ms. Dimple Chopra Company Secretary				
	01/04/2017 18/09/2017(Resigned)	-- --	-- --	-- --	-- --
7	Mr. Sajid Mohamed Independent Director				
	29/09/2017 31/03/2018	-- --	-- --	-- --	-- --
8	Mr. Siddharth Mehta Assistant Company Secretary				
	01/01/2018 31/03/2018	-- --	-- --	-- --	-- --

VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs. in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1413.05	10.00	--	1423.05
ii) Interest due but not paid	41.87	--	--	41.87
iii) Interest accrued but not	0	--	--	0
Total (i+ii+iii)	1454.92	10.00	--	1464.92
Change in Indebtedness during the financial year				
- Addition	176.87	31.26	--	208.13
- Reduction	--	--	--	--
Net Change	176.87	31.26		208.13
Indebtedness at the end of the financial year	1597.17	41.26	--	1638.43
i) Principal Amount	34.62	0	--	34.62
ii) Interest due but not paid iii) Interest accrued but not due	0	0	--	0
Total (i+ii+iii)	1631.79	41.26	--	1673.05

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Mr. Pratik Doshi (Managing Director)	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Rs. 63,99,984/-	Rs. 63,99,984/-
2.	Stock Option	--	--
3.	Sweat Equity	--	--
4.	Commission - as % of profit - others, specify...	--	--
5.	Others, please specify		
6.	Total (A)	Rs. 63,99,984/-	Rs. 63,99,984/-
	Ceiling as per the Act	Rs. 84,00,000/-	Rs. 84,00,000/-

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Director(s)			Total Amount
	<u>Independent Directors</u> · Fee for attending board meetings · Commission · Others, please specify	Mrs. Sangeeta Jhaveri	Mr. Ganesh Malhotra	Mr. Sajid Mohamed	Rs.90,000/-
		Rs. 10,000	Rs. 50,000/-	Rs. 30,000/-	
	Total (1)	Rs. 10,000	Rs.50,000/-	Rs. 30,000/-	Rs.90,000/-
	<u>Other Non-Executive Directors</u> · Fee for attending board meetings · Commission · Others, please specify	Mr. S S Gulati			Rs. 50,000/-
		Rs. 50,000/-			
	Total (2)	Rs. 50,000/-			Rs. 50,000/-
	Total (B)=(1+2)				
	Total Managerial Remuneration				Rs. 1,40,000
	*Overall Ceiling as per the Act				

(*Overall Ceiling as per the Act is Rs. 1,00,000 sitting fees per Meeting. However company has paid Rs. 10,000 sitting fees per Board meeting.)

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		Company Secretary (w.e.f.1/01/2018)	Company Secretary (till 18/09/2017)	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	1,02,000/-	2,65,101/-	13,00,000/-	16,67,101/-
2.	Stock Option				
	Sweat Equity				
	Commission - as % of profit - others, specify...				
	Others, please specify				
	Total	1,02,000/-	2,65,101/-	13,00,000/-	16,67,101/-

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

Annexure D
FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

	Name(s) of the related party	Nature of relationship	Nature of transactions	Transaction Value (Rs. In Lakhs)
1	Mr. Pratik M. Doshi, Mr. Girish Majrekar, Ms. Dimple Chopra and Mr. Siddharth Mehta	Key Managerial Personnel	Remuneration to Key Management Personnel	64.22 13.00 2.65 1.02
2	Sea Glimpse Investments Pvt. Ltd., M/s L K Panday, LKP Finance Limited, MKM Share and Stock Brokers Limited	Other Related parties	Brokerage Income	62.98
3	LKP Finance Limited	Other Related parties	Interest Income	50.90
4	LKP Wealth advisory Pvt. Ltd.	Subsidiary Company	Commission Expense	32.87
5	Peak Plastronics Pvt. Ltd.	Other Related parties	Legal & Professional Fees	10.56
6	LKP Wealth advisory Pvt. Ltd.	Subsidiary Company	Loans Taken	31.26
7	LKP Finance Limited	Other Related parties	Loan Given	1,00.00
8	LKP Finance Limited	Other Related parties	Repayment Received of Loans given	7,00.00
9	LKP Wealth advisory Pvt. Ltd.	Subsidiary Company	Investments made during the year	25.00

- (c) Duration of the contracts/arrangements/transactions: FY 2017-18
- (d) Salient terms of contracts or arrangements or transactions including the value, if any: Regular and ordinary course of Business.
- (e) Date(s) of approval by the Board, if any: 16th May, 2018
- (f) Amount paid as advances, if any: Nil

Form shall be signed by the persons who have signed the Board's report.

For and on behalf of the Board of Directors

Mumbai
 Date: May 16, 2018

Pratik Doshi Managing Director DIN 00131122	S.S.Gulati Director DIN 02404230
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Annexure E

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Name of Director	Designation	Ratio to median remuneration of the Employees
Mr. Pratik Doshi	Managing Director	28.4647

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	Designation	Increase in remuneration
Mr. Pratik Doshi	Managing Director	37.61%
Mr. Girish Majrekar	Chief Financial Officer	18.72%
Ms. Dimple Chopra*	Company Secretary	Not Applicable
Mr. Siddharth Mehta#	Company Secretary	Not Applicable

* upto September 18, 2017

w.e.f. January 01, 2018

3. The percentage increase in median remuneration of employees in the financial year: 13.57
4. The number of permanent employees on the rolls of Company: 481
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- The median percentage increase made in the salaries of employees other than managerial remuneration was 13.57% whereas the increase in the remuneration of Managerial personnel was 28.47%.
6. It is hereby affirmed that remuneration is as per the remuneration policy of the company.

On behalf of the Board of Directors

Pratik M Doshi
Managing Director

Date: May 16, 2018

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on Corporate Governance

The Company provides detailed information on various issues concerning the Company's business / performance, to its shareholders. The fundamental philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for meeting its obligations to the shareholders. The Company believes that good Corporate Governance is a continuous process and strive to improve the same to meet shareholder's expectations. The Board of Directors of the Company has adopted the Code of Conduct for its members and senior management executives.

2. Board of Directors

The composition and category of Directors as on 31st March 2018 are as follows:

Category	Name of Directors	Designation
Promoter	Pratik Doshi	Managing Director
Non-executive	S S Gulati	Director
Independent & Non-executive	Ganesh Malhotra	Director
Independent & Non-executive	Sajid Mohamed	Director

The composition of the Board of Directors is in accordance with the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Non-Executive Independent Directors of your Company have no pecuniary relationship or any transaction with your Company.

Board Meetings

The Meeting of the Board of Directors are scheduled well in advance and generally held at the Company's corporate office at Nariman Point, Mumbai. The notice confirming the meeting and the detailed agenda is sent well in advance to all the Directors.

There were five Board Meetings held during the financial year ended 31st March 2018, namely on 26th April, 2017, 4th August, 2017, 27th September, 2017, 10th November, 2017, 2nd February, 2018.

Attendance, Other Directorship & Membership

Membership and Attendance of each Director at the Board of Directors' Meetings held during the year and the last Annual General Meeting and the number of other Directorship/Membership of Board Committees as on 31st March 2018:

S. No.	Name of the Director	Board Meeting Attended	Attendance at Last AGM	No. of Directorship in Boards (Excluding LKP Securities Ltd.)		No. of Chairmanship / Membership in other Board Committees (Excluding LKP Securities Ltd.)	
				Public	Private	Chairmanship	Membership
1	Mr. Pratik M. Doshi	5	Yes	2	9	0	
2	Mr. S S Gulati	5	Yes	--	4	--	--
3	Mrs. Sangeeta Jhaveri *	1	Yes	--	--	--	--
4	Mr. Ganesh Malhotra	5	Yes	--	--	--	--
5	Mr. Sajid Mohamed#	3	No	1	2	--	--

*Resigned w.e.f. August 14, 2017

Appointed w.e.f. September 27, 2017

Remuneration of Directors

During the year under review the Company has paid Rs. Rs. 64.22 lacs towards remuneration (details of which are provided in the extract of the annual return form MGT 9 'Annexure C' to the Directors' Report) to Mr. Pratik M. Doshi, Managing Director of the Company pursuant to the Board resolution passed by Board members on April 26, 2017 and approved by the shareholders at 23rd Annual General Meeting. At present, Independent Directors are not paid any remuneration except sitting fees for attending Board Meetings.

Sitting Fees (Inclusive of TDS) paid to Directors for attending Board Meetings

1. Mr. S S Gulati	Rs. 50,000/-
2. Mr. Ganesh Malhotra	Rs. 50,000/-
3. Mrs. Sangeeta Jhaveri	Rs. 10,000/-
4. Mr. Sajid Mohamed	Rs. 30,000/-
5. Mr. Pratik M. Doshi	Nil

3 Audit Committee

The Board has set up the Audit Committee with two Independent Director Mr. Ganesh Malhotra, Mr. Sajid Mohamed* and Managing Director Mr. Pratik Doshi. Mr. Ganesh Malhotra is the Chairman of the Audit Committee. Mr. Sajid Mohamed and Mr. Pratik Doshi are the members of the Audit Committee.

Audit Committee meetings were held on 26th April, 2017, 4th August, 2017, 10th November, 2017 and 2nd February, 2018. All the members have attended the aforesaid meetings except leave of absence was granted to Mrs. Sangeeta Jhaveri** for meeting held on 4th August, 2017. The Statutory Auditors were the invitees to the above meetings. The scope of activities and powers of Audit Committee includes the areas prescribed under the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, and section 177 of the Companies Act, 2013.

**Mr. Sajid Mohamed appointed w.e.f. September 27, 2017*

***Mrs. Sangeeta Jhaveri resigned w.e.f. August 14, 2017 during the year under review.*

4. Stakeholders Relationship Committee

Stakeholders Relationship Committee has been constituted pursuant to the section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the said Committee is consist of Mr. S S Gulati, non-executive director and Mr. Pratik Doshi, executive director. Mr. S S gulati is appointed as a Chairman and Ms. Dimple Chopra*, Company Secretary of the Company is a Compliance Officer. Mr. Siddharth R. Mehta, designated as Company Secretary is a Compliance Officer w.e.f. 1st January, 2018, from the date of his appointment.

Company has received one complaint from investor during 2nd Quarter of the year under review. The same has been resolved in due time. No transfer of share is pending as on date.

M/s. V. R. Associates, Practicing Company Secretaries is conducting Reconciliation of Share Capital Audit, for the Company.

**Resigned w.e.f. September 18, 2017*

5. Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted by the Company. The Committee consists of two Independent Director viz. Mr. Ganesh Malhotra and Mr. Sajid Mohamed* and Managing Director Mr. Pratik Doshi. Mr. Ganesh Malhotra is the Chairman of the Nomination and Remuneration Committee. Mr. Sajid Mohamed and Mr. Pratik Doshi are the members of the Nomination and Remuneration Committee.

The terms of reference of the Nomination and Remuneration Committee cover all the areas mentioned under Part D Schedule II read with regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and section 178 of the Companies Act, 2013. The broad terms of reference of the Nomination and Remuneration Committee therefore include recommending a policy relating to remuneration and employment terms of Executive Chairman, directors and senior management personnel, adherence to the remuneration/employment policy, also to prepare, administrate and monitor Company's Employees Stock Options Plans /Scheme from time to time, as finally approved by the Board of Directors. Preparing the criteria and identify persons who may be appointed as directors or senior management of the Company, preliminary evaluation of every Director's performance, Board diversity, compliance of the Code for Independent Directors referred to in Schedule IV of the Companies Act, 2013, compliance with the Company's Code of Conduct by Directors and employees of the Company, reporting non-compliances, in case if any, to the Board of Directors, recommending draft of the report required under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which will form part of the Directors Report to Shareholders, monitor loans to employees and any other matters which the Board of Directors may direct from time to time.

During the financial year ended March 31, 2018, two meetings of the Nomination and Remuneration Committee were held on 26th April, 2017 and 29th September, 2017. All the members have attended the aforesaid meetings. At present, Directors are not paid any fees for attending any Committee Meetings.

**Mr. Sajid Mohamed appointed w.e.f. September 27, 2017*

***Mrs. Sangeeta Jhaveri resigned w.e.f. August 14, 2017 during the year under review.*

Policy for selection and Appointment of Directors and their Remuneration

Criteria of selection of Non-executive Directors

The Non-executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.

The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

In case of re-appointment of Non-executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration:

A Non-executive Director shall be entitled to receive sitting fees for each meeting of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Managing Director / Director – Criteria for selection / appointment

For the purpose of selection of the Managing Director / Director the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the Managing Director / Director:

At the time of appointment or re-appointment, the Managing Director / Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Committee and the Board of Directors) and the Managing Director / Director within the overall limits prescribed under the Companies Act, 2013.

The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the Managing Director / Director comprises of fixed and variable component as per the provisions of Companies Act, 2013. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits.

Remuneration Policy for the Senior Management Employees:

In determining the remuneration of the Senior Management Employees the Committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Executive Chairman will carry out the individual performance review based on the respective defined objectives, qualification, expertise, experience and other factors whilst recommending the annual increment and performance incentive to the Committee for its review and approval.

6. Corporate Social Responsibility (CSR) Committee:

Section 135 of the Companies Act, 2013 doesn't applicable to the company.

7. Performance Evaluation of the Board

A separate exercise was carried out to evaluate the performance of individual Directors including the Managing Director of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Managing Director and the Non-independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

8. Independent Directors Meeting

During the year under review, the Independent Directors met on February 02, 2018, inter alia, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Non-executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting.

9. General Body Meetings

The particulars of last three years Annual General Meetings are as under:

Financial Year	Day	Date	Time
2016-2017	Wednesday	24 th May 2017	11.30 a.m.
2015-2016	Thursday	9 th June 2016	11.00 a. m.
2014-2015	Wednesday	10 th June 2015	11.00 a. m.

Location:

For the Financial year 2014-15 and 2015-16 Annual General Meetings of the Company were held at 112A Embassy center, Nariman point, Mumbai 400021. For the Financial year 2016-17 Annual General Meeting of the Company were held at M.C.Ghia Hall, Hargovindas Building, 18/20, Kaikhushru Debash Marg, Mumbai 400001.

Business

Year	Special Resolution passed.
2016-2017	<ol style="list-style-type: none"> 1. For Revision of Managing Director's Remuneration and various allowances. 2. Approval and implementing ESOP 2017 in one or more tranches.
2015-2016	<ol style="list-style-type: none"> 1. For adoption of new set of Articles of Association 2. For approval of Related party transactions
2014-2015	No Special resolution passed.

10. Disclosure

1. The related party details are disclosed in the notes to financial statements. The Register of Contracts containing the transactions in which Directors are interested is regularly placed before the Board for its approval.
2. No personnel have been denied access to the Chairman or members of the Audit Committee. The mechanism of Whistle Blower Policy is in place.
3. To the extent possible, the Company has complied with the mandatory requirement of this clause.
4. The Company has complied with all applicable Accounting Standards in preparation of its financial statements pursuant to the amended Schedule III of Companies Act, 2013.

11. Means of Communication

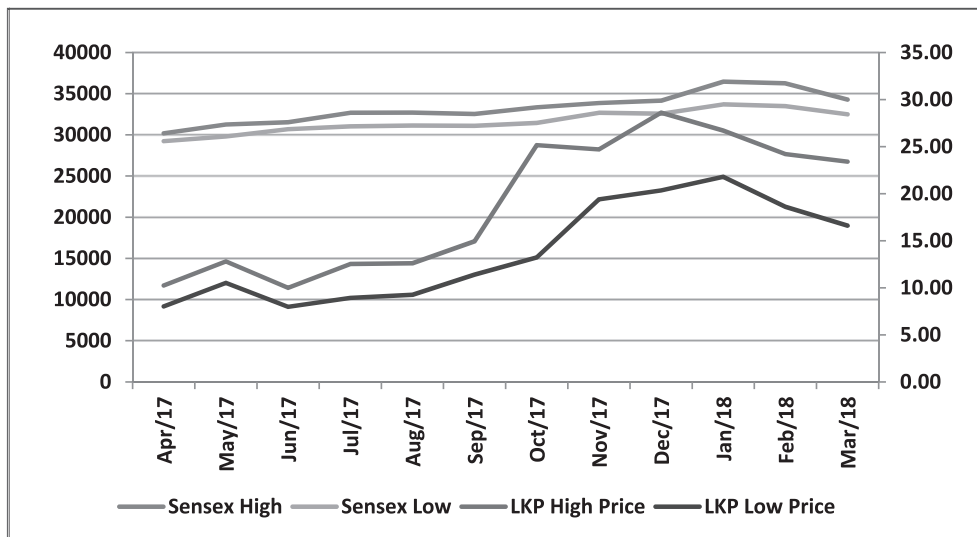
1. The financial results of for June, September and December Quarters were published in The Business Standard and Aplmahanagar dailies. For the Quarter and year ended on March, 2018 was published in Financial Express and Mumbai Lakshwadeep. These were not sent individually to the shareholders.
2. The Company's results or official news are displayed on a web site www.lkpsec.com
3. There were no presentations made to the institutional investors or to the analysts.
4. The Management, Discussion and Analysis Report form a part of this Annual Report.

12. General Shareholder Information

AGM Date, Time and Venue:	Friday, 24 th August, 2018 at 11.00 a.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai 400 001, Maharashtra, India.
Financial Calendar	April to March Announcement of Audited / Un-audited Results (tentative) 1 st Quarter - First week of August 2 nd Quarter - First week of November 3 rd Quarter - Last week of January 4 th Quarter - Last week of April
Book Closure	Saturday, 18 th August, 2018 to Friday, 24 th August, 2018 (both days inclusive).
Dividend	Company has declared dividend of Rs. 0.10/- per share (Rupees Ten Paise Only).
Listing on Stock Exchange	B S E Limited, Mumbai (Code-540192). The Company has paid the listing fees for the period from 1 st April 2018 to 31 st March 2019.
Demat ISIN No. for Depositories	INE341H01023

Market Price Data and Performance in comparison to BSE Sensex

	LKP Securities Ltd				BSE Sensex	
	LKP High Price	LKP Low Price	Volume	No of trades	Sensex High	Sensex Low
Apr-17	10.24	8.02	2052387	900	30184	29241
May-17	12.80	10.52	365244	579	31255	29804
Jun-17	10.00	7.98	56256	89	31523	30681
Jul-17	12.52	8.92	568628	996	32673	31017
Aug-17	12.60	9.25	395955	617	32686	31128
Sep-17	14.94	11.40	1367155	1491	32524	31082
Oct-17	25.16	13.23	2180929	5083	33340	31440
Nov-17	24.70	19.40	1261813	3206	33866	32684
Dec-17	28.60	20.35	1119372	2738	34138	32565
Jan-18	26.70	21.80	1757625	2773	36444	33703
Feb-18	24.20	18.60	354015	1794	36257	33483
Mar-18	23.40	16.60	1919443	2115	34279	32484


Registrar & share Transfer Agent

M/s. Adroit Corporate Services Private Limited
 19, Jafarbhoj Industrial Estate, 1st Floor,
 Makawana Road, Marol Naka,
 Andheri (East), Mumbai 400 059.
 Tel. No.022- 28590942

Share Transfer System

The Company's Shares are traded on BSE Limited compulsorily in the dematerialized form. However, all requests received for transfer of shares for off market transaction in physical form furnishing with a copy of PAN card of the transferee(s) in compliance with the SEBI circular in that behalf are processed by the Registrar and Transfer Agents and are approved by Share Transfer Committee on weekly basis. The Share Transfers are registered and returned within period of 15 days from the date of lodgment, if documents are complete in all respects.

Distribution of shareholding as on 31st March 2018

Shares Slab	Share Holders	%	Total Shares	Amount (Rs.)	%
Upto - 100	781	11.65	34528	69056.00	0.05
101 - 500	1072	16.00	3279934	655868.00	0.45
501 - 1000	2761	41.20	1776223	3552446.00	2.43
1001 - 2000	976	14.56	1380640	2761280.00	1.89
2001 - 3000	361	5.39	968838	193767.00	1.32
3001 - 4000	125	1.87	444805	889610.00	0.61

Shares Slab	Share Holders	%	Total Shares	Amount (Rs.)	%
4001 - 5000	130	1.94	615402	1230804.00	0.84
5001 -10000	266	3.97	1863473	3726946.00	2.54
10001 -20000	110	1.64	1537206	3074412.00	2.10
20001 -50000	69	1.03	2229011	4458022.00	3.04
50001 & Above	50	0.75	62043236	124086472.00	84.73
Total :	6701	100.00	73221296	146442592.00	100.00

Share holding pattern as on 31st March 2018

	Category of Shareholder	Total number of shares	% to the Shareholding
1	Indian Promoters / Person Acting in Concert	47893056	65.41
2	Directors other than Promoters	39976	0.05
3	Mutual Fund and UTI	8400	0.01
4	Financial Institutions / Banks and Insurance Com.	15300	0.02
5	FII's	2049882	2.80
6	Private Corporate Bodies	4555128	6.22
7	Indian Public	13153732	17.97
8	Foreign Corporate Bodies	4364934	5.96
9	NRI/OCB	1121848	1.53
10	Others	19040	0.03
	Total	73221296	100

Dematerialization of equity Shares and liquidity

As on 31st March 2018, 96.66 % of the Company's total shares represented by 7,07,78,620 shares were held in dematerialized form.

Out-standing GDR/Warrants/Convertible Instruments

The Company has no out-standing GDR/Warrants/Convertible Instruments.

Address for correspondence

LKP Securities Limited
 203, Embassy Centre,
 Nariman Point, Mumbai 400 021

For and on behalf of Board of Directors

Mumbai
 Date: May 16, 2018

(Pratik M. Doshi)
 Managing Director

COMPLIANCE OF CODE OF CONDUCT

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2018.

For and on behalf of Board of Directors

Mumbai
 Date: May 16, 2018

(Pratik M. Doshi)
 Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members,

LKP Securities Limited

We have examined the compliance of conditions of corporate governance by LKP Securities Limited ("the company") for the year ended on 31st March, 2018, as specified in Chapter IV of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the company for ensuring compliance with the conditions of the corporate governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the management, we certify that the company has complied with conditions of corporate governance as specified in Chapter IV of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 subject to the following.

- *Appointment of one Woman Director on the Board of Directors of the Company as per provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not complied with, pursuant to the resignation of Ms. Sangeeta Jhaveri on 14th August, 2017;*
- *The quorum for the Audit Committee meeting of the Company convened on 4th August, 2017 was not as per the provisions of Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015*

We state that such compliance is neither an assurance as to future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For V.R. Associates
Company Secretaries

Place: Mumbai
Date: 16th May, 2018

V. Ramachandran
CP 4731

COMPLIANCE CERTIFICATE**[Regulation 17(8) of SEBI (Listing and Disclosure Requirements, 2015)]**

The Board of Directors
LKP Securities Limited

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee that there is NO :
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) Instances of significant fraud of which we have become aware and the involvement therein; if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For LKP Securities Limited

For LKP Securities Limited

Mumbai
Date: 16th May, 2018

Pratik M. Doshi
Managing Director

Girish Majrekar
Chief Finance Officer

MANAGEMENT DISCUSSION AND ANALYSIS

Industry structure and developments

FY 2017-18 was a good year for Capital Markets with Equity Turnover at the Exchanges growing more than 70% to Rs.1733 trillion against Rs.1004 trillion recorded in FY 16-17 with the ADTO also witnessing an increase to Rs.7 trillion from Rs.4 trillion in the previous year.

India will continue to benefit from the sharp decline in global commodity prices, including that of crude oil. This along with a stable Indian Rupee, will keep inflation under check. While the pace of economic reforms forms may have been slower than expected by market participants, but the steps taken by the government are in the right direction.

Opportunities and Threats

Your Company being a Stock Broker seeks opportunities in the capital market. The volatility in the stock indices in the financial year under report represents both an opportunity and challenge for the Company.

The business of the company is affected by the sentiments prevailing in the stock markets.

LKP Securities Ltd. is one of the reputed broking houses of the country, having a network of 2500 plus outlets across India. The company has put in place a new team to drive the retail business.

The Company is empanelled with most of the reputed domestic financial institutions including life and non insurance companies, mutual funds, foreign financial institutions and corporates, apart from having large number of HNI and retail clients. The likely increase in capital mobilisation from the primary market, increase in resource mobilisation by mutual funds and phenomenal growth in secondary market volumes provide significant business opportunities for the Company.

Outlook

While the IIP or Factory Output grew at 4.3% in FY 17-18 we believe that there is potential in the economy to achieve a higher IIP during the current fiscal. Oil Prices and Monsoon would be the two key monitorables in the current year which promises to be a volatile year due to elections in several states. Also a lot depends on the easing of the NPA situation in the banking sector.

Risks and Concerns

The stock broking industry has recently witnessed intense competition, falling brokerage rates and the entry of several big players. The Company's Subsidiary Company continues to achieve cost efficiencies through the application of technology. However with the availability of financial resources, we are hopeful that the said Company will be able to take the opportunities of the expanding business opportunities.

The Capital market industry in which your Company is operating is subject to extensive regulation. The Company evaluates the technological obsolescence and the associated risk and makes investment accordingly

Internal Control Systems and their adequacy

The Company has satisfactory internal control system.

The Company including subsidiary has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws & regulations and compliance with all rules, procedures & guidelines prescribed by the management. An extensive internal audit is carried out by independent firm of Chartered Accountants. An internal team of inspection also regularly visits branches for ensuring regulatory compliance. Post audit reviews are also carried out to ensure follow up on the observations made.

Financial Performance with respect to Operational Performance

Share Capital

The paid up equity share capital of the Company as on March 31, 2018 stands at Rs. 14,64,42,592/- divided into 7,32,21,296 equity shares of Rs. 2/- each fully paid up.

Net Worth

The Net Worth of the Company 3620.12 Lacs.

Secured Loans

The secured loans 6312.74 Lacs.

Total Income

During the year under consideration 8198.71 Lacs.

Other Income

During the year under consideration 454.28 Lacs.

Interest and Finance Charges

During the year under consideration 671.68 Lacs.

Tax Expense

During the year under consideration 521.21 Lacs.

Human Resources

There has been **no material development** on the Human Resource/Industrial Relations front during the year. As on 31st March 2018 the Company had 481 employees.

LKP Securities Ltd. places significant importance to its human capital. As on 31st March 2017 there are 480 employees employed by the Company. The company has also provided medical insurance for its employees and family members as a welfare measure. The company has been paying special attention to improve the skill set of the employees through various training programs. All employees are encouraged and motivated to get themselves certified in relevant industry standard certifications such as CFP, NCFM, BSEC & AMFI.

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2017-18

- No of complaints received: Nil
- No of complaints disposed off: Nil

For and on behalf of the Board of Directors

Mumbai
Date: May 16, 2018

(Pratik M. Doshi)
Managing Director

Independent Auditor's Report

To The Members of

LKP Securities Limited

1. Report on the Standalone Ind AS financial statements

We have audited the accompanying standalone Ind AS financial statements of **LKP Securities Limited** ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

2. Management's Responsibility for the Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the 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 Standards (Ind AS) prescribed under Section 133 of the Act.

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

3. Auditor's Responsibility

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

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

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

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

4. Opinion

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

5. Other Matters

The comparative financial information of the Company for the year ended 31 March, 2017 and the transition date opening balance sheet as at 1 April, 2016 included in these standalone Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 audited by previous auditor whose report for the year ended 31 March, 2017 and 31 March, 2016 dated 26 April, 2017 and 2 May, 2016 respectively expressed an unmodified opinion on those standalone financial statements as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion on the standalone Ind AS financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

6. Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of section 143(11) of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
- II. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, Companies (Accounting Standards) Amendment Rules, 2016 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 its standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts having any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035
Sanjay Kothari
Partner
Membership Number 048215

Mumbai, 16 May 2018

Annexure - A to the Independent Auditor's Report

Annexure referred to in paragraph 6(I) under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March, 2018.

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) All the fixed assets have been physically verified by the management during the year which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Discrepancies noticed on such verification, which are not material, have been properly dealt with in the books of account.
(c) According to the information and explanations given to us, there are no immovable properties held in the name of the Company.
- ii. As explained to us, the inventories have been physically verified by the management at the reasonable intervals during the year on the basis of statements received from the custodians and depository participants and no discrepancies were noticed on verification as compared to book records.
- iii. According to the 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 Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and section 186 of the Act with respect to loans given and investments made. The Company has not given guarantees or provided security during the year.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act.
- vi. The Central Government of India has not prescribed the maintenance of cost records under Section 148 (1) of the Act for any of the services rendered by the Company.
- vii. According to the records of the Company, examined by us and information and explanations given to us:
 - a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March, 2018 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us and the records of the company examined by us, except for the disputed dues of Rs.13.75 lakhs relating to Income Tax and Tax deducted at source as given below, there are no disputes relating to Income Tax as at 31 March 2018, which has not been deposited on account of dispute.

Name of the Statute	Nature of Dues	Amount in (Rs in lakhs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	6.93	AY 2008-09	CIT (Appeals)
Income Tax Act, 1961	Tax deducted at source	6.82	AY 2008-09	CIT (Appeals)

- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks and debenture holders. The Company does not have any loans from Government.
- ix. In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). There are no term loans raised during the year.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.

- x. According to the records of the Company examined by us, and information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it.
- 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 except advances of Rs 2,760.08 lakhs given to three parties in previous years without prior approval by means of members resolution. However the Board has ratified the said transaction and is subject to approval of members in next Annual General Meeting. The details of Related Party Transactions have been disclosed in the standalone Ind AS Financial Statements as required by the applicable Indian accounting standards.
- xiv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Mumbai, 16 May 2018

Annexure - B to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 6(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March, 2018.

We have audited the internal financial controls over financial reporting of **LKP Securities Limited** ("the Company") as of 31 March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Mumbai, 16 May 2018

STANDALONE BALANCE SHEET AS AT 31 MARCH 2018

(Rs.Lakhs)

	Note	31 March 2018	31 March 2017	1 April 2016
ASSETS				
Non-current assets				
(a) Property, plant and equipment	3	288.29	288.72	323.40
(b) Goodwill	4	125.59	125.59	125.59
(c) Other Intangible assets	4	53.91	41.60	52.15
(d) Financial assets				
(i) Investments	5	100.74	161.67	82.58
(ii) Other financial assets	6	297.08	455.89	674.84
(e) Income tax assets (net)	7	148.69	243.55	397.61
(f) Deferred tax assets (net)	8	299.70	533.67	489.86
(g) Other non-current assets	9	1,838.10	1,837.00	1,283.86
Total non-current assets		3,152.10	3,687.68	3,429.89
Current assets				
(a) Financial assets				
(i) Investments	10	284.57	122.69	73.65
(ii) Trade receivables	11	9,935.45	5,872.30	8,651.00
(iii) Cash and cash equivalents	12(a)	1,496.43	931.70	468.40
(iv) Bank balances other than (iii) above	12(b)	3,381.45	2,172.08	1,288.64
(v) Loans	13	19.76	623.19	625.18
(vi) Other financial assets	6	439.23	2,624.70	778.44
(b) Other current assets	9	1,094.84	1,008.87	1,147.29
Total current assets		16,651.74	13,355.54	13,032.59
Total assets		19,803.84	17,043.22	16,462.48
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	14	1,464.43	1,464.43	524.82
(b) Other equity	15	2,155.69	1,286.48	(797.00)
Total equity		3,620.12	2,750.90	(272.18)
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	16(a)	9.70	25.07	2,900.00
(ii) Others	17(b)	249.10	226.79	230.40
(b) Provisions	18	215.07	119.75	85.56
Total non-current liabilities		473.87	371.61	3,215.96
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	16(b)	6,328.93	6,541.79	7,486.17
(ii) Trade Payables	17(a)	8,897.92	7,116.39	5,716.91
(iii) Other Financial Liabilities	17(b)	105.52	156.89	218.99
(b) Other current liabilities	19	199.32	91.10	88.25
(c) Provisions	18	23.07	14.53	8.38
(d) Current tax liabilities	20	155.10	-	-
Total current liabilities		15,709.85	13,920.70	13,518.70
Total liabilities		16,183.72	14,292.31	16,734.66
Total equity and liabilities		19,803.84	17,043.22	16,462.48

Notes forming part of the financial statements

1-46

As per our report of even date

For MGB & Co LLP

Chartered Accountants

FRN - 101169W/W100035

For and on behalf of the board of directors of LKP Securities Limited

Sanjay Kothari

Partner

Membership Number 048215

Managing Director :

Director :

Chief Financial Officer :

Company Secretary :

Pratik M.Doshi
S.S.Gulati
Girish Majrekar
Siddharth Mehta

Place : Mumbai

Date : 16th May, 2018

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

(Rs.Lakhs)

	Note	31 March 2018	31 March 2017
Revenue			
Revenue from operations	21	8,198.71	6,340.47
Other income	22	454.28	238.84
Total		8,652.99	6,579.31
Expenses			
Employee benefits expense	23	2,994.44	2,660.06
Finance costs	24	671.68	421.93
Depreciation and amortisation expense	25	95.74	109.52
Other expenses	26	3,573.00	3,396.65
Total		7,334.85	6,588.16
Profit /(Loss) before tax		1,318.13	(8.86)
Less : Tax expense			
Current tax - current year		272.74	-
Deferred tax including MAT credit entitlement		248.47	(59.27)
Profit for the year	(A)	796.92	50.42
Other comprehensive income			
A. Items that will not be reclassified to profit or loss			
(a) (i) Re-measurement of defined benefit obligation		(41.91)	50.04
(ii) Income tax relating to items that will not be reclassified to the profit or loss		14.51	(15.46)
(b) Fair value change on equity instruments through other comprehensive income		5.10	38.09
Total other comprehensive income	(B)	(22.31)	72.67
Total comprehensive income for the year	(A+B)	774.61	123.08
Earnings per equity share (face value Rs. 2 each)	41		
Basic		1.09	0.07
Diluted		1.07	0.07
Notes forming part of the financial statements	1-46		

As per our report of even date

For MGB & Co LLP
 Chartered Accountants
 FRN - 101169W/W100035

For and on behalf of the board of directors of LKP Securities Limited

Sanjay Kothari
 Partner
 Membership Number 048215

 Managing Director : **Pratik M.Doshi**
 Director : **S.S.Gulati**
 Chief Financial Officer : **Girish Majrekar**
 Company Secretary : **Siddharth Mehta**

 Place : Mumbai
 Date : 16th May, 2018

Statement of changes in equity for the year ended 31 March 2018

A.	Equity share capital	Note	(Rs. Lakhs)
	As at 01 April 2016		524.82
	Changes in equity share capital	14a	939.61
	As at March 31 2017		1,464.43
	Changes in equity share capital	14a	-
	As at 31 March 2018		1,464.43

B.	Other equity	Other equity				Total other equity
		Reserves and surplus			Other Comprehensive income	
		Preference Share Redemption Reserves	Share based payment reserve	Retained earnings	Equity Instruments	
	As at 01 April 2016	-	-	(689.42)	(107.58)	(797.00)
	Profit for the year	-	-	50.42	-	50.42
	Other comprehensive income	-	-	34.58	38.09	72.67
	Total comprehensive income for the year	-	-	84.99	38.09	123.08
	Preference Shares Redemption Reserve	1,960.39	-	(604.43)	(69.49)	1,960.39
	As at March 31 2017	1,960.39	-	(604.43)	(69.49)	1,286.48
	Profit for the year	-	-	796.92	-	796.92
	Remeasurement of defined benefit plan (net)	-	-	(27.41)	-	(27.41)
	Other comprehensive income					
	Gain on fair value of financial asset	-	-	-	5.10	5.10
	Derecognition of instrument measured at fair value through other comprehensive income	-	-	53.55	(53.55)	-
	Total comprehensive income for the year	-	-	823.07	(48.46)	774.61
	Shared based payments	1,960.39	-	218.64	(117.95)	2,061.08
		-	94.61	-	-	94.61
		-	94.61	-	-	94.61
	As at 31 March 2018	1,960.39	94.61	218.64	(117.95)	2,155.69

Notes forming part of the financial statements

As per our report of even date

For MGB & Co LLP
 Chartered Accountants
 FRN - 101169W/W100035

For and on behalf of the board of directors of LKP Securities Limited

Sanjay Kothari
 Partner
 Membership Number 048215

Managing Director : **Pratik M.Doshi**
 Director : **S.S.Gulati**
 Chief Financial Officer : **Girish Majrekar**
 Company Secretary : **Siddharth Mehta**

Place : Mumbai
 Date : 16th May, 2018

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

(Rs.Lakhs)

	31 March 2018	31 March 2017
A. Cash flow from Operating activities :		
Net Profit / (Loss) before tax	1,318.13	(8.86)
Adjustments for :		
Depreciation and amortisation expense	95.74	109.52
Loss on sale/ discard of property, plant and equipment/ intangibles	1.32	2.38
Interest expense	605.99	377.73
Interest Income	(237.99)	(189.25)
Dividend Income	(0.25)	(0.74)
Net loss/ (gain) on Investments carried at fair value through profit and loss	19.94	(30.17)
Share based expenses	94.61	-
(Profit) / Loss on Sale of Investment (net)	(204.49)	6.41
Operating Profit before Working capital changes	1,693.00	267.02
Adjustments for :		
(Increase)/ Decrease in trade and other receivables	(1,805.94)	1,289.14
Increase/ (Decrease) in trade and other payables	2,077.73	1,426.99
Cash generated from operations	1,964.79	2,983.15
Direct taxes paid/ refunded (net)	(177.89)	154.06
Net cash from operating activities	1,786.90	3,137.22
B. Cash flow from Investing Activities		
Purchase of property, plant and equipments, intangible assets	(108.95)	(630.62)
Sale of property, plant and equipments, intangible assets	-	11.73
Purchase of investments	(299.35)	(66.28)
Sale of investments	388.04	-
Loans Given	(106.35)	(6.17)
Loans Repaid	709.78	8.15
(Increase)/ Decrease in bank deposits	(1,209.37)	(883.44)
Interest received	237.99	189.25
Dividend received	0.25	0.74
Net cash from investing activities	(387.95)	(1,376.64)
C. Cash flow from financing activities		
Proceeds from long-term borrowings	-	25.07
Repayments of long-term borrowings	(15.37)	-
Proceeds from short-term borrowings	372.96	294.42
Repayments of short-term borrowings	(585.83)	(1,238.80)
Interest paid	(605.99)	(377.73)
Net cash from financing activities	(834.23)	(1,297.04)
Net increase / (decrease) in cash and cash equivalents	564.72	463.32
Cash and cash equivalents at the beginning of the year	931.70	468.40
Cash and cash equivalents at the end of the year	1,496.43	931.70
Other bank balances	3,381.45	2,172.08
Cash and bank balances at the end of the year	4,877.88	3,103.78

As per our report of even date

For MGB & Co LLP
 Chartered Accountants
 FRN - 101169W/W100035

For and on behalf of the board of directors of LKP Securities Limited

Sanjay Kothari
 Partner
 Membership Number 048215

 Managing Director : **Pratik M.Doshi**
 Director : **S.S.Gulati**
 Chief Financial Officer : **Girish Majrekar**
 Company Secretary : **Siddharth Mehta**

 Place : Mumbai
 Date : 16th May, 2018

Notes forming part of the financial statements

1 Company information

LKP Securities Limited ("the Company") is domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange (BSE) in India. The Company registered office is located at 203, Embassy centre, Nariman point, Mumbai 400021, Maharashtra, India. The company is engaged as a stock and securities broker and providing other financial service with nationwide network across assets classes equities, debt, structured products, Portfolio Management services and Third party distribution.

The separate financial statement (hereinafter referred to as "Financial Statements") of the Company for the year ended 31 March 2018 were authorised for issue by the Board of Directors at the meeting held on 16 May 2018.

2 Significant accounting policies

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

These financial statements for the year ended 31 March 2018 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31 March 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under Companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1 April, 2016 being the date of transition to Ind AS.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

Reconciliations and descriptions of the effect of the transition has been summarized in note 45.

Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of schedule III (except per share data), unless otherwise stated.

Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(b) Property, plant and equipment

- i) All property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The Cost comprises purchase cost, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.
- ii) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(c) Intangible assets

Intangible assets acquired or developed are measured on initial recognition at cost and stated at cost less accumulated amortisation and impairment loss, if any.

(d) Depreciation on property, plant & equipment/ intangible assets

- i) Depreciable amount for property, plant and equipment / intangible fixed assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on property, plant and equipment is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013

- ii) Intangible assets are amortised on straight line basis over their respective individual useful lives estimated by the management.

(e) Derecognition of property, plant and equipment / intangible assets

The carrying amount of an item of property, plant and equipment / intangibles is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment / intangibles is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognised in the statement of profit and loss when the item is derecognised.

(f) Goodwill

Goodwill are measured on initial recognition at deemed cost and no amortisation is charged on the goodwill. The intangible asset recoverable amount is greater than the carrying value hence impairment is not required as per Ind AS 36 "Impairment of Asset".

(g) Leases

(i) Finance lease

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

(ii) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments

/ revenue are recognised on straight line basis over the lease period in the statement of profit and loss account unless increase is on account of inflation.

(h) Cash and cash equivalents

- (i) Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposit with original maturity upto three months, which are subject to insignificant risk of changes in value.
- (ii) For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined as they are considered as integral part of company's cash management.

(i) Fair value measurement

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

All financial assets and financial 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, or
- **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(l) Financial instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

i Initial recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

ii Subsequent measurement

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit and loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Company's business model for managing

the financial assets and the contractual terms of cash flows.

Debt Instrument

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. This category generally applies to trade and other receivables.

Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets.
- b. The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

The Company measures its equity investments other than in subsidiary at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to statement of profit and loss.

Investment in subsidiary

Investment in subsidiary are carried at cost less impairment loss in accordance with IND AS 27 on "Separate Financial Statements". Refer note 5 for list of investments.

Derivative financial instruments

Derivative financial instruments are classified and measured at fair value through profit and loss.

iii Derecognition of financial assets

A financial asset is derecognised only when

- i) The Company has transferred the rights to receive cash flows from the asset or the rights have expired or
- ii) The Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Financial liabilities and equity instruments

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

i Classification

The Company classifies all financial liabilities at amortised cost or fair value through profit or loss.

ii Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

iii De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(j) Borrowings and Borrowing costs

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities.

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the period they occur.

(k) Provisions, contingent liabilities and contingent assets

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of 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 the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset.

(l) Revenue recognition

Revenue is recognised to the extent it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. All revenues are accounted on accrual basis except to the extent stated otherwise.

- a) Company recognizes Brokerage income as per contracted rates on the execution of transactions on behalf of the clients on the trade date on the basis of the date of settlement of respective exchanges.
- b) Account maintenance charges are recognised on time basis over the period of the contract.
- c) Interest income for all debt instruments, measured at amortised cost or fair value through other comprehensive income, is recognised using the effective interest rate method.
- d) Dividend income is recognised when the company's right to receive dividend is established.

(m) Retirement and other employee benefits

- (i) The Company operates both defined benefit and defined contribution schemes for its employees.

For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions.

For defined benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method. All such plans are unfunded.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability/ (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses (excluding interest on the net defined benefit liability/ (asset)) are recognised in Other Comprehensive Income (OCI). Such remeasurements are not reclassified to the statement of profit and loss, in the subsequent periods.

- (ii) Short term employee benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability.

(n) Transactions in foreign currencies

- (i) The functional currency of the Company is Indian Rupees ("Rs."). Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.
- (ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.
- (iii) Non-monetary foreign currency items are carried at historical cost and translated at the exchange rate prevalent at the date of the transaction.

(o) Accounting for taxes on income

Tax expense comprises of current and deferred tax.

Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity.

Deferred tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax

Current and deferred tax are recognized as income or an expense in the statement of profit and loss, except to the extent they relate to items that are recognized in other comprehensive income, in which case, the current and deferred tax income / expense are recognised in other comprehensive income.

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that the future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

(p) Impairment of non-financial assets

The carrying amounts of non financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of an asset's or cash generating unit's, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the

statement of profit and loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed by crediting the statement of profit and loss if there has been a change in the estimate of recoverable amount.

(q) Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

(r) Share based payments

The Company recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share- Based Payment. The estimated fair value of awards is charged to statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in substance, multiple awards with a corresponding increase to share based payment reserves.

(s) Dividend

Provision is made for the amount of any dividend declared on or before the end of the reporting period but remaining undistributed at the end of the reporting period, where the same has been appropriately authorised and is no longer at the discretion of the entity.

(t) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(u) Exceptional items

Certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expenses are classified as an exceptional item and accordingly, disclosed in the financial statements.

Critical accounting judgment and estimates

The preparation of financial statements requires management to exercise judgment in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures including disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

a Contingencies

In the normal course of business, contingent liabilities may

arise from litigation and other claims against the Company. Potential liabilities that have a low probability of crystallising or are very difficult to quantify reliably, are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. There can be no assurance regarding the final outcome of these legal proceedings.

b Useful lives and residual values

The Company reviews the useful lives and residual values of property, plant and equipment and intangible assets at each financial year end.

c Impairment testing

Judgment is also required in evaluating the likelihood of collection of customer debt after revenue has been recognised. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles. Provisions are based on historical trends in the percentage of debts which are not recovered, or on more detailed reviews of individually significant balances.

Determining whether the carrying amount of these assets has any indication of impairment also requires judgment. If an indication of impairment is identified, further judgment is required to assess whether the carrying amount can be supported by the net present value of future cash flows forecast to be derived from the asset. This forecast involves cash flow projections and selecting the appropriate discount rate.

d Tax

The Company's tax charge is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

Accruals for tax contingencies require management to make judgments and estimates in relation to tax related issues and exposures.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgment regarding the future financial performance of the particular legal entity or tax Company in which the deferred tax asset has been recognized.

e Fair value measurement

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of a fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of reporting year during which the change has occurred.

f Defined benefit obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 43, 'Employee benefits'.

Recent accounting pronouncements

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Indian Accounting Standard (Ind AS) 115 "Revenue from Contracts with Customers"; notifying amendments to Ind AS 12 "Income Taxes" and Ind AS 21 "The Effects of Changes in Foreign Exchange Rates". Ind AS 115, amendments to the Ind AS 12 and Ind AS 21 are applicable to the Company w.e.f. 1 April 2018.

(i) Ind AS 115 "Revenue from Contracts with Customers"

The core principle of Ind AS 115 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further this standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

ii) Amendments to Ind AS

a) Ind AS 12 "Income Taxes"

The amendment considers that tax law determines which deductions are offset against taxable income and that no deferred tax asset is recognised if the reversal of the deductible temporary difference will not lead to tax deductions. Accordingly, segregating deductible temporary differences in accordance with tax law and assessing them on entity basis or on the basis of type of income is necessary to determine whether taxable profits are sufficient to utilise deductible temporary differences.

b) Ind AS 21 "The Effects of Changes in Foreign Exchange Rates"

The amendment to this Ind AS requires foreign currency consideration paid or received in advance of an item of asset, expense or income, resulting in recognition of a non-monetary prepayment asset or deferred income liability, to be recorded in the Company's functional currency by applying the spot exchange rate on the date of transaction.

The date of transaction which is required to determine the spot exchange rate for translation of such items would be earlier of:

- the date of initial recognition of the non-monetary prepayment asset or deferred income liability, and
- the date on which the related item of asset, expense or income is recognised in the financial statements.

If the transaction is recognised in stages, then a spot exchange rate for each transaction date would be applied to translate each part of the transaction.

The Company is evaluating the disclosure requirements of these amendments and its effect on the financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
3 Property, plant and equipment

(Rs.Lakhs)

	Furniture and Fixtures	Computers	Electrical Fittings	Leasehold Improvement	Vehicles	Office equipment	Total
Deemed cost as at 1 April 2016	42.74	79.53	2.13	89.53	38.15	71.32	323.40
Additions during the year	1.12	2.50	-	-	64.57	5.71	73.90
Disposals during the year	-	0.68	-	-	17.07	-	17.75
Balance as at 31 March 2017	43.86	81.35	2.13	89.53	85.64	77.03	379.55
Additions during the year	15.90	26.54	-	-	14.06	24.01	80.50
Disposals during the year	-	0.16	-	-	-	-	0.16
Balance as at 31 March 2018	59.76	107.73	2.13	89.53	99.70	101.04	459.89
Accumulated Depreciation							
Balance as at 1 April 2016	-	-	-	-	-	-	-
Depreciation charge for the year	11.79	39.41	0.42	16.15	11.45	15.06	94.28
Depreciation on sales / disposals	-	0.22	-	-	3.23	-	3.45
Balance as at 31 March 2017	11.79	39.19	0.42	16.15	8.22	15.06	90.83
Depreciation charge for the year	10.78	23.47	0.35	16.15	14.05	15.99	80.79
Depreciation on sales / disposals	-	0.02	-	-	-	-	0.02
Balance as at 31 March 2018	22.57	62.64	0.77	32.30	22.27	31.05	171.60
Net carrying amount							
Balance as at 1 April 2016	42.74	79.53	2.13	89.53	38.15	71.32	323.40
Balance as at 31 March 2017	32.07	42.17	1.71	73.38	77.42	61.97	288.72
Balance as at 31 March 2018	37.18	45.09	1.37	57.22	77.43	69.99	288.29

4 Other Intangible assets

(Rs.Lakhs)

	Computer Software	Total
Deemed cost as at 1 April 2016	52.15	52.15
Additions during the year	4.68	4.68
Disposals during the year	-	-
Balance as at 31 March 2017	56.83	56.83
Additions during the year	28.45	28.45
Disposals during the year	1.22	1.22
Balance as at 31 March 2018	84.07	84.07
Accumulated Depreciation		
Balance as at 1 April 2016	-	-
Amortisation charge for the year	15.24	15.24
Disposals during the year	-	-
Balance as at 31 March 2017	15.24	15.24
Amortisation charge for the year	14.95	14.95
Disposals during the year	0.03	0.03
Balance as at 31 March 2018	30.16	30.16
Net carrying amount		
Balance as at 1 April 2016	52.15	52.15
Balance as at 31 March 2017	41.60	41.60
Balance as at 31 March 2018	53.91	53.91

	31 March 2018	31 March 2017	01 April 2016
Goodwill	125.59	125.59	125.59
Other Intangible Assets	53.91	41.60	52.15

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
5 Non-current investments

	(Rs.Lakhs)		
	31 March 2018	31 March 2017	1 April 2016
A] Investments carried at cost			
Investment in Equity instruments - unquoted			
In wholly owned subsidiary			
7,60,000 (2017 : 5,10,000) (2016 : 1,00,000) equity Shares of Rs. 10/- each fully paid up of LKP Wealth Advisory Private Limited	76.00	51.00	10.00
B] Investment carried at Fair value through other comprehensive income			
Investment in equity shares -quoted			
149 (2017 : 149, 2016 : 149) equity shares of Rs. 10 /- each of D. S. Kulkarni Developers Limited	0.02	0.08	0.11
10,000 (2017 : 10,000, 2016 : 10,000) equity shares of Rs. 10 /- each of Gold Crest Finance (India) Limited	4.75	3.44	2.92
149,000 (2017 : 149,000, 2016 : 149,000) equity shares of Rs. 10 /- each of Infra Industries Limited*	0.00	8.05	10.62
72 (2017 : 72, 2016 : 72) equity shares of Rs. 5 /- each of Oil and Natural Gas Corporation Limited	0.13	0.13	0.15
8900 (2017 : 8900, 2016 : 8900) equity shares of Rs. 10 /- each of Roopa Industries Limited	1.34	1.13	0.66
6,792 (2017 : 6,792, 2016 : 6,792) equity shares of Rs. 2 /- each of Geodesic Information Systems Limited*	0.00	0.10	0.10
17,440 (2017 : 17,440, 2016 : 17,440) equity shares of Rs. 10 /- each of Reliance Power Limited	6.30	8.37	8.61
Nil (2017 : 24,000, 2016 : 24,000) equity shares of Rs. 10 /- each of East India Hotel Limited	-	28.90	25.16
Nil (2017 : 5700, 2016 : Nil) equity shares of Rs. 2 /- each of Bombay Stock Exchange Limited	-	55.73	-
5,000(2017 : 5,000, 2016 : 5,000) equity shares of Rs. 2 /- each of TV 18 Limited	3.36	2.10	2.02
Investment in equity shares -unquoted			
Nil (2017 : Nil, 2016 : 11,400) equity shares of Rs. 1 /- each of Bombay Stock Exchange Limited	-	-	17.55
11,200,(2017 : 11,200, 2016 : 11,200) equity shares of Rs. 10 /- each of Gobind sugar Limited	8.85	2.65	4.68
Total	100.74	161.67	82.58

* The fair value of shares considered as "0" (Zero) as the company's shares are suspended from trading.

	31 March 2018	31 March 2017	1 April 2016
(All the above securities are fully paid up)			
Aggregate amount of quoted Investments and market value thereof	15.89	108.02	50.35
Aggregate amount of unquoted Investments	84.85	53.65	32.23

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
6 Other Financial Assets

(Rs.Lakhs)

	Non-Current			Current		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
Deposit with banks having original maturity period of more than twelve months (refer note 12 b)	-	76.69	292.17	-	-	-
Deposits - unsecured and considered good						
-related parties	-	-	-	300.00	300.00	300.00
-others	297.08	379.20	382.67	30.51	20.41	40.69
	297.08	379.20	382.67	330.51	320.41	340.69
Balance with exchange and clearing member	-	-	-	65.03	2,263.30	416.15
Other Advances						
-subsidiary	-	-	-	-	3.02	1.89
-others	-	-	-	43.70	37.97	19.71
	-	-	-	43.70	41.00	21.60
Total	297.08	455.89	674.84	439.23	2,624.70	778.44

7 Income tax assets

(Rs.Lakhs)

	31 March 2018	31 March 2017	1 April 2016
Balance with Government authorities			
Advance Direct tax (Net of Provisions)	148.69	243.55	397.61
Total	148.69	243.55	397.61

8 Deferred tax assets (net)

The components of deferred tax balances are as under:

(Rs.Lakhs)

	31 March 2018	31 March 2017	1 April 2016
Deferred tax assets/ (liabilities)			
Depreciation and amortisation	(67.62)	67.45	68.00
Employee retirement benefits	35.95	12.46	29.03
Business Loss (including unabsorbed depreciation)	-	278.56	276.59
Allowances for credit losses	115.22	130.34	62.07
Other timing differences	0.83	(9.21)	0.12
MAT Credit Entitlement	215.31	54.05	54.05
Deferred tax assets (net)	299.70	533.67	489.86

9 Other assets

(Rs.Lakhs)

	Non - Current			Current		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
Prepaid expenses	2.16	1.06	0.38	73.28	56.30	50.59
Capital advances	1,835.94	1,835.94	1,283.49	-	-	-
Other Advances						
- Considered good	-	-	-	971.31	946.76	1,092.45
- Considered doubtful	-	-	-	40.40	21.00	21.00
	-	-	-	1,011.72	967.76	1,113.45
Less: Allowance for doubtful Advances	-	-	-	(40.40)	(21.00)	(21.00)
	-	-	-	971.31	946.76	1,092.45
Balance with Government authorities						
- Advance indirect taxes	-	-	-	50.25	5.82	4.25
Total	1,838.10	1,837.00	1,283.86	1,094.84	1,008.87	1,147.29

For transactions relating to related parties, refer note 35

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
10 Current investments

(Rs.Lakhs)

	31 March 2018	31 March 2017	1 April 2016
Investments carried at fair value through Profit and loss			
a Investment in equity shares - quoted			
Nil (2017 : 400, 2016 : 400) equity shares of Rs. 10/- each of ACC Limited	-	5.78	5.52
Nil (2017 : 4, 2016 : Nil) equity shares of Rs. 2/- each of Adani Ports and Special Economic Zone Limited	-	0.01	-
Nil (2017 : 2, 2016 : Nil) equity shares of Rs. 10/- each of Adani Power Limited	-	0.00	-
1 (2017 : Nil, 2016 : Nil) equity shares of Rs. 10/- each of Aditya Birla Capital Limited #	0.00	-	-
Nil (2017 : 3, 2016 : Nil) equity shares of Rs. 10/- each of Aditya Birla Fashion & Retail Limited #	-	0.00	-
Nil (2017 : 70, 2016 : 70) equity shares of Rs. 10/- each of Agri- Tech (India) Limited	-	0.03	0.01
100 (2017 : 100, 2016 : 100) equity shares of Rs. 10/- each of Alacrity Electronics Limited*	0.01	0.00	0.00
Nil (2017 : 200, 2016 : Nil) equity shares of Rs. 10/- each of Andhra Petrochemicals Limited	-	0.05	-
Nil (2017 : 948, 2016 : 948) equity shares of Rs. 10/- each of Atul Limited	-	22.56	14.55
1 (2017 : Nil, 2016 : Nil) equity shares of Rs. 10/- each of Avadh Sugar & Energy Limited #	0.00	-	-
Nil (2017 : 50, 2016 : Nil) equity shares of Rs. 2/- each of Bharat Heavy Electricals Limited	-	0.08	-
3 (2017 : Nil, 2016 : Nil) equity shares of Rs. 10/- each of Bharat Petroleum Corporation Limited	0.01	-	-
Nil (2017 : 249, 2016 : Nil) equity shares of Rs.10/- each of Coal India Limited	-	0.73	-
Nil (2017 : 100, 2016 : 100) equity shares of Rs.1/- each of Colgate-Palmolive (India) Limited	-	1.00	0.83
Nil (2017 : 100, 2016 : 100) equity shares of Rs.1/- each of Dabur India Limited	-	13.86	12.46
Nil (2017 : 50, 2016 : 50) equity shares of Rs.10/- each of Deepak Fertilisers & Petrochemicals Corporation Limited	-	0.13	0.07
2 (2017 : Nil, 2016 : Nil) equity shares of Rs.10/- each of Dion Global Solutions Limited #	0.00	-	-
Nil (2017 : 562, 2016 : Nil) equity shares of Rs.1/- each of Dish TV India Limited	-	0.60	-
1500 (2017 : 1500, 2016 : Nil) equity shares of Rs.1/- each of Divine Multimedia (India) Limited*	0.00	0.01	-
Nil (2017 : 3, 2016 : Nil) equity shares of Rs.2/- each of DLF Limited #	-	0.00	-
Nil (2017 : 375, 2016 : 375) equity shares of Rs.2/- each of EIH Limited	-	0.45	0.39
Nil (2017 : 13, 2016 : Nil) equity shares of Rs.2/- each of Emami Infrastructure Limited	-	0.01	-
Nil (2017 : 100, 2016 : 100) equity shares of Rs.10/- each of ESAB India Limited	-	0.61	0.63
Nil (2017 : 2, 2016 : Nil) equity shares of Rs.10/- each of Ess Dee Aluminium Limited #	-	0.00	-
Nil (2017 : 100, 2016 : 100) equity shares of Rs.10/- each of Garware Polyester Limited	-	0.06	0.05
50 (2017 : Nil, 2016 : Nil) equity shares of Rs.10/- each of Geojit Financial Services Limited	0.05	-	-
Nil (2017 : 4, 2016 : Nil) equity shares of Rs.2/- each of Gujarat Mineral Development Corporation Limited #	-	0.00	-
Nil (2017 : 14, 2016 : Nil) equity shares of Rs.1/- each of Godrej Consumer Products Limited	-	0.23	-
Nil (2017 : 166, 2016 : 166) equity shares of Rs.10/- each of Gujarat Alkalies & Chemicals Limited	-	0.68	0.27
200 (2017 : 200, 2016 : Nil) equity shares of Rs.10/- each of Gujarat Fiscon Limited*	0.00	0.00	-
Nil (2017 : 7, 2016 : Nil) equity shares of Rs.10/- each of Gujarat NRE Coke Limited	-	0.00	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	(Rs.Lakhs)		
	31 March 2018	31 March 2017	1 April 2016
450 (2017 : 200, 2016 : 200) equity shares of Rs.2/- each of Housing Development Finance Corp.Limited	8.21	3.00	2.21
1 (2017 : Nil, 2016 : Nil) equity shares of Rs.10/- each of Healthfore Technologies Limited*	0.00	-	-
Nil (2017 : 250, 2016 : 250) equity shares of Rs.2/- each of Hero Motocorp Limited	-	8.05	7.36
Nil (2017 : 560, 2016 : 160) equity shares of Rs.2/- each of Hexaware Technologies Limited	-	1.20	0.43
Nil (2017 : 1000, 2016 : 1000) equity shares of Rs.1/- each of Hindustan Unilever Limited	-	9.10	8.70
2 (2017 : Nil, 2016 : Nil) equity shares of Rs.10/- each of Hindustan Petroleum Corporation Limited	0.01	-	-
10 (2017 : Nil, 2016 : Nil) equity shares of Rs.2/- each of ICICI Bank Limited	0.03	-	-
Nil (2017 : 100, 2016 : Nil) equity shares of Rs.10/- each of IDBI Bank Limited	-	0.08	-
Nil (2017 : 36, 2016 : Nil) equity shares of Rs.10/- each of IDEA Cellular Limited	-	0.03	-
Nil (2017 : 1050, 2016 : 800) equity shares of Rs.10/- each of IFCI Limited	-	0.31	0.20
Nil (2017 : 840, 2016 : 840) equity shares of Rs.10/- each of IL&FS Investment Managers Limited	-	0.12	0.13
3 (2017 : Nil, 2016 : Nil) equity shares of Rs.2/- each of Indiabulls Housing Finance Limited	0.04	-	-
5 (2017 : Nil, 2016 : Nil) equity shares of Rs.2/- each of Indiabulls Ventures Limited #	0.00	-	-
Nil (2017 :7, 2016 : Nil) equity shares of Rs.2/- each of Indiabulls Wholesale Services Limited*	-	0.00	-
190 (2017 :190, 2016 : 190) equity shares of Rs.10/- each of Indo-French Biotech Enterprises Limited*	0.00	0.00	0.00
Nil (2017 :190, 2016 : 190) equity shares of Rs.10/- each of Indokem Limited #	-	0.00	0.00
Nil (2017 :190, 2016 : Nil) equity shares of Rs.10/- each of Indowind Energy Limited #	-	0.00	-
2500 (2017 : 2500, 2016 : Nil) equity shares of Rs.1/- each of Interface Financial Services Limited*	0.00	-	-
Nil (2017 :550, 2016 : 550) equity shares of Rs.10/- each of International Paper APPM Limited	-	1.77	1.61
Nil (2017 : 2500, 2016 : Nil) equity shares of Rs.1/- each of ITC Limited	-	0.13	-
Nil (2017 :11, 2016 : Nil) equity shares of Rs. 2/- each of Jain Irrigation Systems Limited	-	0.01	-
Nil (2017 :150, 2016 : Nil) equity shares of Rs. 1/- each of Jindal Steel & Power Limited	-	0.18	-
5 (2017 :Nil, 2016 : Nil) equity shares of Rs. 10/- each of Joindre Capital Services Limited #	0.00	-	-
Nil (2017 :10, 2016 : Nil) equity shares of Rs. 1/- each of Jsw Steel Limited	-	0.02	-
Nil (2017 :1, 2016 : Nil) equity shares of Rs. 10/- each of Karnataka Bank Limited #	-	0.00	-
Nil (2017 :40, 2016 : Nil) equity shares of Rs. 5/- each of Kirloskar Ferrous Industries Limited	-	0.04	-
Nil (2017 :3, 2016 : Nil) equity shares of Rs. 2/- each of Larsen & Toubro Limited	-	0.05	-
Nil (2017 :707 2016 : Nil) equity shares of Rs. 10/- each of LKP Finance Limited	-	0.50	-
1000 (2017 :1000 2016 : Nil) equity shares of Rs. 10/- each of Maars Software International Limited*	0.00	0.00	-
Nil(2017 :50 2016 : 50) equity shares of Rs. 10/- each of Manglore Chemical & Fertiars Software Limited	-	0.03	0.02
5000(2017 :5000 2016 : 5000) equity shares of Rs. 10/- each of Manna Glass-Tech Industries Limited*	0.00	0.00	0.00
400(2017 :400, 2016 : 400) equity shares of Rs. 10/- each of Mardia Chemical Limited*	0.00	0.00	0.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs.Lakhs)

	31 March 2018	31 March 2017	1 April 2016
50(2017 : Nil, 2016 : Nil) equity shares of Rs. 10/- each of Max Ventures And Industries Limited	0.03	-	-
2(2017 : 2, 2016 : Nil) equity shares of Rs. 10/- each of MMS Infrastructure Limited*	0.00	0.00	-
6920(2017 : 6920,2016 : 6920) equity shares of Rs. 1/- each of MOH Limited*	0.00	0.00	0.00
81800(2017 : Nil,2016 : Nil) equity shares of Rs. 10/- each of Motorol Speciality Oils Limited*	0.00	-	-
200(2017 : Nil,2016 : Nil) equity shares of Rs. 10/- each of Manglore Refinery & Petrochemicals Limited	0.22	-	-
33(2017 : 33,2016 : 33) equity shares of Rs. 10/- each of Mukand Limited #	0.00	0.00	0.00
Nil(2017 : 4000,2016 : 4000) equity shares of Rs. 2/- each of Natco Pharma Limited	-	33.88	16.48
Nil(2017 : 77,2016 : 77) equity shares of Rs. 10/- each of Nath Bio-Genes (India) Limited	-	0.11	0.06
Nil(2017 : 7,2016 : Nil) equity shares of Rs. 5/- each of Network 18 Media Limited	-	0.00	-
41(2017 : 41, 2016 : 41) equity shares of Rs. 10/- each of Norben Tea & Exports Limited #	0.00	0.00	0.00
Nil(2017 : 81, 2016 : Nil) equity shares of Rs. 10/- each of NTPC Limited	-	0.13	-
500 (2017:500, 2016:500) equity shares of Rs. 10/- each of Ojas Technochem Products Limited*	0.00	0.00	0.00
Nil (2017:5, 2016:0) equity shares of Rs. 5/- each of Oil And Natural Gas Corporation Limited	-	0.01	-
2350 (2017:2350, 2016:2350) equity shares of Rs. 10/- each of Origin Agrostar Limited*	0.00	0.00	0.00
Nil (2017:200, 2016:200) equity shares of Rs. 10/- each of Oswal Agro Mills Limited	-	0.02	0.02
2500 (2017:2500, 2016:2500) equity shares of Rs. 10/- each of Padmini Technologies Limited*	0.00	0.00	0.00
Nil (2017:22, 2016:Nil) equity shares of Rs. 10/- each of Panyam Cements & Mineral Industries Limited	-	0.02	-
Nil (2017:50, 2016:Nil) equity shares of Rs. 10/- each of Power Grid Corporation Of India Limited	-	0.10	-
Nil (2017:3, 2016:Nil) equity shares of Rs. 2/- each of Redington (India) Limited	-	0.00	-
Nil (2017:1, 2016:Nil) equity shares of Rs. 10/- each of Reliance Industrial Infrastructure Limited #	-	0.00	-
214 (2017:65, 2016:65) equity shares of Rs. 10/- each of Reliance Industries Limited	1.89	0.86	0.68
Nil (2017:1, 2016:Nil) equity shares of Rs. 10/- each of Reliance Infrastructure Limited	-	0.01	-
Nil (2017:10, 2016:Nil) equity shares of Rs. 10/- each of Religare Enterprises Limited	-	0.02	-
500 (2017:500, 2016:Nil) equity shares of Rs. 10/- each of Sanghi Polyesters Limited*	0.00	0.00	-
43 (2017:Nil, 2016:Nil) equity shares of Rs. 10/- each of Sasken Technologies Limited	0.30	-	-
1000 (2017:1000, 2016:Nil) equity shares of Rs. 10/- each of SBI Home Finance Limited*	0.00	0.00	-
51 (2017:51, 2016:Nil) equity shares of Rs. 10/- each of Simplex Mills Company Limited	0.01	0.01	-
1 (2017:51, 2016:Nil) equity shares of Rs. 10/- each of Simplex Papers Limited*	0.00	0.00	-
2 (2017:Nil, 2016:Nil) equity shares of Rs. 10/- each of SMS Lifesciences India Limited	0.01	-	-
100 (2017:100, 2016:100) equity shares of Rs. 10/- each of Sriven Multi-Tech Limited*	0.00	0.00	0.00
3000 (2017:3000, 2016:3000) equity shares of Rs. 10/- each of Supreme Telecom and Network India Limited*	0.00	0.00	0.00
Nil (2017:250, 2016:250) equity shares of Rs. 2/- each of Tata Motors Limited	-	1.16	0.97
Nil (2017:1, 2016:Nil) equity shares of Rs. 2/- each of TCI Express Limited #	-	0.00	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	(Rs.Lakhs)		
	31 March 2018	31 March 2017	1 April 2016
Nil (2017:203, 2016:203) equity shares of Rs. 10/- each of Techindia Nirman Limited	-	0.01	0.01
Nil (2017:200, 2016:Nil) equity shares of Rs. 1/- each of Titan Company Limited	-	0.92	-
Nil (2017:189, 2016:Nil) equity shares of Rs. 2/- each of TV18 Broadcast Limited	-	0.08	-
Nil (2017:600, 2016:Nil) equity shares of Rs. 10/- each of United Drilling Tools Limited	-	1.49	-
Nil (2017:200, 2016:Nil) equity shares of Rs. 1/- each of Vedanta Limited	-	0.55	-
Nil (2017:35, 2016:Nil) equity shares of Rs. 1/- each of Vikas WSP Limited #	-	0.00	-
2 (2017:2, 2016:Nil) equity shares of Rs. 2/- each of Wipro Limited	0.01	0.01	-
	10.83	110.94	73.65
b Investment in Preference Shares - quoted			
Nil (2017 :600, 2016 : Nil) 0.01% preference shares of Rs. 10/- each of Jsw Steel Limited	-	0.05	-
	-	0.05	-
c Investment in Debentures - quoted			
Nil(2017 : 181, 2016 : Nil) Non Convertible Debentures of Rs. 12.5/- each of NTPC Limited	-	0.02	-
	-	0.02	-
d Investment in Mutual Fund			
49.365 (2017:1167, 2016:Nil) liquidbees of Rs. 100/- each of Reliance ETF Gold BeES	0.00	11.67	-
	0.00	11.67	-
e Bonds			
13(2017: Nil, 2016: Nil) bonds of FVRS 10 lakhs of 11.00% IDBI Bank Ltd. 2018	138.74	-	-
12(2017: Nil, 2016: Nil) bonds of FVRS 10 lakhs of 11.05% Punjab & Sind Bank 2019	135.00	-	-
Total	273.74	-	-
Total	284.57	122.69	73.65
* The fair value of shares considered as "0" (Zero) as the company's shares are suspended from trading.			
# "0" (Zero) denotes amounts less than thousand (All the above securities are fully paid up)			
Aggregate amount of quoted Investments and market value thereof	284.57	122.69	73.65

11 Trade receivables

	(Rs.Lakhs)		
	31 March 2018	31 March 2017	1 April 2016
Secured			
- Considered good	8,069.41	4,913.81	4,081.89
Unsecured			
- Considered good	1,866.04	958.49	4,569.11
- Considered doubtful	415.35	563.29	700.06
	10,350.80	6,435.60	9,351.05
Less: Allowances for expected credit losses	(415.35)	(563.29)	(700.06)
Total	9,935.45	5,872.30	8,651.00

For transactions relating to related parties, refer note 35

Trade receivables are non-interest bearing and the payment terms is maximum transaction+5 days.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
12 Cash and bank balances

	(Rs.Lakhs)		
	31 March 2018	31 March 2017	1 April 2016
a. Cash and cash equivalents			
Balances with banks -			
In Current accounts	1,495.56	930.50	467.20
Cash in hand	0.87	1.21	1.20
	1,496.43	931.70	468.40
b. Other balances with banks			
Balances with banks			
In deposits with banks having original maturity more than three month and period upto twelve months	3,010.84	1,019.40	319.13
In deposits with banks having original maturity period of more than twelve months	370.61	1,229.37	1,261.68
	3,381.45	2,248.77	1,580.81
Less : Disclosed under "Other non-current financial assets" (refer note 6)	-	(76.69)	(292.17)
	3,381.45	2,172.08	1,288.64
Total	4,877.88	3,103.78	1,757.04

13 Loans (Unsecured)

	(Rs.Lakhs)		
	31 March 2018	31 March 2017	1 April 2016
Loans to related parties			
- Considered good	-	600.00	600.00
Loans to employees - considered good			
- Considered good	19.76	23.19	25.18
- Considered doubtful	11.00	11.00	11.00
	30.76	634.19	636.18
Less: Allowance for doubtful loans	(11.00)	(11.00)	(11.00)
Total	19.76	623.19	625.18

For transactions relating to related parties, refer note 35

14 Equity share capital

	(Rs. Lakhs)		
	31 March 2018	31 March 2017	1 April 2016
Authorised			
125,000,000 (2017-125,000,000), (2016-30,000,000) Equity Shares of Rs. 2/- each	2,500.00	2,500.00	600.00
10,000,000 (2017-10,000,000), (2016-Nil) Equity Shares of Rs. 10/- each (unclassified)	1,000.00	1,000.00	-
	3,500.00	3,500.00	600.00
Issued, subscribed and paid up			
73,221,296 (2017-73,221,296), (2016-26,241,000) Equity Shares of Rs. 2/- each	1,464.43	1,464.43	524.82
	1,464.43	1,464.43	524.82

*Authorised capital of Nil (2017 : Nil) (2016 :2,900,000) 9% Redeemable Preference Shares of Rs.Nil (2017 : Rs.Nil) (2016 : Rs. 100) each is not considered above. Redeemable preference shares issued have been considered as borrowings in accordance with the requirement of Ind AS. Refer Note 16 for other details.

a) Reconciliation of number of Equity shares and Share capital

	31 March 2018		31 March 2017	
	Number of equity shares	Rs. Lakhs	Number of equity shares	Rs. Lakhs
At the beginning of the year	7,32,21,296	1,464.43	2,62,41,000	524.82
Shares issued during the year	-	-	7,31,83,896	1,463.68
Shares cancelled in scheme of amalgamation	-	-	(2,62,03,600)	(524.07)
Outstanding at the end of the year	7,32,21,296	1,464.43	7,32,21,296	1,464.43

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 2 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) The Company has not issued any bonus shares or bought back equity shares during the five years preceding 31 March 2018. Details of aggregate number of shares issued for consideration other than cash during the five years preceding 31 March 2018 is as under:

Equity Shares allotted as fully paid for consideration other than cash, pursuant to Scheme(s) of Amalgamation / Arrangement

d) Details of Equity Shareholders holding more than 5 % of the aggregate Equity shares

	31-Mar-18	31-Mar-17
	-	7,31,83,896

Name of the Shareholders	31 March 2018		31 March 2017	
	Number of equity shares	% Shareholding	Number of equity shares	% Shareholding
Mr. Mahendra V Doshi	2,22,46,254	30.38%	2,20,97,316	30.18%
Sea Glimpse Investments Private Limited	1,52,85,090	20.88%	1,52,85,090	20.88%
Bhavana Holdings Private Limited	84,57,030	11.55%	84,57,030	11.55%
Agrud Capital PTE Limited	43,64,934	5.96%	43,64,934	5.96%

As per the records of the Company, including its register of shareholders / members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

e) Employees Stock Option Scheme (ESOP)

The Company had instituted an Employee Stock Option Plan ("ESOP 2017" or "the Scheme") as approved by the Board of Directors and Shareholders of the Company. Under the Scheme, 3,700,000 Stock Options were granted at a price of Rs. 7/- per option to the employees of the Company. The options vested would be exercisable at any time within a period of one year from the date of vesting and the equity shares arising on exercise of options shall not be subject to any lock in. The said Scheme is administered by the Nomination and Remuneration Committee of the Board.

f) Summary of options granted under the Scheme

	2018
Granted during the year #	37,00,000
Outstanding at the end of the year	37,00,000

During the year 31,000 options lapsed and will be reissued.

g) Expiry date and exercise prices of the share options outstanding at the end of the year:

Grant date	Expiry date	Exercise price (Rs.)	Share options	
			2018	2017
29 September 2017	29 September 2021	7.00	37,00,000	-

h) The fair value of each option granted is estimated on the date of grant using the black scholes model with the following assumptions

Scheme	Grant
Grant date	29 September 2017
Weighted average fair value of options granted (Rs.)	8.21
Exercise price (Rs.)	7
Expected volatility	54.20%
Risk free interest rate	6.31%
Dividend yield	0.00%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

i) Expense arising from share based payments transactions
(Rs. Lakhs)

	2018	2017
Gross expense / (reversal) arising from share based payments	94.61	-
Employee share based payment expense / (reversal) recognised in statement of profit and loss (Refer note 23)	94.61	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
15 Other equity

	(Rs. Lakhs)	
	31 March 2018	31 March 2017
Reserves and Surplus		
Preference shares redemption Reserve		
As per last Balance Sheet	1,960.39	-
Add: Transfer on redemption of preference shares	-	1,960.39
	1,960.39	1,960.39
Shared Based Payment Reserve		
As per last Balance Sheet	-	-
Add: Options granted during the year	94.61	-
	94.61	-
Retained earnings		
Opening Balance	(604.43)	(689.42)
Add : Profit for the year	796.92	50.42
Other comprehensive income	-	-
Remeasurement of defined benefit plan	(41.91)	50.04
Income tax impact thereon	14.51	(15.46)
Transfer from Other comprehensive income on derecognition of FVTOCI instrument	53.55	-
	218.64	(604.43)
Other comprehensive income- fair value on equity instruments		
As per last balance sheet	(69.49)	(107.58)
Gain on fair value of financial asset through other comprehensive income	5.10	38.09
Transfer on derecognition of instrument measured at fair value through other comprehensive income	(53.55)	-
	(117.95)	(69.49)
Total	2,155.69	1,286.48

- 1) Preference shares redemption reserve is created on cancellation of redeemable preference shares under scheme of demerger.
- 2) Share Based Payment Reserve is related to share options granted by the Company to its employee under its employee share option plan.
- 3) Retained earnings represent the accumulated earnings net of losses if any made by the Company over the years.
- 4) Other comprehensive income includes fair value gain on equity instruments measured at fair value through other comprehensive income

16 a) Long term Borrowings

	(Rs. Lakhs)					
	Non-Current			Current		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
Nil (2017-Nil), (2016-2,900,000) 9% Redeemable Preference Shares of Rs. 100/- each	-	-	2,900.00	-	-	-
Vehicle Loan from financial institution*	9.70	25.07	-	15.37	14.01	-
Less: Amount disclosed under the head "Other financial liabilities" (Refer Note 17b)	-	-	-	(15.37)	(14.01)	-
b) Short term Borrowings						
From banks repayable on demand (refer note (i) below)	-	-	-	4,680.95	5,115.95	5,000.10
From Financial institution repayable on demand (refer note (ii) below)	-	-	-	1,606.72	1,415.84	2,476.08
Loan taken from**						
- Subsidiary Company	-	-	-	31.26	-	-
- Corporate	-	-	-	10.00	10.00	10.00
Total	9.70	25.07	2,900.00	6,328.93	6,541.79	7,486.17

* Secured against hypothecation of vehicles. The aforesaid borrowings carry interest rates @ 9.50% and are repayable in monthly installments by October 2019.

** Interest free, repayable on demand

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
(i) Short-term Borrowings from Banks

The facility from Bank of India secured by first pari passu charge on book debts both present and future. The facility carries interest @ 12.40% presently (8.30 MCLR + 0.30% BSS + 3.80% CRP)

The facility from Yes Bank is secured by first pari passu charge on all current assets of the company and personal guarantee of Promoter. The facility carries interest @11.95% presently (1 year MCLR + 300 bps)

The facility from South Indian Bank is secured against fixed deposit of the company. The loan carries interest rates which ranges from @7.75% to @8.60% (FD rate + 1%)

(ii) Short-term Borrowings from Financial Institution

Loan from Financial institution IL&FS is secured by shares in pool account. The loan carries interest @10.25%

17 Financial liabilities

(Rs. Lakhs)

	Non-Current			Current		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
a. Trade payables						
Trade payables	-	-	-	8,897.92	7,116.39	5,716.91
	-	-	-	8,897.92	7,116.39	5,716.91
b. Other financial liabilities						
Current maturities of long-term borrowings (Refer Note 16a)	-	-	-	15.37	14.01	-
Security Deposit from Sub Brokers	249.10	226.79	230.40	-	-	-
Other Payables	-	-	-	90.15	142.89	218.99
	249.10	226.79	230.40	105.52	156.89	218.99
Total	249.10	226.79	230.40	9,003.44	7,273.28	5,935.90

For transactions relating to related party payables refer Note 35.

Trade are non-interest bearing and the credit term the for same is generally in the range of 0-90 days.

(Rs. Lakhs)

	Non-Current			Current		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
18 Provisions						
Provision for employee benefits - Gratuity	215.07	119.75	85.56	23.07	14.53	8.38
Total	215.07	119.75	85.56	23.07	14.53	8.38

(Rs. Lakhs)

	Current		
	31 March 2018	31 March 2017	1 April 2016
19 Other liabilities			
Statutory Dues	199.32	91.10	88.25
Total	199.32	91.10	88.25

(Rs. Lakhs)

	Current		
	31 March 2018	31 March 2017	1 April 2016
20 Current Tax Liabilities			
Tax Provision (net of advances)	155.10	-	-
Total	155.10	-	-

(Rs. Lakhs)

	31 March 2018	31 March 2017
	21 Revenue from operations	
Brokerage Income	6,838.02	5,344.90
Other operating revenue	1,360.69	995.57
Total	8,198.71	6,340.47

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	(Rs. Lakhs)	
	31 March 2018	31 March 2017
22 Other income		
Interest on Fixed Deposit	173.07	142.02
Interest - Others	64.92	47.23
Unwinding of discounting of deposits	2.52	2.29
Dividend Income	0.25	0.74
Miscellaneous Income	9.03	16.39
Profit on Sale of Securities	204.49	-
Fair value gain on Investments measured at Fair value through profit and loss	-	30.17
Total	454.28	238.84

	(Rs. Lakhs)	
	31 March 2018	31 March 2017
23 Employee benefits expense		
Salaries and incentives	2,698.61	2,419.04
Share based payment expense	94.61	-
Contribution to provident and other funds	87.08	81.13
Gratuity	68.38	113.96
Staff welfare expenses	45.77	45.93
Total	2,994.44	2,660.06

	(Rs. Lakhs)	
	31 March 2018	31 March 2017
24 Finance costs		
Interest cost	605.99	377.73
Other financial charges	65.69	44.20
Total	671.68	421.93

	(Rs. Lakhs)	
	31 March 2018	31 March 2017
25 Depreciation and amortisation expense		
Depreciation on property, plant and equipment	80.79	94.28
Amortisation of intangible assets	14.95	15.24
Total	95.74	109.52

	(Rs. Lakhs)	
	31 March 2018	31 March 2017
26 Other expenses		
Rent	223.19	241.54
Repairs and Maintenance - Others	49.58	45.48
Rates and Taxes	114.98	121.67
Electricity Expenses	50.65	52.78
Communication Charges	152.83	171.52
Printing and Stationery	112.33	92.80
Travelling and Conveyance Expenses	86.15	62.32
Legal and professional charges	187.90	186.50
Payment to auditors (refer note 31)	13.27	3.25
Miscellaneous expenses	11.57	30.76
Commission and sub-brokerage	2,565.15	1,901.41
Business Promotion Expenses	80.26	79.71
Subscription and Membership Fees	20.30	19.97
Directors Sitting Fees	1.40	1.20
Loss on sale of Securities	-	6.41
Loss on sale of Property Plant and equipments	1.32	2.38
Fair valuation loss on fair value through profit and loss Instruments	19.94	-
Bad and doubtful debts/advances (net of provisions)	(117.83)	376.96
Total	3,573.00	3,396.65

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
27 Tax Expense

(a) The major components of income tax for the year are as under:

i) Income tax related to items recognised in the statement of profit and loss during the year

(Rs. Lakhs)

	31 March 2018	31 March 2017
Current tax		
Current tax on profits for the year	272.74	-
Deferred tax Credit/ (Charge)		
Relating to origination and reversal of temporary differences	248.47	(59.27)
Total	521.22	(59.27)
Effective tax rate #	39.54%	0.00%

A reconciliation of income tax expense applicable to profit before income tax at statutory rate to the income tax expense at Company's effective income tax rate for the year ended 31 March 2018. However for the financial year ended 31 March 2017 the company incurred loss hence effective tax rate is considered "0%" (Zero percent).

ii) Deferred tax related to items recognised in the other comprehensive income (OCI) during the year

	31 March 2018	31 March 2017
Deferred tax on remeasurement (gains)/losses on defined benefit plan	14.51	(15.46)
Deferred tax charged to OCI	14.51	(15.46)

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

	31 March 2018	31 March 2017
Accounting Profit/(Loss) before tax	1,318.13	(8.86)
Income tax expense calculated at corporate tax rate*	456.18	(2.74)
Tax effect on non-deductible expenses	131.57	15.13
Effect of exempt income and income tax at Lower rates	(0.09)	-
Other temporary differences	(155.36)	(71.67)
Losses in respect of which deferred tax asset not recognized	(72.34)	-
MAT credit Adjustment	161.26	-
Tax expense recognised in the statement of profit and loss	521.22	(59.27)

*The tax rate used for reconciliation above is the corporate tax rate of 34.608% (31 March 2017 - 30.90%) payable by parent entity in india on taxable profits under Indian tax law.

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. For analysis of the deferred tax balances (after offset) for financial reporting purposes refer note 8.

(c) Deferred tax relates to the following:

Reconciliation of deferred tax assets / (liabilities) net:	31 March 2018	31 March 2017
Opening balance	533.67	489.86
Deferred tax (charge)/credit recognised in		
- Statement of profit and loss	(248.47)	59.27
- Recognised in other comprehensive income	14.51	(15.46)
Total	299.70	533.67

Deferred tax recognized in statement of profit or loss

For the year ended	31 March 2018	31 March 2017
Depreciation and amortisation	(135.08)	(0.55)
Employee retirement benefits obligation	8.98	(1.10)
Business Loss (Including Unabsorbed Depreciation)	(278.56)	1.98
Allowances for credit losses	(15.12)	68.27
Other timing differences	10.04	(9.32)
MAT Credit Entitlement	161.26	-
Total	(248.47)	59.27

Deferred tax recognized in statement of Other Comprehensive Income

For the year ended	31 March 2018	31 March 2017
Employee retirement benefits obligation	14.51	(15.46)
Total	14.51	(15.46)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
(d) Unrecognised deferred tax assets on unused tax losses:

The Company has no unused tax losses as at 31 March 2018. However, the company has unrecognised MAT Credit entitlement of Rs. 68.98 lakhs as at 31 March 2018

28 Leases
Operating Leases:

The Company has taken offices under lease and license agreements under cancellable/non-cancellable lease agreements that are renewable on periodic basis at the option of both the lessor and the lessee.

-The initial tenure of the lease is generally ranging from 22 months to 84 months.

(Rs. Lakhs)

	31 March 2018	31 March 2017
- Lease rental for the year	223.19	241.54
Future lease rental obligation Payable (under non-cancellable operating lease)		
- Not later than one year	13.67	6.30
- Later than one year but not later than five years	16.52	-

29 (i) Contingent Liabilities

(Rs. Lakhs)

	31 March 2018	31 March 2017	1 April 2016
a) Bank Guarantee	5,410.00	3,510.00	2,885.00
b) Disputed Direct Taxes	13.75	13.75	13.75
c) Legal Cases against the Company #	164.32	162.68	162.68

The amount represents the best possible estimates arrived at on the basis of available information. The Company has engaged reputed advocates to protect its interests and has been advised that it has strong legal positions against such disputes.

(ii) Litigation

The Company has filed various cases for recovery of dues and suits are pending in various courts. The company has engaged advocates to protect the interest of the company and expects favourable decision.

(iii) Capital Commitment

Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) of Rs. 16.06 lakhs (2017 : 16.06 lakhs)(2016 : 568.51 lakhs)

30 Segment Informations

Disclosure under Indian Accounting Standard 108 – 'Operating Segments' is not given as, in the opinion of the management, the entire business activity falls under one segment, viz ,primarily engaged as stock and securities broker and providing the financial services. The Company conducts its business only in one Geographical Segment, viz., India.

31 Payment to Auditors

(Rs. Lakhs)

	31 March 2018	31 March 2017
Audit fees	13.09	3.00
Tax Audit fees	-	0.20
Taxation and other matters	0.18	0.05
Total	13.27	3.25

32 Information Under Section 186 (4) Of The Companies Act, 2013
a) Loans given

(Rs. Lakhs)

Name of the Party	2017	Given	Repaid	2018
In the form of unsecured short-term inter corporate deposits at market rates for business purpose				
-related parties	600.00	100.00	700.00	-
	(600.00)	-	-	(600.00)

b) Investments made

There are no investments by the Company other than those stated under Note 5 and Note 10 in the Financial Statements.

c) Guarantees given

There are no corporate guarantee given on behalf of others.

d) Securities provided

There are no securities provided during the year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
33 Disclosure as required by schedule V (A) (2) of the SEBI (Listing Obligation and Disclosure Requirements)

	Balance as at 31 March 2018	Maximum amount outstanding during the year ended 31 March 2018	Balance as at 31 March 2017	Maximum amount outstanding during the year ended 31 March 2017
i. Loans and advances in the nature of loans to firms/companies in which director is interested				
LKP Finance Limited	-	700.00	600.00	600.00

ii. Investment by the loanee in the shares of the company as at 31 March 2018

Name of the subsidiary	Number of fully paid up equity shares (Rs. 2/- each)		Number of fully paid up Preference shares (Rs. 100/- each)	
	2018	2017	2018	2017
LKP Finance Limited (Shares cancelled in scheme of amalgamation Refer Note 39)	-	2,62,03,600	-	29,00,000

34 Dividend

Dividend on equity shares is approved by the Board of Directors in their meeting held on 16 May 2018, and is subject to approval of shareholders at the annual general meeting and hence not recognised as a liability (including DDT thereon). Appropriation of dividend is done in the financial statements post approval by the shareholders. Final dividend on equity shares for the year ended on 2018: Rs 0.10 per equity share (2017 : Nil) which aggregates to Rs 88.13 lakhs (2017 : Nil)

35 Related Party Disclosure

Subsidiary Company : LKP Wealth Advisory Private Limited

Key Management Personnel : Mr. Pratik Doshi, Mr.Dinesh Waghela (Resigned w.e.f. 07 July 2016)

Other Related parties with whom transactions have taken place during the year :

LKP Finance Limited, Bhavna Holdings Limited, MKM Share & Stock Brokers Limited, Peak Plastonics Private Limited, Sea Glimpse Investments Private Limited, SolarEx P V Solutions Private Limited, Alpha commodity Private Limited, M/s L.K.Panday

A) Transactions with related parties

Particulars	(Rs. Lakhs)	
	31 March 2018	31 March 2017
Remuneration to Key Management Personnel		
Key Management Personnel	64.22	49.23
Brokerage Income		
Other Related parties	62.98	28.04
Interest Income		
Other Related parties	50.90	435.99
Commision Expense		
Subsidiary Company	32.87	-
Legal & Professional Fees		
Other Related parties	10.56	9.20
Loans Taken		
Subsidiary Company	31.26	-
Loan Given		
Other Related parties	100.00	600.00
Repayment Received of Loans given		
Other Related parties	700.00	-
Investments made during the year		
Subsidiary Company	25.00	41.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
B) Balances as at 31st March 2018

Particulars	(Rs. Lakhs)	
	31 March 2018	31 March 2017
Trade Payables*		
Other Related parties	-	3.24
Subsidiary Company	32.87	-
Short term borrowing		
Subsidiary Company	31.26	-
Short Term Loans		
Other Related parties	-	600.00
Other Advances		
Subsidiary Company	-	3.02
Other Related parties	932.72	946.76
Trade Receivables*		
Other Related parties	586.98	186.64
Investments		
Subsidiary Company	76.00	51.00
Capital Advance		
Other Related parties	1,835.94	1,835.94
Deposits		
Other Related parties	300.00	300.00

* Closing balance of trade payable and trade receivable includes transaction pertaining to purchase and sale of securities as broker on behalf of related parties in the ordinary course of business.

36 Micro Small & Medium Enterprises Development

The Company has no dues to Micro, Small and Medium enterprise as at 31 March, 2018, on the basis of information provided by the parties and available on record. Further, there is no interest paid/payable to micro and small enterprise during the year.

37 There are no unclaimed dividend for a period of more than seven years. Further, there are no amounts due and outstanding to be credited to investor's Education and protection fund as on 31 March 2018.

38 The company, has no long-term contracts including derivative contracts having material foreseeable losses as at 31 March 2018.

39 Scheme of Arrangement

The company was a subsidiary of LKP Finance Limited ("erstwhile holding company") till 7 July, 2016. With a view to demerge its SEBI registered intermediaries business, erstwhile holding company filed a scheme of arrangement with the honourable Bombay High Court for demerger and the same was approved on 4 May 2016. As a part of the scheme, 2,62,03,600 equity shares of Rs. 2/- each and 29,00,000/- preference shares of Rs. 100/- each held by the erstwhile holding company were cancelled. The company issued 7,31,83,896 fresh equity shares of Rs. 2/- each fully paid up on 8 July, 2016 to the shareholders of LKP Finance Limited by utilising the preference shares redemption reserve account created out of cancellation of preference shares under the scheme of Demerger. The balance unutilised amount of Rs. 19,60,39,408 is carried forward under preference shares Redemption Reserve Account - on cancellation of preference shares.

The company in the Extra Ordinary General meeting held on 5 July, 2016 passed a special resolution to reclassify its authorised capital of Rs. 3500 lakhs consists of 12,50,00,000 equity shares of Rs. 2/- each amount of Rs. 2500 lakhs and 1,00,00,000 shares of Rs. 10/- each (unclassified) amount of Rs. 1000 lakhs.

40 Securities received from Clients as collateral for margin are held by the Company in its own name in a fiduciary capacity.

41 Earnings per share

	31 March 2018	31 March 2017
Profit/(Loss) after tax (Rs.)	796.92	50.42
Weighted average no. of equity shares	7,32,21,296	7,32,21,296
Weighted average diluted no. of equity shares	7,44,24,454	7,32,21,296
Face value of equity share (Rs/ share)	2	2
Basic earnings per share	1.09	0.07
Diluted earnings per share	1.07	0.07

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
42 Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows" is as under:

(Rs. Lakhs)

	As at 31 March 2017	Cash Inflows	Cash outflows	Non Cash Changes		As at 31 March 2018
				Interest Accrued	Other Charges	
Long Term Borrowings (Including Current maturities)	25.07	-	(15.37)	-	-	9.70
Short Term Borrowings (For Bank, Financial Institution and intercorporate deposits etc.)	6,541.79	333.09	(585.83)	39.87	-	6,328.93

43 Gratuity and other post employment benefit plans

The disclosures of employee benefits as defined in the Ind AS 19 "Employee Benefits" are given below:

- Leave encashment is a non-funded defined benefit scheme. The obligation for leave encashment is recognized in the same manner as gratuity.
- Details of post retirement gratuity plan are as follows:-
 - Expenses recognised during the year in the statement of profit and loss**

(Rs. Lakhs)

	31 March 2018	31 March 2017
Current service cost	31.79	36.04
Interest cost (net)	8.98	10.29
Past Service Cost	21.19	-
Net expenses	61.97	46.33

ii Expenses recognised during the year in other comprehensive income (OCI)

(Rs. Lakhs)

	31 March 2018	31 March 2017
Actuarial (gains) / losses arising from changes in demographic assumptions	(4.79)	-
Actuarial (gains) / losses arising from changes in financial assumptions	64.68	(23.74)
Actuarial (gains) / losses arising from changes in experience assumptions	(17.98)	(26.30)
Recognised during the year	41.91	(50.04)

iii Net liability recognised in the balance sheet

(Rs. Lakhs)

	31 March 2018	31 March 2017	1 April 2016
Fair value of plan assets	(1.20)	(1.11)	(1.03)
Present value of obligation	239.34	135.39	139.02
Liability recognized in balance sheet	238.14	134.27	137.99

iv Reconciliation of opening and closing balances of defined benefit obligation

(Rs. Lakhs)

	31 March 2018	31 March 2017
Defined benefit obligation as at the beginning of the year	135.39	139.02
Current service cost	31.79	36.04
Interest cost	9.06	10.37
Actuarial (gain) / loss on obligation	41.91	(50.04)
Past service cost	21.19	-
Defined benefit obligation at the end of the year	239.34	135.39

v Reconciliation of opening and closing balance of fair value of plan assets

(Rs. Lakhs)

	31 March 2018	31 March 2017
Fair values of plan assets at the beginning of the year	1.11	1.03
Interest income	0.07	0.08
Return on plan asset	0.01	0.01
Fair value of plan assets at year end	1.20	1.11

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
vi Actuarial assumptions

	31-Mar-18	31-Mar-17	1-Apr-16
Mortality Table	Indian Assured Lives mortality (2006-08) Ultimate	Indian Assured Lives mortality (2006-08) Ultimate	Indian Assured Lives mortality (2006-08) Ultimate
Discount rate(per annum)	7.33%	6.69%	7.46%
Rate of escalation in salary (per annum)	10.00%	5.00%	8.00%
Attrition rate	PS: 0 to 42 :8%	PS: 0 to 42 :7%	PS: 0 to 42 :7%

vii Quantitative sensitivity analysis

	(Rs. Lakhs)	
	31 March 2018	31 March 2017
Projected benefit obligation on current assumptions		
Increase by 1% in Discount rate	218.22	124.52
Decrease by 1% in Discount rate	264.04	147.97
Increase by 1% in Rate of Salary Increase	259.48	146.22
Decrease by 1% in Rate of Salary Increase	221.29	125.77

viii Maturity analysis of projected benefit obligation: from the fund

	(Rs. Lakhs)	
	31 March 2018	31 March 2017
Projected benefits payable in future years from the date of reporting		
1st Following Year	21.86	14.53
2nd Following Year	24.93	14.42
3rd Following Year	21.26	16.57
4th Following Year	20.99	14.09
5th Following Year	24.58	13.90
Sum of years 6 to 10	111.20	77.38

Notes:

- The current service cost recognised as an expense included in the note 23 "Employee Benefits expense" as a gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.
- The estimate of future salary increases considered in the actuarial valuation takes into account the rate of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

44 Financial Instruments
i) Financial risk management objective and policies

The Company's principal financial liabilities, 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 investments, loans, trade receivables, 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 management oversees the management of these risks.

a) 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, foreign currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, other financial instruments.

1) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that future cash flows of floating interest bearing investments will vary because of fluctuations in interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term loan from banks. Redeemable preference shares carries fixed coupon rate and hence is not considered for calculation of interest rate sensitivity of the company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact of change in interest rate of borrowings, as follows:

	(Rs. Lakhs)	
	Increase / decrease in basis points	Effect on Profit before tax
As on 31 March 2018	+ 50 / - 50	31.49
As on 31 March 2017	+ 50 / - 50	32.78

2) Foreign Currency risk

The Company does not any foreign currency risk. Hence no sensitivity analysis is required.

3) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposits and loans given, investments and balances at bank.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Expected Credit Loss is based on actual credit loss experienced and past trends based on the historical data.

	(Rs. Lakhs)		
	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Trade Receivables			
Over six months	869.18	920.50	1,823.74
Less than six months	9481.62	5,515.10	7,527.31
Total	10,350.80	6,435.60	9,351.05

	(Rs. Lakhs)	
	As at 31 March 2018	As at 31 March 2017
Movement in allowance for credit loss during the year was as follows :		
Opening Balance	(563.29)	(700.06)
Add :- Provided during the year	-	-
Less :- Reversal during the year	147.94	136.76
Balance as at	(415.35)	(563.29)
Net Trade receivable	9,935.45	5,872.30

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in equity shares and bonds.

b) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The Company consistently generated strong cash flows from operations which together with the available cash and cash equivalents and current investment provides adequate liquidity in short terms as well in the long term.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at :

	(Rs. Lakhs)			
	Less than 1 year	2 to 5 years	More than 5 years*	Total
As at 31-March-2018				
Borrowings	6,328.93	9.70	-	6,338.63
Other financial liabilities	105.52	-	249.10	354.62
Trade payables	8,897.92	-	-	8,897.92
	15,332.37	9.70	249.10	15,591.17
As at 31-March-2017				
Borrowings	6,541.79	25.07	-	6,566.87
Other financial liabilities	156.89	-	226.79	383.69
Trade payables	7,116.39	-	-	7,116.39
	13,815.08	25.07	226.79	14,066.94

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. Lakhs)

	Less than 1 year	2 to 5 years	More than 5 years*	Total
As at 1 April 2016				
Borrowings	7,486.17	2,900.00	-	10,386.17
Other financial liabilities	218.99	-	230.40	449.40
Trade payables	5,716.91	-	-	5,716.91
	13,422.08	2,900.00	230.40	16,552.48

* pertains to deposits received from sub-broker as per contract till the continuation of the service.

ii) Capital Management

For the purpose of Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The company monitors capital using gearing ratio, which is Net debt divided by total capital.

(Rs. Lakhs)

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Gross debt (inclusive of long term and short term borrowing)	6,338.63	6,566.87	10,386.17
Less: Cash and bank balances	4,877.88	3,103.78	1,757.04
Net debt	1,460.75	3,463.08	8,629.14
Total equity	3,620.12	2,750.90	(272.18)
Total capital	5,080.87	6,213.98	8,356.95
Gearing ratio	28.75%	55.73%	103.26%

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

iii) Categories of financial instruments and fair value thereof

(Rs. Lakhs)

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
A) Financial assets						
i) Measured at amortised cost						
Trade Receivables	9,935.45	9,935.45	5,872.30	5,872.30	8,651.00	8,651.00
Cash and cash equivalents and bank balances	4,877.88	4,877.88	3,103.78	3,103.78	1,757.04	1,757.04
Loans	19.76	19.76	623.19	623.19	625.18	625.18
Other financial assets	736.31	736.31	3,080.59	3,080.59	1,453.29	1,453.29
ii) Measured at Fair value through other comprehensive income						
Non- Current Investment	24.74	24.74	110.67	110.67	72.58	72.58
iii) Measured at Fair value through profit and loss account						
Current Investment	284.57	284.57	122.69	122.69	73.65	73.65
B) Financial liabilities						
i) Measured at amortised cost						
Borrowings	6,338.63	6,338.63	6,566.87	6,566.87	10,386.17	10,386.17
Trade payables	8,897.92	8,897.92	7,116.39	7,116.39	5,716.91	5,716.91
Other Financial Liabilities	354.62	354.62	383.69	383.69	449.40	449.40

The management assessed that cash and cash equivalents and bank balances, trade receivables, other financial assets, certain investments, trade payables and other current liabilities approximate their fair value largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the year presented.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
(iv) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities. Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31 March 2018

Financial assets	Fair Value as at			Fair Value Hierarchy	Valuation Technique(s) & key inputs used
	31 March 2018	31 March 2017	1 April 2016		
Investments in equity shares- Non-current Investments	15.89	108.02	50.35	Level 1	Quoted in an active market
Investments in equity shares- Non-current Investments	8.85	2.65	4.68	Level 3	Unobservable inputs
Investments in equity shares- Current Investments	10.83	110.94	73.65	Level 1	Quoted in an active market
Investments in Preference shares- Current Investments	-	0.05	-	Level 1	Quoted in an active market
Investments in Debentures- Current Investments	-	0.02	-	Level 1	Quoted in an active market
Investments in Mutual Fund- Current Investments	0.00	11.67	-	Level 1	Quoted in an active market
Investments in Bonds- Current Investments	273.74	-	-	Level 2	Inputs other than quoted prices
Total	309.31	233.36	128.68		

Investments measured at fair value are tabulated above. All other financial assets and liabilities at amortised cost are in Level 3 of fair value hierarchy and have been considered at carrying amount.

The fair values of the financial assets and financial liabilities included in the level 3 categories above have been determined in accordance with generally accepted pricing models like network criteria.

Reconciliation of Level 3 category of financial assets

	31 March 2018	31 March 2017
Opening Balance	2.65	4.68
Fund invested	-	-
Net gain/ (loss) recognised	6.20	(2.04)
Closing balances	8.85	2.65

45 First time adoption of Ind AS

These financial statements, for the year ended 31 March 2018, are the first, the Company has prepared in accordance with Ind AS. For the period up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

Accordingly, the Company has prepared its financial statements to comply with Ind AS for the year ended 31 March 2018, together with comparative data as at and for the year ended 31 March, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition. These notes explain the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1 April, 2016 and the financial statements as at and for the year ended 31 March 2017.

A. Exemptions:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

a) Deemed cost option

The Company has opted to continue with the carrying value for all of its Property, plant and equipment as recognised in its previous GAAP financial statements as deemed cost at the transition date.

b) Business Combination

The Company has elected to apply Ind AS 103 Business Combinations prospectively from 1 April, 2016.

c) Investments in equity instruments:

An entity may make an irrevocable election at initial recognition of a financial asset to present subsequent changes in the fair value of an investment in an equity instrument in profit and loss or other comprehensive income. Ind AS 101 allows such designation of previously recognized financial assets, as 'Fair value through profit and loss or other comprehensive income'.

The Company has accordingly designated certain equity instruments as at 1 April 2016 as fair value through profit and loss or other comprehensive income.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
B. Exceptions:

The following are the mandatory exceptions have been applied in accordance with Ind AS 101 in preparing financial statements:

a) Estimates

The estimates at 1 April, 2016 and at 31 March, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences, if any, in accounting policies) apart from the following items where application of Previous GAAP did not require estimation:

i. Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present amounts in accordance with Ind AS reflects conditions as at the transition date and as on 31 March 2016.

b) Derecognition of financial assets and financial liabilities

The Company has elected to apply the derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

c) Classification and measurement of financial assets

The Company has classified financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

C. Reconciliations between Previous GAAP and Ind AS

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

a Balance Sheet and equity Reconciliation
b Profit and Loss and Other comprehensive income reconciliation
c Adjustment to Statement of Cash Flows
d Total equity reconciliation
e Total comprehensive income reconciliation
a. Effect of Ind AS adoption on Balance Sheet

(Rs. Lakhs)

	Note	Balance sheet as on 1 April 2016			Balance sheet as on 31 March 2017		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
(a) Property, plant and equipment		323.40	-	323.40	288.72	-	288.72
(b) Goodwill	VI	125.59	-	125.59	108.46	17.13	125.59
(c) Other Intangible assets		52.15	-	52.15	41.60	-	41.60
(d) Financial assets							
(i) Investments	I	190.16	(107.58)	82.58	231.16	(69.49)	161.67
(ii) Other financial assets	II	682.42	(7.57)	674.84	461.17	(5.29)	455.89
(e) Income tax assets (net)		397.61	-	397.61	243.55	-	243.55
(f) Deferred tax assets (net)	VII	427.67	62.19	489.86	412.53	121.13	533.67
(g) Other non-current assets		1,283.86	-	1,283.86	1,837.00	-	1,837.00
Total non-current assets		3,482.85	(52.96)	3,429.89	3,624.19	63.48	3,687.67
Current assets							
(a) Financial assets							
(i) Investments	I	74.02	(0.37)	73.65	92.89	29.80	122.69
(ii) Trade receivables	V	8,889.21	(238.21)	8,651.00	6,364.58	(492.28)	5,872.30
(iii) Cash and cash equivalents		468.40	-	468.40	931.70	-	931.70
(iv) Bank balances other than (iii) above		1,288.64	-	1,288.64	2,172.08	-	2,172.08
(v) Loans	V	636.18	(11.00)	625.18	634.19	(11.00)	623.19
(vi) Other financial assets	V	778.44	-	778.44	2,624.70	-	2,624.70
(b) Other current assets	II	1,160.72	(13.43)	1,147.29	1,024.82	(15.95)	1,008.87
Total current assets		13,295.60	(263.01)	13,032.59	13,844.97	(489.43)	13,355.54
Total assets		16,778.46	(315.97)	16,462.48	17,469.16	(425.94)	17,043.22

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. Lakhs)

	Note	Balance sheet as on 1 April 2016			Balance sheet as on 31 March 2017		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
EQUITY AND LIABILITIES							
Equity							
(a) Equity share capital	III	3,424.82	(2,900.00)	524.82	1,464.43	-	1,464.43
(b) Other equity	I, II, V, VII	(481.03)	(315.97)	(797.00)	1,712.42	(425.94)	1,286.48
Total equity		2,943.79	(3,215.97)	(272.18)	3,176.84	(425.94)	2,750.90
Liabilities							
Non-current liabilities							
(a) Financial liabilities							
(i) Borrowings	III	-	2,900.00	2,900.00	25.07	-	25.07
(ii) Others		230.40	-	230.40	226.79	-	226.79
(b) Provisions		85.56	-	85.56	119.75	-	119.75
Total non-current liabilities		315.96	2,900.00	3,215.96	371.61	-	371.61
Current liabilities							
(a) Financial liabilities							
(i) Borrowings		7,486.17	-	7,486.17	6,541.79	-	6,541.79
(ii) Trade Payables		5,716.91	-	5,716.91	7,116.39	-	7,116.39
(iii) Other Financial Liabilities		218.99	-	218.99	156.89	-	156.89
(b) Provisions		8.38	-	8.38	14.53	-	14.53
(c) Other current liabilities		88.25	-	88.25	91.10	-	91.10
Total current liabilities		13,518.70	-	13,518.70	13,920.70	-	13,920.70
Total liabilities		13,834.66	2,900.00	16,734.66	14,292.31	-	14,292.31
Total equity and liabilities		16,778.46	(315.97)	16,462.48	17,469.16	(425.94)	17,043.22

b. Effect of Ind AS adoption on Total Comprehensive Income

(Rs. Lakhs)

	Note	For the year ended 31 March 2017		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
Revenue from operations		6,340.47	-	6,340.47
Other income	I,II	206.38	32.46	238.84
Total income		6,546.85	32.46	6,579.31
Expenses				
Employee benefits expense	IV	2,610.02	50.04	2,660.06
Finance costs		421.93	-	421.93
Depreciation and amortisation expense	VI	126.65	(17.13)	109.52
Other expenses	V	3,140.06	256.59	3,396.65
Total expense		6,298.66	289.50	6,588.16
Profit/(Loss) before tax		248.19	(257.04)	(8.86)
Less : Tax expense				
Current tax - current year		-	-	-
Deferred tax including MAT credit entitlement	VII	15.13	(74.40)	(59.27)
Profit for the year		233.05	(182.64)	50.42

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. Lakhs)

	Note	For the year ended 31 March 2017		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
Other comprehensive income				
A. Items that will not be reclassified to profit or loss				
(a) (i) Re-measurement of defined benefit obligation	IV	-	50.04	50.04
(ii) Income tax relating to items that will not be reclassified to the profit or loss	VII	-	(15.46)	(15.46)
(b) Fair value change on equity instruments through other comprehensive income	I	-	38.09	38.09
Total other comprehensive income		-	72.67	72.67
Total comprehensive income for the year		233.05	(109.97)	123.08

c. Statement of Cash Flow

There were no significant reconciliation items between cash flows prepared under Previous GAAP and those prepared under Ind AS.

d. Reconciliations of equity and total comprehensive income reported under previous GAAP to equity under Ind AS
Reconciliations of total equity as at 31 March 2017 and 1 April 2016

(Rs. in lakhs)

	Note	31 March 2017	1 April 2016
Equity as per previous Indian GAAP		3,176.84	2,943.79
a Effect of measuring financial instruments at fair value through profit and loss	I	29.80	(0.37)
b Provision for expected credit loss	V	(524.28)	(270.21)
c Effect of measuring financial instruments at fair value through Other comprehensive income	I	(69.49)	(107.58)
d Redeemable preference shares reclassified to Borrowings	III	-	(2,900.00)
e Reversal of amortisation of Goodwill under Previous GAAP	VI	17.13	-
f Financial asset measured at amortised cost	II	(0.23)	-
g Income/ Deferred tax effect on above	VII	121.13	62.19
Total equity as per Ind AS		2,750.90	(272.18)

e. Reconciliation of total comprehensive income for the year ended 31 March 2017

(Rs. in lakhs)

	Note	31 March 2017
I Net profit as per previous Indian GAAP		233.05
Financial asset measured at amortised cost	II	(0.23)
Effect of measuring financial instruments at fair value	I	30.17
Provision for expected credit loss	V	(254.07)
Reclassification of actuarial gain/ losses arising in respect of defined benefit plan to Other Comprehensive Income	IV	(50.04)
Reversal of amortisation of Goodwill under Previous GAAP	VI	17.13
Deferred tax impacts on above adjustments	VII	74.40
Profit after tax as per Ind AS		50.42
II Other comprehensive income		
Fair valuation of Investment at FVTOCI	I	38.09
Remeasurement (gains)/losses on defined benefit plan (net of tax)	IV	34.58
Other Comprehensive income as per Ind AS		72.67
III Total Comprehensive income as per Ind AS (I+ II)		123.08

Explanations for reconciliation of Balance Sheet and Statement of Profit and loss and other Comprehensive income as previously reported under IGAAP to Ind AS

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**I Investments**

Investments are recorded at amortised cost compared to being at cost under Previous GAAP.

As per Ind AS such investments are recorded at fair value through profit and loss (FVTPL) or fair value through other comprehensive income (FVTOCI).

II Deposits

Under Previous GAAP, the Company accounted for deposits received / given at transaction value.

As Per Ind AS, the company has discounted the lease deposit to consider wherever the fair value is different from the the market.

III 9% Redeemable Preference Shares

Under previous GAAP, 9% Redeemable Preference Shares were classified as a part of total equity. These have been reclassified as debt.

IV Remeasurements of defined benefit plans

Under the Previous GAAP, remeasurements i.e. actuarial gains and losses on the net defined benefit liability were recognised in the statement of profit and loss. Under Ind AS-19 Employee Benefits, actuarial gains and losses are recognised in other comprehensive income and not reclassified to statement of profit and loss.

V Expected credit loss / Doubtful Debt

As per Ind AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the Company has recognised, difference between receivables balance (net of ECL loss) and present value of recoverable amount of receivable, into retained earnings as at April 2016.

VI Amortisation of Goodwill

Under the Previous GAAP, the goodwill is amortised at straight lining. Under Ind AS, Goodwill is taken at deemed cost and no amortisation is charged on the goodwill. The intangible asset recoverable amount is greater than the carrying value hence impairment is not required as per Ind AS 36 "Impairment of Asset".

VII Tax Adjustments

Tax adjustments include deferred tax impact on account of differences between Previous GAAP and Ind AS.

46 Prior Year Comparatives

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures.

Independent Auditor's Report

To The Members of

LKP Securities Limited

1. Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **LKP Securities Limited** ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which comprise the consolidated balance sheet as at 31 March 2018, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

2. Management's Responsibility for the Consolidated Ind AS Financial Statements

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

3. Auditor's Responsibility

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

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 5 below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group at 31 March 2018 and their consolidated profit, consolidated total comprehensive profit, their consolidated cash flows and consolidated changes in equity for the year ended on that date.

5. Other Matter

- a) We did not audit the financial statements of subsidiary whose financial statements reflect total assets of Rs. 194.07 lakhs as at 31 March 2018, total revenues of Rs. 173.01 lakhs, total net profit after tax of Rs. 24.83 lakhs, total comprehensive income of Rs. 24.83 lakhs and net cash outflows of Rs. 41.72 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and our report in terms of Section 143 (3) of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.
- b) Our opinion on the consolidated Ind AS financial statements and our Report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and the financial statements certified by the Management.

- c) The comparative financial information of the Group for the year ended 31 March, 2017 and the transition date opening balance sheet as at 1 April, 2016 included in these consolidated Ind AS financial statements, are based on previously issued consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by previous auditor whose report for the year ended 31 March, 2017 and 31 March, 2016 dated 26 April, 2017 and 02 May, 2016 respectively expressed an unmodified opinion on those consolidated financial statements and have been restated to comply with Ind AS. Adjustments made to the said consolidated financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us.

6. Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditor on separate financial statements of subsidiary incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books;
 - (c) The consolidated Ind AS balance sheet, the consolidated Ind AS statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
 - (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of subsidiary incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2018 from being appointed as a Director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure A", which is based on the auditor's reports of the Holding company and its subsidiary incorporated in India; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
 - ii. The Group did not have any long-term contracts including derivative contracts having any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary incorporated in India;

For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Mumbai, 16 May 2018

Annexure - A to the Independent Auditor's Report**Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 6(f) under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of the LKP Securities Limited on the consolidated Ind AS financial statements for the year ended 31 March 2018**

We have audited the internal financial controls over financial reporting of **LKP Securities Limited** ("the Company" or "the Holding Company"), and its subsidiary, incorporated in India as of 31 March, 2018, in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, and its subsidiary incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to its subsidiary incorporated in India, is based on corresponding reports of the auditors of such Company incorporated in India. Our opinion is not qualified in respect of this matter.

For MGB & Co LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner\
Membership Number 048215

Mumbai, 16 May 2018

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2018

(Rs.Lakhs)

	Note	31 March 2018	31 March 2017	1 April 2016
ASSETS				
Non-current assets				
(a) Property, plant and equipment	3	288.29	288.72	323.40
(b) Goodwill	4	125.59	125.59	125.59
(c) Other Intangible assets	4	53.91	41.60	52.15
(d) Financial assets				
(i) Investments	5	24.74	110.67	72.58
(ii) Other financial assets	6	297.08	455.89	674.84
(e) Income tax assets (net)	7	148.69	243.55	397.61
(f) Deferred tax assets (net)	8	299.70	533.67	489.86
(g) Other non-current assets	9	1,838.10	1,837.00	1,283.86
Total non-current assets		3,076.10	3,636.68	3,419.89
Current assets				
(a) Financial assets				
(i) Investments	10	284.57	122.69	73.65
(ii) Trade receivables	11	10,049.91	5,883.41	8,651.00
(iii) Cash and cash equivalents	12(a)	1,511.92	988.92	479.91
(iv) Bank balances other than (iii) above	12(b)	3,381.45	2,172.08	1,288.64
(v) Loans	13	19.76	623.19	625.18
(vi) Other financial assets	6	439.23	2,621.68	776.55
(b) Other current assets	9	1,094.84	1,008.87	1,147.29
(c) Current tax assets	7	-	-	0.44
Total current assets		16,781.69	13,420.84	13,042.66
Total assets		19,857.79	17,057.52	16,462.55
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	14	1,464.43	1,464.43	524.82
(b) Other equity	15	2,189.86	1,295.80	(797.03)
Total equity		3,654.28	2,760.23	(272.21)
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	16(a)	9.70	25.07	2,900.00
(ii) Others	17(b)	249.10	226.79	230.40
(b) Provisions	18	215.07	119.75	85.56
Total non-current liabilities		473.87	371.61	3,215.96
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	16(b)	6,297.67	6,541.79	7,486.17
(ii) Trade Payables	17(a)	8,924.50	7,116.39	5,716.98
(iii) Other Financial Liabilities	17(b)	105.52	156.89	218.99
(b) Other current liabilities	19	221.85	93.29	88.26
(c) Provisions	18	23.07	14.53	8.38
(d) Current tax liabilities	20	157.02	2.79	-
Total current liabilities		15,729.64	13,925.68	13,518.79
Total liabilities		16,203.51	14,297.29	16,734.75
Total equity and liabilities		19,857.79	17,057.52	16,462.55

Notes forming part of the financial statements

1-44

As per our report of even date

For MGB & Co LLP

Chartered Accountants

FRN - 101169W/W100035

For and on behalf of the board of directors of LKP Securities Limited

Sanjay Kothari

Partner

Membership Number 048215

Managing Director

Director

Chief Financial Officer

Company Secretary

 : **Pratik M.Doshi**

 : **S.S.Gulati**

 : **Girish Majrekar**

 : **Siddharth Mehta**

Place : Mumbai

Date : 16th May, 2018

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

(Rs.Lakhs)

	Note	31 March 2018	31 March 2017
Revenue			
Revenue from operations	21	8,341.28	6,367.80
Other income	22	454.28	238.84
Total		8,795.56	6,606.64
Expenses			
Employee benefits expense	23	2,994.44	2,660.06
Finance costs	24	671.68	421.93
Depreciation and amortisation expense	25	95.74	109.52
Other expenses	26	3,676.73	3,410.13
Total		7,438.59	6,601.65
Profit /(Loss) before tax		1,356.97	4.99
Less : Tax expense			
Current tax - current year		286.74	4.50
Deferred tax including MAT credit entitlement		248.47	(59.27)
Profit for the year	(A)	821.76	59.76
Other comprehensive income			
A. Items that will not be reclassified to profit or loss			
(a) (i) Re-measurement of defined benefit obligation		(41.91)	50.04
(ii) Income tax relating to items that will not be reclassified to the profit or loss		14.51	(15.46)
(b) Fair value change on equity instruments through other comprehensive income		5.10	38.09
Total other comprehensive income	(B)	(22.31)	72.67
Total comprehensive income for the year	(A+B)	799.45	132.43
Earnings per equity share (face value Re. 2 each)	37		
Basic		1.12	0.08
Diluted		1.10	0.08

Notes forming part of the financial statements

1-44

As per our report of even date

For MGB & Co LLP
 Chartered Accountants
 FRN - 101169W/W100035

For and on behalf of the board of directors of LKP Securities Limited

Sanjay Kothari
 Partner
 Membership Number 048215

 Managing Director : **Pratik M.Doshi**
 Director : **S.S.Gulati**
 Chief Financial Officer : **Girish Majrekar**
 Company Secretary : **Siddharth Mehta**

Place : Mumbai

Date : 16th May, 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018
A. Equity share capital

	Note	(Rs. Lakhs)
As at 01 April 2016		524.82
Changes in equity share capital	14a	939.61
As at March 31 2017		1,464.43
Changes in equity share capital	14a	-
As at 31 March 2018		1,464.43

B. Other equity

(Rs. Lakhs)

	Reserves and surplus			Other Comprehensive income	Total other equity
	Preference Share Redemption Reserves	Share based payment reserve	Retained earnings	Equity Instruments	
As at 01 April 2016	-	-	(689.44)	(107.58)	(797.03)
Profit for the year	-	-	59.76	-	59.76
Other comprehensive income	-	-	34.58	38.09	72.67
Total comprehensive income for the year	-	-	94.34	38.09	132.43
	-	-	(595.10)	(69.49)	(664.59)
Preference Shares Redemption Reserve	1,960.39	-	-	-	1,960.39
As at March 31 2017	1,960.39	-	(595.10)	(69.49)	1,295.80
Profit for the year	-	-	821.76	-	821.76
Remeasurement of defined benefit plan (net)	-	-	(27.41)	-	(27.41)
Other comprehensive income					
Gain on fair value of financial asset	-	-	-	5.10	5.10
Derecognition of instrument measured at fair value through other comprehensive income	-	-	53.55	(53.55)	-
Total comprehensive income for the year	-	-	847.91	(48.46)	799.45
	1,960.39	-	252.80	(117.95)	2,095.25
Shared based payments	-	94.61	-	-	94.61
	-	94.61	-	-	94.61
As at 31 March 2018	1,960.39	94.61	252.80	(117.95)	2,189.86

Notes forming part of the financial statements

As per our report of even date

For MGB & Co LLP
 Chartered Accountants
 FRN - 101169W/W100035

For and on behalf of the board of directors of LKP Securities Limited

Sanjay Kothari
 Partner
 Membership Number 048215

 Managing Director : **Pratik M.Doshi**
 Director : **S.S.Gulati**
 Chief Financial Officer : **Girish Majrekar**
 Company Secretary : **Siddharth Mehta**

 Place : Mumbai
 Date : 16th May, 2018

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

(Rs. Lakhs)

	31 March 2018	31 March 2017
A. Cash flow from Operating activities :		
Net Profit / (Loss) before tax	1,356.97	4.99
Adjustments for :		
Depreciation and amortisation expense	95.74	109.52
Net loss/ (gain) on Investments carried at fair value through profit and loss	19.94	(30.17)
Loss on sale/ discard of property, plant and equipment/ intangibles	1.32	2.38
Interest expense	605.99	377.73
Interest Income	(237.99)	(189.25)
Dividend Income	(0.25)	(0.74)
Share based expense	94.61	-
(Profit) / Loss on Sale of Investment (net)	(204.49)	6.41
Operating Profit before Working capital changes	1,731.83	280.87
Adjustments for :		
(Increase)/ Decrease in trade and other receivables	(1,912.30)	1,279.15
Increase/ (Decrease) in trade and other payables	2,123.80	1,431.88
Cash generated from operations	1,943.33	2,991.90
Direct taxes paid/ refunded (net)	(191.89)	150.00
Net cash generated from operations	1,751.44	3,141.91
B. Cash flow from Investing Activities		
Purchase of property, plant and equipments, intangible assets	(108.95)	(630.62)
Sale of property, plant and equipments, intangible assets	-	11.50
Purchase of investments	(274.35)	(25.28)
Sale of investments	388.04	-
Loans Given	(106.35)	(6.17)
Loans Repaid	709.78	8.15
(Increase)/ Decrease in bank deposits	(1,209.37)	(883.44)
Interest received	237.99	189.25
Dividend received	0.25	0.74
Net cash from/ (used in) financing activities	(362.95)	(1,335.86)
C. Cash flow from financing activities		
Interest paid	(605.99)	(377.73)
Proceeds from long-term borrowings	-	25.07
Repayments of long-term borrowings	(15.37)	-
Proceeds from short-term borrowings	341.70	294.42
Repayments of short-term borrowings	(585.83)	(1,238.80)
Net cash from financing activities	(865.49)	(1,297.04)
Net increase / (decrease) in cash and cash equivalents	523.00	509.01
Cash and cash equivalents at the beginning of the year	988.92	479.91
Cash and cash equivalents at the end of the year	1,511.92	988.92
Other bank balances	3,381.45	2,172.08
Cash and bank balances at the end of the year	4,893.37	3,160.99

As per our report of even date

For MGB & Co LLP
 Chartered Accountants
 FRN - 101169W/W100035

For and on behalf of the board of directors of LKP Securities Limited

Sanjay Kothari
 Partner
 Membership Number 048215

 Managing Director : **Pratik M.Doshi**
 Director : **S.S.Gulati**
 Chief Financial Officer : **Girish Majrekar**
 Company Secretary : **Siddharth Mehta**

 Place : Mumbai
 Date : 16th May, 2018

1 A Corporate Information

LKP Securities Limited ("the Company") is domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange(BSE) in India. The Company registered office is located at 203, Embassy centre, Nariman point, Mumbai 400021, Maharashtra, India. The company and its subsidiary (collectively referred to as "the Group") is engaged as a stock and securities broker and providing other financial service with nationwide network across assets classes equities, debt, structured products, Portfolio Management services and Third party distribution.

B Basis of preparation of consolidated financial statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules,2015 as amended and other relevant provisions of the Act.

These financial statements for the year ended 31 March, 2018 are the first financial with comparatives, prepared under Ind AS.

For all previous periods including the year ended 31 March, 2017, the group had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1 April, 2016 being the date of transition to Ind AS.

Reconciliations and descriptions of the effect of the transition has been summarized in note 41.

Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III (except per share data), unless otherwise stated.

Current non-current classification

All assets and liabilities have been classified as current or non-current as per the group's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

C Principles of consolidation

The consolidated financial statements incorporate the financial statements of LKP Securities Limited and entity controlled by LKP Securities Limited.

Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiary are consolidated from the date control commences until the date control ceases.

The financial statements of the Group are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group.

The consolidated financial statements incorporate the financial statements of the company, its subsidiary (as listed in the table below).

Name of the Subsidiaries	Proportion of Interest (including beneficial interest) / Voting Power (either directly / indirectly or through Subsidiary)	Principal place of business
Direct Subsidiary		
LKP Wealth Advisory Private Limited	100% (100%)	India

2 A) Significant Accounting Policies

(a) Property, plant and equipment

i) All property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The Cost comprises purchase cost, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

ii) On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(b) Intangible assets

Intangible assets acquired or developed are measured on initial recognition at cost and stated at

cost less accumulated amortisation and impairment loss, if any.

(c) Depreciation on property, plant & equipment/ intangible assets

- i) Depreciable amount for property, plant and equipment / intangible fixed assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on property, plant and equipment is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013

- ii) Intangible assets are amortised on straight line basis over their respective individual useful lives estimated by the management.

(d) Derecognition of property, plant and equipment / intangible assets

The carrying amount of an item of property, plant and equipment / intangibles is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment / intangibles is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognised in the statement of profit and loss when the item is derecognised.

(e) Goodwill

Goodwill are measured on initial recognition at deemed cost and no amortisation is charged on the goodwill. The intangible asset recoverable amount is greater than the carrying value hence impairment is not required as per Ind AS 36 "Impairment of Asset".

(f) Leases

(i) Finance lease

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

(ii) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognised on straight line basis over the lease period in the statement of profit and loss account unless increase is on account of inflation.

(g) Cash and cash equivalents

- i) Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposit with original maturity upto three months, which are subject to insignificant risk of changes in value.

- ii) For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined as they

are considered as integral part of Group's cash management

(h) Fair value measurement

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

All financial assets and financial 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, or
- **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(I) Financial instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

i Initial recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

ii Subsequent measurement

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit and loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Group's business model for managing the financial assets and the contractual terms of cash flows.

Debt Instrument

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. This category generally applies to trade and other receivables.

Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets.
- b. The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

The Group measures its equity investments other than in subsidiary at fair value through profit and loss. However where the Group's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to statement of profit and loss.

Derivative financial instruments

Derivative financial instruments are classified and measured at fair value through profit and loss.

iii Derecognition of financial assets

A financial asset is derecognised only when

- i) The Group has transferred the rights to receive cash flows from the asset or the rights have expired or
- ii) The Group retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Impairment of financial assets

The Group measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Financial liabilities and equity instruments

Debt or equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of the group's own equity instruments.

Financial liabilities

i Classification

The Group classifies all financial liabilities at amortised cost or fair value through profit or loss.

ii Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

iii De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(i) Borrowings and Borrowing costs

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities.

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the period they occur.

(j) Provisions, contingent liabilities and contingent assets

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of 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 the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset.

(k) Revenue recognition

Revenue is recognised to the extent it is probable that economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. All revenues are accounted on accrual basis except to the extent stated otherwise.

- a) Group recognizes Brokerage income as per contracted rates on the execution of transactions on behalf of the clients on the trade date on the basis of the date of settlement of respective exchanges.
- b) Account maintenance charges are recognised on time basis over the period of the contract.
- c) Interest income for all debt instruments, measured at amortised cost or fair value through other comprehensive income, is recognised using the effective interest rate method.
- d) Dividend income is recognised when the group's right to receive dividend is established.

(l) Retirement and other employee benefits

- (i) The Group operates both defined benefit and defined contribution schemes for its employees.

For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions.

For defined benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method. All such plans are unfunded.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability/ (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses (excluding interest on the net defined benefit liability/ (asset)) are recognised in Other Comprehensive Income (OCI). Such remeasurements are not reclassified to the statement of profit and loss, in the subsequent periods.

- (ii) Short term employee benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Group recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability.

(m) Transactions in foreign currencies

- (i) The functional currency of the Group is Indian Rupees ("Rs."). Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.
- (ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.
- (iii) Non-monetary foreign currency items are carried at historical cost and translated at the exchange rate prevalent at the date of the transaction.

(n) Accounting for taxes on income

Tax expense comprises of current and deferred tax.

Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity.

Deferred tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax

Current and deferred tax are recognized as income or an expense in the statement of profit and loss, except to the extent they relate to items that are recognized

in other comprehensive income, in which case, the current and deferred tax income / expense are recognised in other comprehensive income.

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that the future economic benefits associated with it will flow to the Group and the assets can be measured reliably.

(o) Impairment of non-financial assets

The carrying amounts of non financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of an asset's or cash generating unit's, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed by crediting the statement of profit and loss if there has been a change in the estimate of recoverable amount.

(p) Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

(q) Share based payments

The Group recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share-Based Payment. The estimated fair value of awards is charged to statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in substance, multiple awards with a corresponding increase to share based payment reserves.

(r) Dividend

Provision is made for the amount of any dividend declared on or before the end of the reporting period but remaining undistributed at the end of the reporting period, where the same has been appropriately authorised and is no longer at the discretion of the entity.

(s) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(t) Exceptional items

Certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, such income or expenses are classified as an exceptional item and accordingly, disclosed in the financial statements.

2 B) Critical accounting judgment and estimates

The preparation of financial statements requires management to exercise judgment in applying the Group's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures including disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

a Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that have a low probability of crystallising or are very difficult to quantify reliably, are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. There can be no assurance regarding the final outcome of these legal proceedings.

b Useful lives and residual values

The Group reviews the useful lives and residual values of property, plant and equipment and intangible assets at each financial year end.

c Impairment testing

Judgment is also required in evaluating the likelihood of collection of customer debt after revenue has been recognised. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles. Provisions are based on historical trends in the percentage of debts which are not recovered, or on more detailed reviews of individually significant balances.

Determining whether the carrying amount of these assets has any indication of impairment also requires judgment. If an indication of impairment is identified, further judgment is required to assess whether the carrying amount can be supported by the net present value of future cash flows forecast to be derived from

the asset. This forecast involves cash flow projections and selecting the appropriate discount rate.

d Tax

The Group's tax charge is the sum of the total current and deferred tax charges. The calculation of the Group's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

Accruals for tax contingencies require management to make judgments and estimates in relation to tax related issues and exposures.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgment regarding the future financial performance of the particular legal entity or tax Group in which the deferred tax asset has been recognized.

e Fair value measurement

A number of Group's accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of a fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of reporting year during which the change has occurred.

f Defined benefit obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 38, 'Employee benefits'.

Recent accounting pronouncements

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Indian Accounting Standard (Ind AS) 115 "Revenue from Contracts with Customers"; notifying amendments to Ind AS 12 "Income Taxes" and Ind AS 21 "The Effects of Changes in Foreign Exchange Rates". Ind AS 115, amendments to the Ind AS 12 and Ind AS 21 are applicable to the Company w.e.f. 1 April 2018.

(i) Ind AS 115 "Revenue from Contracts with Customers"

The core principle of Ind AS 115 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further this standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

ii) Amendments to Ind AS

a) Ind AS 12 "Income Taxes"

The amendment considers that tax law determines which deductions are offset against taxable income and that no deferred tax asset is recognised if the reversal of the deductible temporary difference will not lead to tax deductions. Accordingly, segregating deductible temporary differences in accordance with tax law and assessing them on entity basis or on the basis of type of income is necessary to determine whether taxable profits are sufficient to utilise deductible temporary differences.

b) Ind AS 21 "The Effects of Changes in Foreign Exchange Rates"

The amendment to this Ind AS requires foreign currency consideration paid or received in advance of an item of asset, expense or income, resulting in recognition of a non-monetary prepayment asset or deferred income liability, to be recorded in the Group's functional currency by applying the spot exchange rate on the date of transaction.

The date of transaction which is required to determine the spot exchange rate for translation of such items would be earlier of:

- the date of initial recognition of the non-monetary prepayment asset or deferred income liability, and
- the date on which the related item of asset, expense or income is recognised in the financial statements.

If the transaction is recognised in stages, then a spot exchange rate for each transaction date would be applied to translate each part of the transaction.

The Group is evaluating the disclosure requirements of these amendments and its effect on the financial statements.

3 Property, plant and equipment

(Rs.Lakhs)

	Furniture and Fixtures	Computers	Electrical Fittings	Leasehold Improvement	Vehicles	Office equipment	Total
Deemed cost as at 1 April 2016	42.74	79.53	2.13	89.53	38.15	71.32	323.40
Additions during the year	1.12	2.50	-	-	64.57	5.71	73.90
Disposals during the year	-	0.68	-	-	17.07	-	17.75
Balance as at 31 March 2017	43.86	81.35	2.13	89.53	85.64	77.03	379.55
Additions during the year	15.90	26.54	-	-	14.06	24.01	80.50
Disposals during the year	-	0.16	-	-	-	-	0.16
Balance as at 31 March 2018	59.76	107.73	2.13	89.53	99.70	101.04	459.89
Accumulated Depreciation							
Balance as at 1 April 2016	-	-	-	-	-	-	-
Depreciation charge for the year	11.79	39.41	0.42	16.15	11.45	15.06	94.28
Depreciation on sales / disposals	-	0.22	-	-	3.23	-	3.45
Balance as at 31 March 2017	11.79	39.19	0.42	16.15	8.22	15.06	90.83
Depreciation charge for the year	10.78	23.47	0.35	16.15	14.05	15.99	80.79
Depreciation on sales / disposals	-	0.02	-	-	-	-	0.02
Balance as at 31 March 2018	22.57	62.64	0.77	32.30	22.27	31.05	171.60
Net carrying amount							
Balance as at 1 April 2016	42.74	79.53	2.13	89.53	38.15	71.32	323.40
Balance as at 31 March 2017	32.07	42.17	1.71	73.38	77.42	61.97	288.72
Balance as at 31 March 2018	37.18	45.09	1.37	57.22	77.43	69.99	288.29

4 Other Intangible assets

(Rs.Lakhs)

	Computer Software	Total
Deemed cost as at 1 April 2016	52.15	52.15
Additions during the year	4.68	4.68
Disposals during the year	-	-
Balance as at 31 March 2017	56.83	56.83
Additions during the year	28.45	28.45
Disposals during the year	1.22	1.22
Balance as at 31 March 2018	84.07	84.07
Accumulated Depreciation		
Balance as at 1 April 2016	-	-
Amortisation charge for the year	15.24	15.24
Disposals during the year	-	-
Balance as at 31 March 2017	15.24	15.24
Amortisation charge for the year	14.95	14.95
Disposals during the year	0.03	0.03
Balance as at 31 March 2018	30.16	30.16
Net carrying amount		
Balance as at 1 April 2016	52.15	52.15
Balance as at 31 March 2017	41.60	41.60
Balance as at 31 March 2018	53.91	53.91

	31 March 2018	31 March 2017	01 April 2016
Goodwill	125.59	125.59	125.59
Other Intangible Assets	53.91	41.60	52.15

5 Non-current investments

(Rs.Lakhs)

	31 March 2018	31 March 2017	1 April 2016
A] Investment carried at Fair value through other comprehensive income			
Investment in equity shares -quoted			
149 (2017 : 149, 2016 : 149) equity shares of Rs. 10 /- each of D. S. Kulkarni Developers Limited	0.02	0.08	0.11
10,000 (2017 : 10,000, 2016 : 10,000) equity shares of Rs. 10 /- each of Gold Crest Finance (India) Limited	4.75	3.44	2.92
149,000 (2017 : 149,000, 2016 : 149,000) equity shares of Rs. 10 /- each of Infra Industries Limited*	0.00	8.05	10.62
72 (2017 : 72, 2016 : 72) equity shares of Rs. 5 /- each of Oil and Natural Gas Corporation Limited	0.13	0.13	0.15
8900 (2017 : 8900, 2016 : 8900) equity shares of Rs. 10 /- each of Roopa Industries Limited	1.34	1.13	0.66
6,792 (2017 : 6,792, 2016 : 6,792) equity shares of Rs. 2 /- each of Geodesic Information Systems Limited*	0.00	0.10	0.10
17,440 (2017 : 17,440, 2016 : 17,440) equity shares of Rs. 10 /- each of Reliance Power Limited	6.30	8.37	8.61
Nil (2017 : 24,000, 2016 : 24,000) equity shares of Rs. 10 /- each of East India Hotel Limited	-	28.90	25.16
Nil (2017 : 5700, 2016 : Nil) equity shares of Rs. 2 /- each of Bombay Stock Exchange Limited	-	55.73	-
5,000(2017 : 5,000, 2016 : 5,000) equity shares of Rs. 2 /- each of TV 18 Limited	3.36	2.10	2.02
Investment in equity shares -unquoted			
Nil (2017 : Nil, 2016 : 11,400) equity shares of Rs. 1 /- each of Bombay Stock Exchange Ltd.	-	-	17.55
11,200,(2017 : 11,200, 2016 : 11,200) equity shares of Rs. 10 /- each of Gobind sugar Limited	8.85	2.65	4.68
Total	24.74	110.67	72.58

* The fair value of shares considered as "0" (zero) as the group's shares are suspended from trading.

	31 March 2018	31 March 2017	1 April 2016
(All the above securities are fully paid up)			
Aggregate amount of quoted Investments and market value thereof	15.89	108.02	50.35
Aggregate amount of unquoted Investments	8.85	2.65	22.23

6 Other Financial Assets

(Rs.Lakhs)

	Non-Current			Current		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
Deposit with banks having original maturity period of more than twelve months (refer note 12b)	-	76.69	292.17	-	-	-
Deposits - unsecured and considered good -related parties	-	-	-	300.00	300.00	300.00
-others	297.08	379.20	382.67	30.51	20.41	40.69
	297.08	379.20	382.67	330.51	320.41	340.69
Balance with exchange and clearing member	-	-	-	65.03	2,263.30	416.15
Other Advances						
-subsidiary	-	-	-	-	-	-
-others	-	-	-	43.70	37.97	19.71
	-	-	-	43.70	37.97	19.71
Total	297.08	455.89	674.84	439.23	2,621.68	776.55

7 Income tax assets

(Rs.Lakhs)

	Non-Current			Current		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
Balance with Government authorities						
Advance Direct tax (Net of Provisions)	148.69	243.55	397.61	-	-	0.44
Total	148.69	243.55	397.61	-	-	0.44

8 Deferred tax assets (net)

The components of deferred tax balances are as under:

(Rs.Lakhs)

	31 March 2018	31 March 2017	1 April 2016
Deferred tax assets/ (liabilities)			
Depreciation and amortisation	(67.62)	67.45	68.00
Employee retirement benefits	35.95	12.46	29.03
Business Loss (including unabsorbed depreciation)	-	278.56	276.59
Allowances for credit losses	115.22	130.34	62.07
Other timing differences	0.83	(9.21)	0.12
MAT Credit Entitlement	215.31	54.05	54.05
Deferred tax assets (net)	299.70	533.67	489.86

9 Other assets

(Rs.Lakhs)

	Non - Current			Current		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
Prepaid expenses	2.16	1.06	0.38	73.28	56.30	50.59
Capital advances	1,835.94	1,835.94	1,283.49	-	-	-
Other Advances						
- Considered good	-	-	-	971.31	946.76	1,092.45
- Considered doubtful	-	-	-	40.40	21.00	21.00
				1,011.72	967.76	1,113.45
Less: Allowance for doubtful Advances	-	-	-	(40.40)	(21.00)	(21.00)
				971.31	946.76	1,092.45
Balance with Government authorities						
- Advance indirect taxes	-	-	-	50.25	5.82	4.25
Total	1,838.10	1,837.00	1,283.86	1,094.84	1,008.87	1,147.29

For transactions relating to related parties, refer note 33

10 Current investments
Investments carried at fair value through Profit and loss

(Rs.Lakhs)

	31 March 2018	31 March 2017	1 April 2016
a Investment in equity shares - quoted			
Nil (2017 : 400, 2016 : 400) equity shares of Rs. 10/- each of ACC Limited	-	5.78	5.52
Nil (2017 : 4, 2016 : Nil) equity shares of Rs. 2/- each of Adani Ports and Special Economic Zone Limited	-	0.01	-
Nil (2017 : 2, 2016 : Nil) equity shares of Rs. 10/- each of Adani Power Limited	-	0.00	-
1 (2017 : Nil, 2016 : Nil) equity shares of Rs. 10/- each of Aditya Birla Capital Limited #	0.00	-	-
Nil (2017 : 3, 2016 : Nil) equity shares of Rs. 10/- each of Aditya Birla Fashion & Retail Limited #	-	0.00	-
Nil (2017 : 70, 2016 : 70) equity shares of Rs. 10/- each of Agri- Tech (India) Limited	-	0.03	0.01
100 (2017 : 100, 2016 : 100) equity shares of Rs. 10/- each of Alacrity Electronics Limited*	0.01	0.00	0.00
Nil (2017 : 200, 2016 : Nil) equity shares of Rs. 10/- each of Andhra Petrochemicals Limited	-	0.05	-
Nil (2017 : 948, 2016 : 948) equity shares of Rs. 10/- each of Atul Limited	-	22.56	14.55
1 (2017 : Nil, 2016 : Nil) equity shares of Rs. 10/- each of Avadh Sugar & Energy Limited #	0.00	-	-
Nil (2017 : 50, 2016 : Nil) equity shares of Rs. 2/- each of Bharat Heavy Electricals Limited	-	0.08	-

	31 March 2018	31 March 2017	1 April 2016
3 (2017 : Nil, 2016 : Nil) equity shares of Rs. 10/- each of Bharat Petroleum Corporation Limited	0.01	-	-
Nil (2017 : 249, 2016 : Nil) equity shares of Rs.10/- each of Coal India Limited	-	0.73	-
Nil (2017 : 100, 2016 : 100) equity shares of Rs.1/- each of Colgate-Palmolive (India) Limited	-	1.00	0.83
Nil (2017 : 100, 2016 : 100) equity shares of Rs.1/- each of Dabur India Limited	-	13.86	12.46
Nil (2017 : 50, 2016 : 50) equity shares of Rs.10/- each of Deepak Fertilisers & Petrochemicals Corporation Limited	-	0.13	0.07
2 (2017 : Nil, 2016 : Nil) equity shares of Rs.10/- each of Dion Global Solutions Limited #	0.00	-	-
Nil (2017 : 562, 2016 : Nil) equity shares of Rs.1/- each of Dish TV India Limited	-	0.60	-
1500 (2017 : 1500, 2016 : Nil) equity shares of Rs.1/- each of Divine Multimedia (India) Limited*	0.00	0.01	-
Nil (2017 : 3, 2016 : Nil) equity shares of Rs.2/- each of DLF Limited #	-	0.00	-
Nil (2017 : 375, 2016 : 375) equity shares of Rs.2/- each of EIH Limited	-	0.45	0.39
Nil (2017 : 13, 2016 : Nil) equity shares of Rs.2/- each of Emami Infrastructure Limited	-	0.01	-
Nil (2017 : 100, 2016 : 100) equity shares of Rs.10/- each of ESAB India Limited	-	0.61	0.63
Nil (2017 : 2, 2016 : Nil) equity shares of Rs.10/- each of Ess Dee Aluminium Limited #	-	0.00	-
Nil (2017 : 100, 2016 : 100) equity shares of Rs.10/- each of Garware Polyester Limited	-	0.06	0.05
50 (2017 : Nil, 2016 : Nil) equity shares of Rs.10/- each of Geojit Financial Services Limited	0.05	-	-
Nil (2017 : 4, 2016 : Nil) equity shares of Rs.2/- each of Gujarat Mineral Development Corporation Limited #	-	0.00	-
Nil (2017 : 14, 2016 : Nil) equity shares of Rs.1/- each of Godrej Consumer Products Limited	-	0.23	-
Nil (2017 : 166, 2016 : 166) equity shares of Rs.10/- each of Gujarat Alkalies & Chemicals Limited	-	0.68	0.27
200 (2017 : 200, 2016 : Nil) equity shares of Rs.10/- each of Gujarat Fiscon Limited*	0.00	0.00	-
Nil (2017 : 7, 2016 : Nil) equity shares of Rs.10/- each of Gujarat NRE Coke Limited	-	0.00	-
450 (2017 : 200, 2016 : 200) equity shares of Rs.2/- each of Housing Development Finance Corp.Limited	8.21	3.00	2.21
1 (2017 : Nil, 2016 : Nil) equity shares of Rs.10/- each of Healthfore Technologies Limited*	0.00	-	-
Nil (2017 : 250, 2016 : 250) equity shares of Rs.2/- each of Hero Motocorp Limited	-	8.05	7.36
Nil (2017 : 560, 2016 : 160) equity shares of Rs.2/- each of Hexaware Technologies Limited	-	1.20	0.43
Nil (2017 : 1000, 2016 : 1000) equity shares of Rs.1/- each of Hindustan Unilever Limited	-	9.10	8.70
2 (2017 : Nil, 2016 : Nil) equity shares of Rs.10/- each of Hindustan Petroleum Corporation Limited	0.01	-	-
10 (2017 : Nil, 2016 : Nil) equity shares of Rs.2/- each of ICICI Bank Limited	0.03	-	-
Nil (2017 : 100, 2016 : Nil) equity shares of Rs.10/- each of IDBI Bank Limited	-	0.08	-
Nil (2017 : 36, 2016 : Nil) equity shares of Rs.10/- each of IDEA Cellular Limited	-	0.03	-
Nil (2017 : 1050, 2016 : 800) equity shares of Rs.10/- each of IFCI Limited	-	0.31	0.20
Nil (2017 : 840, 2016 : 840) equity shares of Rs.10/- each of IL&FS Investment Managers Limited	-	0.12	0.13
3 (2017 : Nil, 2016 : Nil) equity shares of Rs.2/- each of Indiabulls Housing Finance Limited	0.04	-	-
5 (2017 : Nil, 2016 : Nil) equity shares of Rs.2/- each of Indiabulls Ventures Limited #	0.00	-	-
Nil (2017 : 7, 2016 : Nil) equity shares of Rs.2/- each of Indiabulls Wholesale Services Limited*	-	0.00	-
190 (2017 :190, 2016 : 190) equity shares of Rs.10/- each of Indo-French Biotech Enterprises Limited*	0.00	0.00	0.00
Nil (2017 :190, 2016 : 190) equity shares of Rs.10/- each of Indokem Limited	-	0.00	0.00
Nil (2017 :190, 2016 : Nil) equity shares of Rs.10/- each of Indowind Energy Limited #	-	0.00	-
2500 (2017 : 2500, 2016 : Nil) equity shares of Rs.1/- each of Interface Financial Services Limited*	0.00	0.00	-
Nil (2017 :550, 2016 : 550) equity shares of Rs.10/- each of International Paper APPM Limited	-	1.77	1.61
Nil (2017 : 2500, 2016 : Nil) equity shares of Rs.1/- each of ITC Limited	-	0.13	-
Nil (2017 :11, 2016 : Nil) equity shares of Rs. 2/- each of Jain Irrigation Systems Limited	-	0.01	-
Nil (2017 :150, 2016 : Nil) equity shares of Rs. 1/- each of Jindal Steel & Power Limited	-	0.18	-
5 (2017 :Nil, 2016 : Nil) equity shares of Rs. 10/- each of Joindre Capital Services Limited #	0.00	-	-
Nil (2017 :10, 2016 : Nil) equity shares of Rs. 1/- each of Jsw Steel Limited	-	0.02	-

	31 March 2018	31 March 2017	1 April 2016
Nil (2017 :1, 2016 : Nil) equity shares of Rs. 10/- each of Karnataka Bank Limited #	-	0.00	-
Nil (2017 :40, 2016 : Nil) equity shares of Rs. 5/- each of Kirloskar Ferrous Industries Limited	-	0.04	-
Nil (2017 :3, 2016 : Nil) equity shares of Rs. 2/- each of Larsen & Toubro Limited	-	0.05	-
Nil (2017 :707 2016 : Nil) equity shares of Rs. 10/- each of LKP Finance Limited	-	0.50	-
1000 (2017 :1000 2016 : Nil) equity shares of Rs. 10/- each of Maars Software International Limited*	0.00	0.00	-
Nil(2017 :50 2016 : 50) equity shares of Rs. 10/- each of Manglore Chemical & Fertiar Software Limited	-	0.03	0.02
5000(2017 :5000 2016 : 5000) equity shares of Rs. 10/- each of Manna Glass-Tech Industries Limited*	0.00	0.00	0.00
400(2017 :400, 2016 : 400) equity shares of Rs. 10/- each of Mardia Chemical Limited*	0.00	0.00	0.00
50(2017 : Nil, 2016 : Nil) equity shares of Rs. 10/- each of Max Ventures And Industries Limited	0.03	-	-
2(2017 : 2, 2016 : Nil) equity shares of Rs. 10/- each of MMS Infrastructure Limited*	0.00	0.00	-
6920(2017 : 6920, 2016 : 6920) equity shares of Rs. 1/- each of MOH Limited*	0.00	0.00	0.00
81800(2017 : Nil, 2016 : Nil) equity shares of Rs. 10/- each of Motorola Speciality Oils Limited*	0.00	-	-
200(2017 : Nil, 2016 : Nil) equity shares of Rs. 10/- each of Manglore Refinery & Petrochemicals Limited	0.22	-	-
33(2017 : 33, 2016 : 33) equity shares of Rs. 10/- each of Mukand Limited #	0.00	0.00	0.00
Nil(2017 : 4000, 2016 : 4000) equity shares of Rs. 2/- each of Natco Pharma Limited	-	33.88	16.48
Nil(2017 : 77, 2016 : 77) equity shares of Rs. 10/- each of Nath Bio-Genes (India) Limited	-	0.11	0.06
Nil(2017 : 7, 2016 : Nil) equity shares of Rs. 5/- each of Network 18 Media Limited	-	0.00	-
41(2017 : 41, 2016 : 41) equity shares of Rs. 10/- each of Norben Tea & Exports Limited #	0.00	0.00	0.00
Nil(2017 : 81, 2016 : Nil) equity shares of Rs. 10/- each of NTPC Limited	-	0.13	-
500 (2017:500, 2016:500) equity shares of Rs. 10/- each of Ojas Technochem Products Limited*	0.00	0.00	0.00
Nil (2017:5, 2016:0) equity shares of Rs. 5/- each of Oil And Natural Gas Corporation Limited	-	0.01	-
2350 (2017:2350, 2016:2350) equity shares of Rs. 10/- each of Origin Agrostar Limited*	0.00	0.00	0.00
Nil (2017:200, 2016:200) equity shares of Rs. 10/- each of Oswal Agro Mills Limited	-	0.02	0.02
2500 (2017:2500, 2016:2500) equity shares of Rs. 10/- each of Padmini Technologies Limited*	0.00	0.00	0.00
Nil (2017:22, 2016:Nil) equity shares of Rs. 10/- each of Panyam Cements & Mineral Industries Limited	-	0.02	-
Nil (2017:50, 2016:Nil) equity shares of Rs. 10/- each of Power Grid Corporation Of India Limited	-	0.10	-
Nil (2017:3, 2016:Nil) equity shares of Rs. 2/- each of Redington (India) Limited	-	0.00	-
Nil (2017:1, 2016:Nil) equity shares of Rs. 10/- each of Reliance Industrial Infrastructure Limited #	-	0.00	-
214 (2017:65, 2016:65) equity shares of Rs. 10/- each of Reliance Industries Limited	1.89	0.86	0.68
Nil (2017:1, 2016:Nil) equity shares of Rs. 10/- each of Reliance Infrastructure Limited	-	0.01	-
Nil (2017:10, 2016:Nil) equity shares of Rs. 10/- each of Religare Enterprises Limited	-	0.02	-
500 (2017:500, 2016:Nil) equity shares of Rs. 10/- each of Sanghi Polyesters Limited*	0.00	0.00	-
43 (2017:Nil, 2016:Nil) equity shares of Rs. 10/- each of Sasken Technologies Limited	0.30	-	-
1000 (2017:1000, 2016:Nil) equity shares of Rs. 10/- each of SBI Home Finance Limited*	0.00	0.00	-
51 (2017:51, 2016:Nil) equity shares of Rs. 10/- each of Simplex Mills Company Limited	0.01	0.01	-
1 (2017:51, 2016:Nil) equity shares of Rs. 10/- each of Simplex Papers Limited*	0.00	0.00	-
2 (2017:Nil, 2016:Nil) equity shares of Rs. 10/- each of SMS Lifesciences India Limited	0.01	-	-
100 (2017:100, 2016:100) equity shares of Rs. 10/- each of Sriven Multi-Tech Limited*	0.00	0.00	0.00
3000 (2017:3000, 2016:3000) equity shares of Rs. 10/- each of Supreme Telecom and Network India Limited*	0.00	0.00	0.00
Nil (2017:250, 2016:250) equity shares of Rs. 2/- each of Tata Motors Limited	-	1.16	0.97
Nil (2017:1, 2016:Nil) equity shares of Rs. 2/- each of TCI Express Limited #	-	0.00	-
Nil (2017:203, 2016:203) equity shares of Rs. 10/- each of Techindia Nirman Limited	-	0.01	0.01
Nil (2017:200, 2016:Nil) equity shares of Rs. 1/- each of Titan Company Limited	-	0.92	-

	31 March 2018	31 March 2017	1 April 2016
Nil (2017:189, 2016:Nil) equity shares of Rs. 2/- each of TV18 Broadcast Limited	-	0.08	-
Nil (2017:600, 2016:Nil) equity shares of Rs. 10/- each of United Drilling Tools Limited	-	1.49	-
Nil (2017:200, 2016:Nil) equity shares of Rs. 1/- each of Vedanta Limited	-	0.55	-
Nil (2017:35, 2016:Nil) equity shares of Rs. 1/- each of Vikas WSP Limited #	-	0.00	-
2 (2017:2, 2016:Nil) equity shares of Rs. 2/- each of Wipro Limited	0.01	0.01	-
	10.83	110.94	73.65
b Investment in Preference Shares			
Nil (2017 :600, 2016 : Nil) 0.01% preference shares of Rs. 10/- each of Jsw Steel Limited	-	0.05	-
	-	0.05	-
c Investment in Debentures			
Nil(2017 : 181, 2016 : Nil) Non Convertible Debentures of Rs. 12.5/- each of NTPC Limited	-	0.02	-
	-	0.02	-
d Investment in Mutual Fund			
49.365 (2017:1167, 2016:Nil) liquidbees of Rs. 100/- each of Reliance ETF Gold BeES	0.00	11.67	-
	0.00	11.67	-
e Bonds			
13(2017: Nil, 2016: Nil) bonds of FVRS 10 lakhs of 11.00% IDBI Bank Ltd. 2018	138.74	-	-
12(2017: Nil, 2016: Nil) bonds of FVRS 10 lakhs of 11.05% Punjab & Sind Bank 2019	135.00	-	-
	273.74	-	-
Total	284.57	122.69	73.65

* The fair value of shares considered as "0" (Zero) as the company's shares are suspended from trading.

"0" (Zero) denotes amounts less than thousand

(All the above securities are fully paid up)

Aggregate amount of quoted Investments and market value thereof 284.57 122.69 73.65

11 Trade receivables

(Rs.Lakhs)

	31 March 2018	31 March 2017	1 April 2016
Secured			
- Considered good	8,036.55	4,913.81	4,081.89
Unsecured			
- Considered good	2,013.36	969.60	4,569.11
- Considered doubtful	415.35	563.29	700.06
	10,465.26	6,446.71	9,351.05
Less: Allowances for expected credit losses	(415.35)	(563.29)	(700.06)
Total	10,049.91	5,883.41	8,651.00

For transactions relating to related parties, refer note 33

Trade receivables are non-interest bearing and the payment terms is maximum transaction+5 days.

12 Cash and bank balances

(Rs.Lakhs)

	Current		
	Mar-18	Mar-17	01-Apr-16
a. Cash and cash equivalents			
Balances with banks -			
In Current accounts	1,511.05	930.50	478.71
Cash in hand	0.87	58.42	1.20
	1,511.92	988.92	479.91
b. Other balances with banks			
Balances with banks			
In deposits with banks having original maturity period upto twelve months	3,010.84	1,019.40	319.13
In deposits with banks having original maturity period of more than twelve months	370.61	1,229.37	1,261.68
	3,381.45	2,248.77	1,580.81
Disclosed under "Other non-current financial assets" (refer note 6)	-	(76.69)	(292.17)
	3,381.45	2,172.08	1,288.64
Total	4,893.37	3,161.00	1,768.55

13 Loans (Unsecured)

(Rs.Lakhs)

	Current		
	31 March 2018	31 March 2017	1 April 2016
Loans to related parties			
- Considered good	-	600.00	600.00
Loans to employees - considered good			
- Considered good	19.76	23.19	25.18
- Considered doubtful	11.00	11.00	11.00
	30.76	634.19	636.18
Less: Allowance for doubtful loans	(11.00)	(11.00)	(11.00)
Total	19.76	623.19	625.18

For transactions relating to related parties, refer note 33

14 Equity share capital

(Rs. Lakhs)

	31 March 2018	31 March 2017	1 April 2016
Authorised			
125,000,000 (2017-125,000,000), (2016-30,000,000) Equity Shares of Rs. 2/- each	2,500.00	2,500.00	600.00
10,000,000 (2017-10,000,000), (2016-Nil) Equity Shares of Rs. 10/- each (unclassified)	1,000.00	1,000.00	-
	3,500.00	3,500.00	600.00
Issued, subscribed and paid up			
73,221,296 (2017-73,221,296), (2016-26,241,000) Equity Shares of Rs. 2/- each	1,464.43	1,464.43	524.82
Total	1,464.43	1,464.43	524.82

*Authorised capital of Nil (2017 : Nil) (2016 :2,900,000) 9% Redeemable Preference Shares of Rs.Nil (2017 : Rs.Nil) (2016 : Rs. 100) each is not considered above. Redeemable preference shares issued have been considered as borrowings in accordance with the requirement of Ind AS. Refer Note 16 for other details.

a) Reconciliation of number of Equity shares and Share capital

	31 March 2018		31 March 2017	
	Number of equity shares	Rs. Lakhs	Number of equity shares	Rs. Lakhs
At the beginning of the year	73,221,296	1,464.43	26,241,000	524.82
Shares issued during the year	-	-	73,183,896	1,463.68
Shares cancelled in scheme of amalgamation	-	-	(26,203,600)	(524.07)
Outstanding at the end of the year	73,221,296	1,464.43	73,221,296	1,464.43

b) Terms / rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.2 . Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the group, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) The group has not issued any bonus shares or bought back equity shares during the five years preceding 31 March 2018. Details of aggregate number of shares issued for consideration other than cash during the five years preceding 31 March 2018 is as under:

	31 March 2018	31 March 2017
Equity Shares allotted as fully paid for consideration other than cash, pursuant to Scheme(s) of Amalgamation / Arrangement	-	73,183,896

d) Details of Equity Shareholders holding more than 5 % of the aggregate Equity shares

Name of the Shareholders	31 March 2018		31 March 2017	
	Number of equity shares	% Shareholding	Number of equity shares	% Shareholding
Mr. Mahendra V Doshi	22,246,254	30.38%	22,097,316	30.18%
Sea Glimpse Investments Private Limited	15,285,090	20.88%	15,285,090	20.88%
Bhavana Holdings Private Limited	8,457,030	11.55%	8,457,030	11.55%
Agrud Capital PTE Limited	4,364,934	5.96%	4,364,934	5.96%

As per the records of the company, including its register of shareholders / members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

e) Employees Stock Option Scheme (ESOP)

The company had instituted an Employee Stock Option Plan ("ESOP 2017" or "the Scheme") as approved by the Board of Directors and Shareholders of the Company. Under the Scheme, 3,700,000 Stock Options were granted at a price of Rs. 7/- per option to the employees of the company. The options vested would be exercisable at any time within a period of one year from the date of vesting and the equity shares arising on exercise of options shall not be subject to any lock in. The said Scheme is administered by the Nomination and Remuneration Committee of the Board.

f) Summary of options granted under the Scheme

	2018
Granted during the year #	3,700,000
Outstanding at the end of the year	3,700,000

During the year 31,000 options lapsed and will be reissued.

g) Expiry date and exercise prices of the share options outstanding at the end of the year:

Grant date	Expiry date	Exercise price (Rs.)	Share options	
			2018	2017
29 September 2017	29 September 2021	7.00	3,700,000	-

h) The fair value of each option granted is estimated on the date of grant using the black scholes model with the following assumptions

Scheme	Grant
Grant date	29 September 2017
Weighted average fair value of options granted (Rs.)	8.21
Exercise price (Rs.)	7.00
Expected volatility	54.20%
Risk free interest rate	6.31%
Dividend yield	0.00%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

i) Expense arising from share based payments transactions

	(Rs. Lakhs)	
	2018	2017
Gross expense / (reversal) arising from share based payments	94.61	-
Employee share based payment expense / (reversal) recognised in statement of profit and loss (Refer note 23)	94.61	-

15 Other equity

	(Rs. Lakhs)	
	31 March 2018	31 March 2017
Reserves and Surplus		
Preference shares redemption Reserve		
As per last Balance Sheet	1,960.39	-
Add: Transfer on redemption of preference shares	-	1,960.39
	1,960.39	1,960.39
Shared Based Payment Reserve		
As per last Balance Sheet	-	-
Add: Options granted during the year	94.61	-
	94.61	-
Retained earnings		
Opening Balance	(595.10)	(689.44)
Add : Profit for the year	821.76	59.76
Other comprehensive income	-	-
Remeasurement of defined benefit plan	(41.91)	50.04
Income tax impact thereon	14.51	(15.46)
Transfer from Other comprehensive income on derecognition of FVTOCI instrument	53.55	-
	252.80	(595.10)
Other comprehensive income- fair value on equity instruments		
As per last balance sheet	(69.49)	(107.58)
Gain on fair value of financial asset through other comprehensive income	5.10	38.09
Transfer on derecognition of instrument measured at fair value through other comprehensive income	(53.55)	-
	(117.95)	(69.49)
Total	2,189.86	1,295.80

- 1) Preference shares redemption reserve is created on cancellation of redeemable preference shares under scheme of demerger.
- 2) Share Based Payment Reserve is related to share options granted by the Group to its employee under its employee share option plan.
- 3) Retained earnings represent the accumulated earnings net of losses if any made by the Group over the years.
- 4) Other comprehensive income includes fair value gain on equity instruments measured at fair value through other comprehensive income

16 a) Long term Borrowings

(Rs. Lakhs)

	Non-Current			Current		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
Nil (2017-Nil), (2016-2,900,000) 9% Redeemable Preference Shares of Rs. 100/- each	-	-	2,900.00	-	-	-
Vehicle Loan from financial institution*	9.70	25.07	-	15.37	14.01	-
Less: Amount disclosed under the head "Other financial liabilities" (Refer Note 17b)	-	-	-	(15.37)	(14.01)	-
b) Short term Borrowings						
From bank repayable on demand (refer note (i) below)	-	-	-	4,680.95	5,115.95	5,000.10
From Financial institution repayable on demand (refer note (ii) below)	-	-	-	1,606.72	1,415.84	2,476.08
Loan taken from**						
- Subsidiary Company	-	-	-	-	-	-
- Corporate	-	-	-	10.00	10.00	10.00
Total	9.70	25.07	2,900.00	6,297.67	6,541.79	7,486.17

* Secured against hypothecation of vehicles. The aforesaid borrowings carry interest rates @ 9.50% and are repayable in monthly installments by October 2019.

** Interest free, repayable on demand

(i) Short-term Borrowings from Banks

The facility from Bank of India secured by first pari passu charge on book debts both present and future. The facility carries interest @ 12.40% presently (8.30 MCLR + 0.30% BSS + 3.80% CRP)

The facility from Yes Bank is secured by first pari passu charge on on all current assets of the group and personal guarantee of Promoter. The facility carries interest @11.95% presently (1 year MCLR + 300 bps)

The facility from South Indian Bank is secured against fixed deposit of the company. The loan carries interest rates which ranges from @7.75% to @8.60% (FD rate + 1%)

(ii) Short-term Borrowings from Financial Institution

Loan from Financial institution IL&FS is secured by shares in pool account. The loan carries interest @10.25%

17 Financial liabilities

(Rs. Lakhs)

	Non-Current			Current		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
a. Trade payables						
Trade payables	-	-	-	8,924.50	7,116.39	5,716.98
	-	-	-	8,924.50	7,116.39	5,716.98
b. Other financial liabilities						
Current maturities of long-term borrowings (Refer Note 16a)	-	-	-	15.37	14.01	-
Security Deposit from Sub Brokers	249.10	226.79	230.40	-	-	-
Other payables	-	-	-	90.15	142.89	218.99
	249.10	226.79	230.40	105.52	156.89	218.99
Total	249.10	226.79	230.40	9,030.02	7,273.28	5,935.97

For transactions relating to related party payables refer Note 33.

Trade are non-interest bearing and the credit term the for same is generally in the range of 0-90 days.

18 Provisions

(Rs. Lakhs)

	Non-Current			Current		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
Provision for employee benefits - Gratuity	215.07	119.75	85.56	23.07	14.53	8.38
Total	215.07	119.75	85.56	23.07	14.53	8.38

19 Other liabilities

(Rs. Lakhs)

	Current		
	31 March 2018	31 March 2017	1 April 2016
Statutory Dues	221.85	93.29	88.26
Total	221.85	93.29	88.26

20 Current Tax Liabilities

(Rs. Lakhs)

	Current		
	31 March 2018	31 March 2017	1 April 2016
Tax Provision (net of advances)	157.02	2.79	-
Total	157.02	2.79	-

21 Revenue from operations

(Rs. Lakhs)

	31 March 2018	31 March 2017
Brokerage Income	6,980.59	5,372.23
Other operating Revenue	1,360.69	995.57
Total	8,341.28	6,367.80

22 Other income

(Rs. Lakhs)

	31 March 2018	31 March 2017
Interest on Fixed Deposit	173.07	142.02
Interest - Others	64.92	47.23
Unwinding of discounting of deposits	2.52	2.29
Dividend Income	0.25	0.74
Miscellaneous Income	9.03	16.39
Profit on Sale of Securities	204.49	-
Fair value gain on Investments measured at Fair value through profit and loss	-	30.17
Total	454.28	238.84

23 Employee benefits expense

(Rs. Lakhs)

	31 March 2018	31 March 2017
Salaries and incentives	2,698.61	2,419.04
Share based payment expense	94.61	-
Contribution to provident and other funds	87.08	81.13
Gratuity	68.38	113.96
Staff welfare expenses	45.77	45.93
Total	2,994.44	2,660.06

24 Finance costs

(Rs. Lakhs)

	31 March 2018	31 March 2017
Interest cost	605.99	377.73
Other financial charges	65.69	44.20
Total	671.68	421.93

25 Depreciation and amortisation expense

(Rs. Lakhs)

	31 March 2018	31 March 2017
Depreciation on property, plant and equipment	80.79	94.28
Amortisation of intangible assets	14.95	15.24
Total	95.74	109.52

26 Other expenses

(Rs. Lakhs)

	31 March 2018	31 March 2017
Rent	223.19	241.54
Repairs and Maintenance - Others	49.58	45.48
Rates and Taxes	123.06	125.75
Electricity Expenses	50.65	52.78
Communication Charges	152.83	171.52
Printing and Stationery	112.33	92.80
Travelling and Conveyance Expenses	86.15	62.32
Legal and professional charges	190.30	191.38
Payment to auditors (refer note 31)	13.87	3.37
Miscellaneous expenses	11.61	31.76
Commission and sub-brokerage	2,657.77	1,904.81
Business Promotion Expenses	80.26	79.71
Subscription and Membership Fees	20.30	19.97
Directors Sitting Fees	1.40	1.20
Loss on sale of Securities	-	6.41
Loss on sale of Property Plant and equipments	1.32	2.38
Fair valuation loss on fair value through profit and loss Instruments	19.94	-
Bad and doubtful debts/advances (net of provisions)	(117.83)	376.96
Total	3,676.73	3,410.13

27 Tax Expense
(a) The major components of income tax for the year are as under:

i) Income tax related to items recognised in the statement of profit and loss during the year

(Rs. Lakhs)

	31 March 2018	31 March 2017
Current tax		
Current tax on taxable income for the year	286.74	4.50
Deferred tax (Credit)/Charge		
Relating to origination and reversal of temporary differences	248.47	(59.27)
Total	535.22	(54.77)
Effective tax rate #	39.44%	0.00%

A reconciliation of income tax expense applicable to profit before income tax at statutory rate to the income tax expense at Company's effective income tax rate for the year ended 31 March 2018. However for the financial year ended 31 March 2017 the group incurred loss hence effective tax rate is considered "0%" (Zero percent).

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. For analysis of the deferred tax balances (after offset) for financial reporting purposes refer note 8.

ii) Deferred tax related to items recognised in the other comprehensive income (OCI) during the year

	31 March 2018	31 March 2017
Deferred tax on remeasurement (gains)/losses on defined benefit plan	14.51	(15.46)
Deferred tax charged to OCI	14.51	(15.46)

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

	31 March 2018	31 March 2017
Profit before tax	1,356.97	9.35
Income tax		
Income tax expense calculated at corporate tax rate*	469.62	0.15
Excess Provision	4.00	1.71
Tax effect on non-deductible expenses	131.57	15.13
Effect of exempt income and income tax at special rates	(0.09)	-
Other temporary differences	(155.36)	(71.67)
Losses in respect of which deferred tax asset not recognized	(72.34)	
MAT credit Adjustment	157.82	(0.10)
Tax expense recognised in the statement of profit and loss	535.22	(54.77)

*The tax rate used for reconciliation above is the corporate tax rate of 34.608% (31 March 2017 - 30.90%) payable by parent entity in india on taxable profits under Indian tax law.

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. For analysis of the deferred tax balances (after offset) for financial reporting purposes refer note 8.

(c) Deferred tax relates to the following:

Reconciliation of deferred tax assets / (liabilities) net:	31 March 2018	31 March 2017
Opening balance	533.67	489.86
Deferred tax (charge)/credit recognised in		
- Statement of profit and loss	(248.47)	59.27
- Recognised in other comprehensive income	14.51	(15.46)
Total	299.70	533.67

Deferred tax recognized in consolidated statement of profit or loss

For the year ended	31 March 2018	31 March 2017
Depreciation and amortisation	(135.08)	(0.55)
Employee retirement benefits obligation	8.98	(1.10)
Business Loss (Including Unabsorbed Depreciation)	(278.56)	1.98
Allowances for credit losses	(15.12)	68.27
Other timing differences	10.04	(9.32)
MAT Credit Entitlement	161.26	-
Total	(248.47)	59.27

Deferred tax recognized in consolidated statement of Other Comprehensive Income

For the year ended	31 March 2018	31 March 2017
Employee retirement benefits obligation	14.51	(15.46)
Total	14.51	(15.46)

(d) Unrecognised deferred tax assets on unused tax losses:

The group has no unused tax losses as at 31 March 2018. However, the group has unrecognised MAT Credit entitlement of Rs. 68.98 lakhs as at 31 March 2018

28 Leases
A. Operating Leases:

The group has taken offices under lease and license agreements under cancellable/non-cancellable lease agreements that are renewable on periodic basis at the option of both the lessor and the lessee.

-The initial tenure of the lease is generally ranging from 22 months to 84 months.

Future lease rental obligation

	(Rs. Lakhs)	
	31 March 2018	31 March 2017
- Lease rental for the year	223.19	223.19
Future lease rental obligation Payable (under non-cancellable operating lease)		
- Not later than one year	13.67	6.30
- Later than one year but not later than five years	16.52	-

29 (i) Contingent Liabilities

(Rs. Lakhs)

	31 March 2018	31 March 2017	1 April 2016
(in respect of non-cancellable operating lease)			
a) Bank Guarantee	5,410.00	3,510.00	2,885.00
b) Disputed Direct Taxes	13.75	13.75	13.75
c) Legal Cases against the Company #	164.32	162.68	162.68

The amount represents the best possible estimates arrived at on the basis of available information. The group has engaged reputed advocates to protect its interests and has been advised that it has strong legal positions against such disputes.

(ii) Litigation

The Company has filed various cases for recovery of dues and suits are pending in various courts. The company has engaged advocates to protect the interest of the company and expects favourable decision.

(iii) Capital Commitment

Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) of Rs. 16.06 lakhs (2017 : 16.06 lakhs)(2016 : 568.51 lakhs)

30 Segment Informations

Disclosure under Indian Accounting Standard 108 – 'Operating Segments' is not given as, in the opinion of the management, the entire business activity falls under one segment, viz ,primarily engaged as stock and securities broker and providing the financial services, except insurance and pension funding. The group conducts its business only in one Geographical Segment, viz., India.

31 Payment to Auditors

(Rs. Lakhs)

	31 March 2018	31 March 2017
Audit fees	13.49	3.12
Tax Audit fees	0.20	0.20
Taxation and other matters	0.18	0.05
Total	13.87	3.37

32 Dividend

Dividend on equity shares is approved by the Board of Directors in their meeting held on 16 May 2018, and is subject to approval of shareholders at the annual general meeting and hence not recognised as a liability (including DDT thereon). Appropriation of dividend is done in the financial statements post approval by the shareholders. Final dividend on equity shares for the year ended on 2018: Rs 0.10 per equity share (2017 : Nil) which aggregates to Rs 88.13 lakhs (2017 : Nil)

33 Related Party Disclosure

Key Management Personnel : Mr. Pratik Doshi, Mr.Dinesh Waghela (Resigned w.e.f. 07 July 2016)

Other Related parties with whom transactions have taken place during the year :

LKP Finance Limited, Bhavna Holdings Limited, MKM Share & Stock Brokers Limited, Peak Plastonics Private Limited, Sea Glimpse Investments Private Limited, SolarEx P V Solutions Private Limited, Alpha commodity Private Limited, M/s L.K.Panday

A) Transactions with related parties

(Rs. Lakhs)

Particulars	31 March 2018	31 March 2017
Remuneration to Key Management Personnel		
Key Management Personnel	64.22	49.23
Brokerage Income		
Other Related parties	62.98	28.04
Interest Income		
Other Related parties	50.90	435.99
Legal & Professional Fees		
Other Related parties	10.56	9.20
Loan Given		
Other Related parties	100.00	600.00
Repayment Received of Loans given		
Other Related parties	700.00	-

B) Balances as at 31st March 2018

(Rs. Lakhs)

Particulars	31 March 2018	31 March 2017
Trade Payables*		
Other Related parties	-	3.24
Short Term Loans		
Other Related parties	-	600.00
Other Advances		
Other Related parties	932.72	946.76
Trade Receivables*		
Other Related parties	586.98	186.64
Capital Advance		
Other Related parties	1,835.94	1,835.94
Deposits		
Other Related parties	300.00	300.00

* Closing balance of trade payable and trade receivable includes transaction pertaining to purchase and sale of securities as broker on behalf of related parties in the ordinary course of business.

34 The group, has no long-term contracts including derivative contracts having material foreseeable losses as at 31st March, 2018.

35 Scheme of Arrangement

The company was a subsidiary of LKP Finance Limited ("erstwhile holding company") till 7 July, 2016. With a view to demerge its SEBI registered intermediaries business, erstwhile holding company filed a scheme of arrangement with the honourable Bombay High Court for demerger and the same was approved on 4 May 2016. As a part of the scheme, 2,62,03,600 equity shares of Rs. 2/- each and 29,00,000/- preference shares of Rs. 100/- each held by the erstwhile holding company were cancelled. The company issued 7,31,83,896 fresh equity shares of Rs. 2/- each fully paid up on 8 July, 2016 to the shareholders of LKP Finance Limited by utilising the preference shares redemption reserve account created out of cancellation of preference shares under the scheme of Demerger. The balance unutilised amount of Rs. 19,60,39,408 is carried forward under preference shares Redemption Reserve Account - on cancellation of preference shares.

The company in the Extra Ordinary General meeting held on 5 July, 2016 passed a special resolution to reclassify its authorised capital of Rs. 3500 lakhs consists of 12,50,00,000 equity shares of Rs. 2/- each amount of Rs. 2500 lakhs and 1,00,00,000 shares of Rs. 10/- each (unclassified) amount of Rs. 1000 lakhs.

36 Securities received from Clients as collateral for margin are held by the group in its own name in a fiduciary capacity.

37 Earnings per share

	31 March 2018	31 March 2017
Profit/(Loss) after tax (Rs.)	821.76	59.76
Weighted average no. of equity shares	73,221,296	73,221,296
Weighted average diluted no. of equity shares	74,424,454	73,221,296
Face value of equity share (Rs/share)	2	2
Basic earnings per share	1.12	0.08
Diluted earnings per share	1.10	0.08

38 Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows" is as under:

	As at 31 March 2017	Cash Inflows	Cash outflows	Non Cash Changes		As at 31 March 2018
				Interest Accrued	Other Charges	
Long Term Borrowings (Including Current maturities)	25.07	-	(15.37)	-	-	9.70
Short Term Borrowings (For Bank, Financial Institution and intercorporate deposits etc.)	6,541.79	301.83	(585.83)	39.87	-	6,297.67

39 Gratuity and other post employment benefit plans

The disclosures of employee benefits as defined in the Ind AS 19 "Employee Benefits" are given below:

- Leave encashment is a non-funded defined benefit scheme. The obligation for leave encashment is recognized in the same manner as gratuity.
- Details of post retirement gratuity plan are as follows:-

i. Expenses recognised during the year in the statement of profit and loss

	(Rs. Lakhs)	
	31 March 2018	31 March 2017
Current service cost	31.79	36.04
Interest cost (net)	8.98	10.29
Past Service Cost	21.19	-
Net expenses	61.97	46.33

ii Expenses recognised during the year in other comprehensive income (OCI)

	(Rs. Lakhs)	
	31 March 2018	31 March 2017
Actuarial (gains) / losses arising from changes in demographic assumptions	(4.79)	-
Actuarial (gains) / losses arising from changes in financial assumptions	64.68	(23.74)
Actuarial (gains) / losses arising from changes in experience assumptions	(17.98)	(26.30)
Recognised during the year	41.91	(50.04)

iii Net liability recognised in the balance sheet

	(Rs. Lakhs)		
	31 March 2018	31 March 2017	1 April 2016
Fair value of plan assets	(1.20)	(1.11)	(1.03)
Present value of obligation	239.34	135.39	139.02
Liability recognized in balance sheet	238.14	134.27	137.99

iv Reconciliation of opening and closing balances of defined benefit obligation

	31 March 2018	31 March 2017
Defined benefit obligation as at the beginning of the year	135.39	139.02
Current service cost	31.79	36.04
Interest cost	9.06	10.37
Actuarial (gain) / loss on obligation	41.91	(50.04)
Past service cost	21.19	-
Defined benefit obligation at the end of the year	239.34	135.39

v Reconciliation of opening and closing balance of fair value of plan assets

	(Rs. Lakhs)	
	31 March 2018	31 March 2017
Fair values of plan assets at the beginning of the year	1.11	1.03
Interest income	0.07	0.08
Return on plan asset	0.01	0.01
Fair value of plan assets at year end	1.20	1.11

vi Actuarial assumptions

	31-Mar-18	31-Mar-17	1-Apr-16
Mortality Table	Indian Assured Lives mortality (2006-08) Ultimate	Indian Assured Lives mortality (2006-08) Ultimate	Indian Assured Lives mortality (2006-08) Ultimate
Discount rate(per annum)	7.33%	6.69%	7.46%
Rate of escalation in salary (per annum)	10.00%	5.00%	8.00%
Attrition rate	PS: 0 to 42 :8%	PS: 0 to 42 :7%	PS: 0 to 42 :7%

vii Quantitative sensitivity analysis

	(Rs. Lakhs)	
	31 March 2018	31 March 2017
Projected benefit obligation on current assumptions		
Increase by 1% in Discount rate	218.22	124.52
Decrease by 1% in Discount rate	264.04	147.97
Increase by 1% in Rate of Salary Increase	259.48	146.22
Decrease by 1% in Rate of Salary Increase	221.29	125.77

viii Maturity analysis of projected benefit obligation: from the fund

Projected benefits payable in future years from the date of reporting	(Rs. Lakhs)	
	31 March 2018	31 March 2017
1st Following Year	21.86	14.53
2nd Following Year	24.93	14.42
3rd Following Year	21.26	16.57
4th Following Year	20.99	14.09
5th Following Year	24.58	13.90
Sum of years 6 to 10	111.20	77.38

Notes:

- The current service cost recognised as an expense included in the note 23 "Employee Benefits expense" as a gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.
- The estimate of future salary increases considered in the actuarial valuation takes into account the rate of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

40 Financial Instruments
i) Financial risk management objective and policies

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

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks.

a) 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, foreign currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, other financial instruments.

1) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that future cash flows of floating interest bearing investments will vary because of fluctuations in interest rates.

The group's exposure to the risk of changes in market interest rates relates primarily to the Group's short-term loan from banks. Redeemable preference shares carries fixed coupon rate and hence is not considered for calculation of interest rate sensitivity of the group.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact of change in interest rate of borrowings, as follows:

	(Rs. Lakhs)	
	Increase / decrease in basis points	Effect on Profit before tax
As on 31 March 2018	+ 50 / - 50	31.49
As on 31 March 2017	+ 50 / - 50	32.78

2) Foreign Currency risk

The Group does not any foreign currency risk. Hence no sensitivity analysis is required.

3) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, deposits and loans given, investments and balances at bank.

The Group measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Expected Credit Loss is based on actual credit loss experienced and past trends based on the historical data.

Ageing of trade receivables

(Rs. Lakhs)			
Trade Receivables	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Over six months	872.02	920.50	1823.74
Less than six months	9593.24	5526.21	7527.31
Total	10,465.26	6,446.71	9,351.05

(Rs. Lakhs)		
	As at 31 March 2018	As at 31 March 2017
Movement in allowance for credit loss during the year was as follows :		
Opening Balance	(563.29)	(700.06)
Add :- Provided during the year	-	-
Less :- Reversal during the year	147.94	136.76
Balance as at	(415.35)	(563.29)
Net Trade receivable	10,049.91	5,883.41

Credit risk on cash and cash equivalents is limited as the Group generally invest in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in equity shares and bonds.

b) Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The Group's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The Group consistently generated strong cash flows from operations which together with the available cash and cash equivalents and current investment provides adequate liquidity in short terms as well in the long term.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at :

(Rs. Lakhs)				
	Less than 1 year	2 to 5 years	More than 5 years*	Total
As at 31-March-2018				
Borrowings	6,297.67	9.70	-	6,307.37
Other financial liabilities	105.52	-	249.10	354.62
Trade payables	8,924.50	-	-	8,924.50
	15,327.69	9.70	249.10	15,586.49
As at 31-March-2017				
Borrowings	6,541.79	25.07	-	6,566.87
Other financial liabilities	156.89	-	226.79	383.69
Trade payables	7,116.39	-	-	7,116.39
	13,815.08	25.07	226.79	14,066.94
As at 1 April 2016				
Borrowings	7,486.17	2,900.00	-	10,386.17
Other financial liabilities	218.99	-	230.40	449.40
Trade payables	5,716.98	-	-	5,716.98
	13,422.15	2,900.00	230.40	16,552.55

* pertains to deposits received from sub-broker as per contract till the continuation of the service.

ii) Capital Management

For the purpose of Group's capital management, capital includes issued capital and other equity reserves. The primary objective of the Group's Capital Management is to maximize shareholder value. The group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The group monitors capital using gearing ratio, which is Net debt divided by total capital.

(Rs. Lakhs)

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Gross debt (inclusive of long term and short term borrowing)	6,307.37	6,566.87	10,386.17
Less: Cash and bank balances	4,893.37	3,161.00	1,768.55
Net debt	1,414.00	3,405.87	8,617.62
Total equity	3,654.28	2,760.23	(272.21)
Total capital	5,068.28	6,166.10	8,345.42
Gearing ratio	27.90%	55.24%	103.26%

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

iii) Categories of financial instruments and fair value thereof

(Rs. Lakhs)

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
A) Financial assets						
i) Measured at amortised cost						
Trade Receivables	10,049.91	10,049.91	5,883.41	5,883.41	8,651.00	8,651.00
Cash and cash equivalents and bank balances	4,893.37	4,893.37	3,161.00	3,161.00	1,768.55	1,768.55
Loans	19.76	19.76	623.19	623.19	625.18	625.18
Other financial assets	736.31	736.31	3,077.56	3,077.56	1,451.40	1,451.40
ii) Measured at Fair value through other comprehensive income						
Non- Current Investment	24.74	24.74	110.67	110.67	72.58	72.58
iii) Measured at Fair value through profit and loss account						
Current Investment	284.57	284.57	122.69	122.69	73.65	73.65
B) Financial liabilities						
i) Measured at amortised cost						
Borrowings	6,307.37	6,307.37	6,566.87	6,566.87	10,386.17	10,386.17
Trade payables	8,924.50	8,924.50	7,116.39	7,116.39	5,716.98	5,716.98
Other Financial Liabilities	354.62	354.62	383.69	383.69	449.40	449.40

The management assessed that cash and cash equivalents and bank balances, trade receivables, other financial assets, certain investments, trade payables and other current liabilities approximate their fair value largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the year presented.

(iv) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantative disclosures of fair value measurement hierarchy for assets and liabilities as at 31 March 2018

(Rs. Lakhs)

Financial assets	Fair Value as at			Fair Value Hierarchy	Valuation Technique(s) & key inputs used
	31 March 2018	31 March 2017	1 April 2016		
Investments in equity shares- Non-current Investments	15.89	108.02	50.35	Level 1	Quoted in an active market
Investments in equity shares- Non-current Investments	8.85	2.65	4.68	Level 3	Unobservable inputs
Investments in equity shares- Current Investments	10.83	110.94	73.65	Level 1	Quoted in an active market
Investments in Preference shares- Current Investments	-	0.05	-	Level 1	Quoted in an active market
Investments in Debentures- Current Investments	-	0.02	-	Level 1	Quoted in an active market
Investments in Mutual Fund- Current Investments	0.00	11.67	-	Level 1	Quoted in an active market
Investments in Bonds- Current Investments	273.74	-	-	Level 2	Inputs other than quoted prices
Total	309.31	233.36	128.68		

Investments measured at fair value are tabulated above. All other financial assets and liabilities at amortised cost are in Level 3 of fair value hierarchy and have been considered at carrying amount .

The fair values of the financial assets and financial liabilities included in the level 3 categories above have been determined in accordance with generally accepted pricing models like network criteria.

Reconciliation of Level 3 category of financial assets

	31 March 2018	31 March 2017
Opening Balance	2.65	4.68
Fund invested	-	-
Net gain/ (loss) recognised	6.20	(2.04)
Closing balances	8.85	2.65

41 First time adoption of Ind AS

These financial statements, for the year ended 31 March 2018, are the first, the group has prepared in accordance with Ind AS. For the period up to and including the year ended 31 March 2017, the group prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

Accordingly, the group has prepared its financial statements to comply with Ind AS for the year ended 31 March 2018, together with comparative data as at and for the year ended 31 March, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the group's opening balance sheet was prepared as at 1 April 2016, the group's date of transition. These notes explain the principal adjustments made by the group in restating its Previous GAAP financial statements, including the balance sheet as at 1 April, 2016 and the financial statements as at and for the year ended 31 March 2017.

A. Exemptions:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The group has applied the following exemptions:

a) Deemed cost option

The group has opted to continue with the carrying value for all of its Property, plant and equipment as recognised in its previous GAAP financial statements as deemed cost at the transition date.

b) Investments in equity instruments:

An entity may make an irrevocable election at initial recognition of a financial asset to present subsequent changes in the fair value of an investment in an equity instrument in profit and loss or other comprehensive income. Ind AS 101 allows such designation of previously recognized financial assets, as 'Fair value through profit and loss or other comprehensive income'.

The group has accordingly designated certain equity instruments as at 1 April 2016 as fair value through profit and loss or other comprehensive income.

B. Exceptions:

The following are the mandatory exceptions have been applied in accordance with Ind AS 101 in preparing financial statements:

a) Estimates

The estimates at 1 April, 2016 and at 31 March, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences, if any, in accounting policies) apart from the following items where application of Previous GAAP did not require estimation:

i. Impairment of financial assets based on expected credit loss model

The estimates used by the group to present amounts in accordance with Ind AS reflects conditions as at the transition date and as on 31 March 2016.

b) Derecognition of financial assets and financial liabilities

The group has elected to apply the derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

c) Classification and measurement of financial assets

The group has classified financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

C. Reconciliations between Previous GAAP and Ind AS

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

a Balance Sheet and equity Reconciliation
b Profit and Loss and Other comprehensive income reconciliation
c Adjustment to Statement of Cash Flows
d Total equity reconciliation
e Total comprehensive income reconciliation
a. Effect of Ind AS adoption on Balance Sheet

(Rs. Lakhs)

	Note	Balance sheet as on 1 April 2016			Balance sheet as on 31 March 2017		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
(a) Property, plant and equipment		323.40	-	323.40	288.72	-	288.72
(b) Goodwill	VI	125.59	-	125.59	108.46	17.13	125.59
(c) Other Intangible assets		52.15	-	52.15	41.60	-	41.60
(d) Financial assets							
(i) Investments	I	180.16	(107.58)	72.58	180.16	(69.49)	110.67
(ii) Other financial assets	II	682.42	(7.57)	674.84	461.17	(5.29)	455.89
(e) Income tax assets (net)		397.61	-	397.61	243.55	-	243.55
(f) Deferred tax assets (net)	VII	427.67	62.19	489.86	412.53	121.13	533.67
(g) Other non-current assets		1,283.86	-	1,283.86	1,837.00	-	1,837.00
Total non-current assets		3,472.85	(52.96)	3,419.89	3,573.19	63.48	3,636.67
Current assets							
(a) Financial assets							
(i) Investments	I	74.02	(0.37)	73.65	92.89	29.80	122.69
(ii) Trade receivables	V	8,889.21	(238.21)	8,651.00	6,375.69	(492.28)	5,883.41
(iii) Cash and cash equivalents		479.91	-	479.91	988.92	-	988.92
(iv) Bank balances other than (iii) above		1,288.64	-	1,288.64	2,172.08	-	2,172.08
(v) Loans	V	636.18	(11.00)	625.18	634.19	(11.00)	623.19
(vi) Other financial assets	V	776.55	-	776.55	2,621.68	-	2,621.68
(b) Other current assets	II	1,160.72	(13.43)	1,147.29	1,024.82	(15.95)	1,008.87
(c) Current tax assets		0.44	-	0.44	-	-	-
Total current assets		13,305.67	(263.01)	13,042.66	13,910.27	(489.43)	13,420.84
Total assets		16,778.52	(315.97)	16,462.55	17,483.46	(425.94)	17,057.52
EQUITY AND LIABILITIES							
Equity							
(a) Equity share capital	III	3,424.82	(2,900.00)	524.82	1,464.43	-	1,464.43
(b) Other equity	I, II, V, VII	(481.05)	(315.97)	(797.03)	1,721.74	(425.94)	1,295.80
Total equity		2,943.77	(3,215.97)	(272.21)	3,186.17	(425.94)	2,760.23

(Rs. Lakhs)

	Note	Balance sheet as on 1 April 2016			Balance sheet as on 31 March 2017		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
Liabilities							
Non-current liabilities							
(a) Financial liabilities							
(i) Borrowings	III	-	2,900.00	2,900.00	25.07	-	25.07
(ii) Others		230.40	-	230.40	226.79	-	226.79
b) Provisions		85.56	-	85.56	119.75	-	119.75
Total non-current liabilities		315.96	2,900.00	3,215.96	371.61	-	371.61
Current liabilities							
a) Financial liabilities							
(i) Borrowings		7,486.17	-	7,486.17	6,541.79	-	6,541.79
(ii) Trade Payables		5,716.98	-	5,716.98	7,116.39	-	7,116.39
(iii) Other Financial Liabilities		218.99	-	218.99	156.89	-	156.89
(b) Provisions		8.38	-	8.38	14.53	-	14.53
(c) Other current liabilities		88.26	-	88.26	93.29	-	93.29
(d) Current tax liabilities		-	-	-	2.79	-	2.79
Total current liabilities		13,518.79	-	13,518.79	13,925.68	-	13,925.68
Total liabilities		13,834.75	2,900.00	16,734.75	14,297.29	-	14,297.29
Total equity and liabilities		16,778.52	(315.97)	16,462.55	17,483.46	(425.94)	17,057.52

b. Effect of Ind AS adoption on Total Comprehensive Income

(Rs. Lakhs)

	Note	For the year ended 31 March 2017		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
Revenue from operations		6,367.80	-	6,367.80
Other income		206.38	32.46	238.84
Total income	I,II	6,574.18	32.46	6,606.64
Expenses				
Employee benefits expense	IV	2,610.02	50.04	2,660.06
Finance costs		421.93	-	421.93
Depreciation and amortisation expense	VI	126.65	(17.13)	109.52
Other expenses	V	3,153.55	256.59	3,410.14
Total expense		6,312.15	289.50	6,601.65
Profit/(Loss) before tax		262.04	(257.04)	4.99
Less : Tax expense				
Current tax - current year		4.50	-	4.50
Deferred tax including MAT credit entitlement	VII	15.13	(74.40)	(59.27)
Profit for the year		242.40	(182.64)	59.76
Other comprehensive income				
A. Items that will not be reclassified to profit or loss				
(a) (i) Re-measurement of defined benefit obligation	IV	-	50.04	50.04
(ii) Income tax relating to items that will not be reclassified to the profit or loss	VII	-	(15.46)	(15.46)
(b) Fair value change on equity instruments through other comprehensive income	I	-	38.09	38.09
Total other comprehensive income		-	72.67	72.67
Total comprehensive income for the year		242.40	(109.97)	132.43

c. Statement of Cash Flow

There were no significant reconciliation items between cash flows prepared under Previous GAAP and those prepared under Ind AS.

d. Reconciliations of equity and total comprehensive income reported under previous GAAP to equity under Ind AS
Reconciliations of total equity as at 31 March 2017 and 1 April 2016

	Note	31 March 2017	1 April 2016
Equity as per previous Indian GAAP		3,186.17	2,943.77
a Effect of measuring financial instruments at fair value through profit and loss	I	29.80	(0.37)
b Provision for expected credit loss	V	(524.28)	(270.21)
c Effect of measuring financial instruments at fair value through Other comprehensive income	I	(69.49)	(107.58)
d Redeemable preference shares reclassified to Borrowings	III	-	(2,900.00)
e Reversal of amortisation of Goodwill under Previous GAAP	VI	17.13	-
f Financial asset measured at amortised cost	II	(0.23)	-
g Income/ Deferred tax effect on above	VII	121.13	62.19
Total Equity as per Ind AS		2,760.23	(272.21)

e. Reconciliation of total comprehensive income for the year ended 31 March 2017

	Note	31 March 2017
I Net profit as per previous Indian GAAP		246.90
Financial asset measured at amortised cost	II	(0.23)
Effect of measuring financial instruments at fair value	I	30.17
Provision for expected credit loss	V	(254.07)
Reclassification of actuarial gain/ losses arising in respect of defined benefit plan to Other Comprehensive income	IV	(50.04)
Reversal of amortisation of Goodwill under Previous GAAP	VI	17.13
Income/ Deferred tax effect on above	VII	69.90
Profit after tax as per Ind AS		59.76
II Other comprehensive income		-
Fair valuation of Investment at Fair value through other comprehensive income	I	38.09
Remeasurement (gains)/losses on defined benefit plan (net of tax)	IV	34.58
Other Comprehensive income as per Ind AS		72.67
III Total Comprehensive income as per Ind AS (I+ II)		132.43

Explanations for reconciliation of Balance Sheet and Statement of Profit and loss and other Comprehensive income as previously reported under IGAAP to Ind AS

I Investments

Investments are recorded at amortised cost compared to being at cost under Previous GAAP.

As per Ind AS such investments are recorded at fair value through profit and loss (FVTPL) or fair value through other comprehensive income (FVTOCI).

II Deposits

Under Previous GAAP, the group accounted for deposits received / given at transaction value.

As Per Ind AS, the group has discounted the lease deposit to consider wherever the fair value is different from the the market.

III 9% Redeemable Preference Shares

Under previous GAAP, 9% Redeemable Preference Shares were classified as a part of total equity. These have been reclassified as debt.

IV Remeasurements of defined benefit plans

Under the Previous GAAP, remeasurements i.e. actuarial gains and losses on the net defined benefit liability were recognised in the statement of profit and loss. Under Ind AS-19 Employee Benefits, actuarial gains and losses are recognised in other comprehensive income and not reclassified to statement of profit and loss.

IV Expected credit loss / Doubtful Debt

As per Ind AS 109, the group is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the group has recognised, difference between receivables balance (net of ECL loss) and present value of recoverable amount of receivable, into retained earnings as at April 2016.

VI Amortisation of Goodwill

Under the Previous GAAP, the goodwill is amortised at straight lining. Under Ind AS, Goodwill is taken at deemed cost and no amortisation is charged on the goodwill. The intangible asset recoverable amount is greater than the carrying value hence impairment is not required as per Ind AS 36 "Impairment of Asset".

VII Tax Adjustments

Tax adjustments include deferred tax impact on account of differences between Previous GAAP and Ind AS.

- 42** Additional Information, as required to consolidated Financial Statements to schedule III to the companies Act, 2013, of enterprises consolidated as subsidiary for the Financial year 2017-2018

Name of the Enterprises Particulars	Net Assets i.e. total assets minus total liabilities		Shares of profit & loss		Shares in Other Comprehensive Income		Shares of profit & loss	
	As % of consolidated net assets	Amt (in Rs.)	As % of consolidated profit or loss	Amt (in Rs.)	As % of consolidated other comprehensive Income	Amt (in Rs.)	As % of consolidated other comprehensive Income	Amt (in Rs.)
Parent								
LKP Securities Limited	99.07%	3,620.12	96.98%	796.92	100.00%	(22.31)	96.89%	774.61
Subsidiary								
LKP Wealth Advisory Private Limited	3.01%	110.17	3.02%	24.84	0.00%	-	3.11%	24.84

Note :

The Figures have been computed based on the respective audited financial statements of the companies vis-à-vis consolidated figures. Impact of consolidation adjustments have not been considered.

- 43** The consolidated financial statements (herewith referred to as "financial statements") of the group for the year ended 31 March 2018, were authorised for issue by board of directors at their meeting held on 16 May 2018.

44 Prior Year Comparatives

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures.

As per our report of even date

For MGB & Co LLP

Chartered Accountants

FRN - 101169W/W100035

For and on behalf of the board of directors of LKP Securities Limited

Sanjay Kothari

Partner

Membership Number 048215

Managing Director :

Director :

Chief Financial Officer :

Company Secretary :

Pratik M.Doshi

S.S.Gulati

Garish Majrekar

Siddharth Mehta

Place : Mumbai

Date : 16th May, 2018



If undelivered, please return to :

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