



SUGAL & DAMANI SHARE BROKERS LTD.,

MEMBER :

National Stock Exchange of India Ltd., Bombay Stock Exchange Ltd.,
~~Mcx Stock Exchange~~, Central Depository Services (India) Ltd.,

CIN : L65991TN 1993 PLC 028228

September 27, 2017

To
BOMBAY STOCK EXCHANGE LIMITED
THE CORPORATE RELATIONSHIP DEPARTMENT
1ST FLOOR, NEW TRADING WING,
ROTUNDA BUILDING,
PHIROZE JEEJEEBHOY TOWERS
DALAL STREET,
MUMBAI - 400 001

SCRIP CODE: 511654

Dear Sirs,

We attached copy of our Annual Report for the year 2016 -17.

Also find enclosed Annexure I as per Regulation 33, 52(3)(a) and 53 of SEBI (LODR) Amendment Regulation, 2016.

This is for your kind information and records.

Yours faithfully,
FOR SUGAL AND DAMANI SHARE BROKERS LIMITED

Radhika



RADHIKA MAHESHWARI
COMPANY SECRETARY
ENCL.: AS ABOVE

Annexure I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results (Standalone and Consolidated separately)

<u>Statement of Impact of Audit Qualifications for the Financial Year ended</u>				
<u>March 31, 2017</u>				
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	<u>Sl.No.</u>	<u>Particulars</u>	<u>Audited Figures</u> <u>(as reported</u> <u>before adjusting</u> <u>for qualifications)</u>	<u>Adjusted Figures</u> <u>(audited figures</u> <u>after adjusting for</u> <u>qualifications)</u>
	1.	Turnover/ Total Income	5,85,25,023	5,85,25,023
	2.	Total Expenditure	3,87,85,312	3,87,85,312
	3.	Net Profit/(Loss)	1,39,59,608	1,39,59,608
	4.	Earnings per Share	2.23	2.23
	5.	Total Assets	24,58,84,726	24,58,84,726
	6.	Total Liabilities	13,83,96,146	13,83,96,146
	7.	Net Worth	10,74,88,580	10,74,88,580
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification(each audit qualification separately):			
1.	a. Details of Audit Qualification:		As per the Sl. No. 7(b) of the Annexure to the Auditors Report, Income Tax Dues of Rs. 55.62 Lacs and Rs. 4.24 Lacs for the Asst. years 2010-11 and 2012-13 respectively are due to the Income Tax Department.	
	b. Type of Audit Qualification:		Qualified	
	c. Frequency of Qualification:		Second Time	
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's views:		The said dues have not been deposited on account of dispute pending before the commissioner of Income Tax (appeals) and the same is being contested by the Company.	

	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Managements estimation on the impact of audit qualification:</p> <p>(ii) If management is unable to estimate the impact, reason for the same:</p> <p>(iii) Auditors comments on (i) or (ii) above:</p>	Nil
2.	a. Details of Audit Qualification:	As per the Sl. No. 7(b) of the Annexure to the Auditors Report, Income Tax Dues of Rs. 5.14 Lacs and Rs. 2.03 Lacs for the Asst. years 2013-14 and 2014-15 respectively are due to the Income Tax Department.
	b. Type of Audit Qualification:	Qualified
	c. Frequency of Qualification:	First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's views:	The said dues have not been deposited on account of dispute pending before the commissioner of Income Tax (appeals) and the same is being contested by the Company.
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Managements estimation on the impact of audit qualification: Nil</p> <p>(ii) If management is unable to estimate the impact, reason for the same: Nil</p> <p>(iii) Auditors comments on (i) or (ii) above:</p>	Nil
III.	Signatories:	
	<ul style="list-style-type: none"> CEO/Managing Director / Executive Director 	<i>Paluh mandon</i>
	<ul style="list-style-type: none"> CFO 	NA

	<ul style="list-style-type: none">• Audit Committee Chairman • Statutory Auditor	 
	Place: Chennai	
	Date: 27/09/2017	

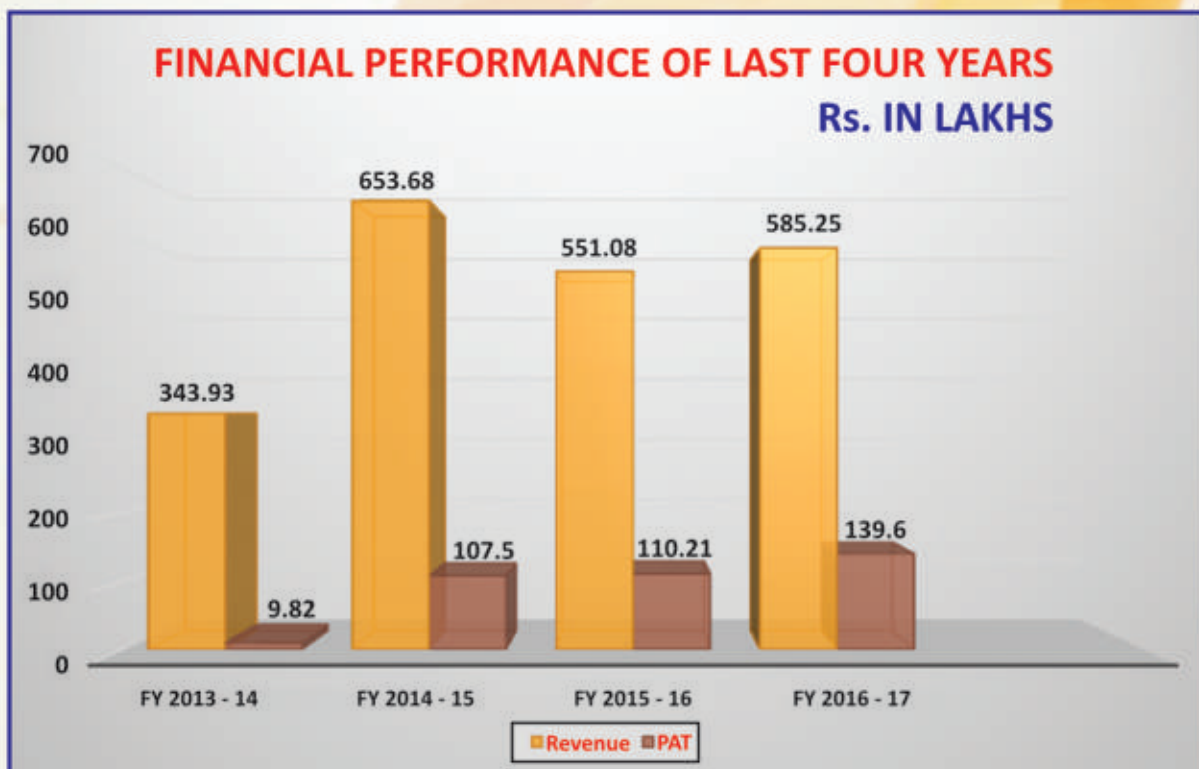


SUGAL & DAMANI SHARE BROKERS LTD.



24th ANNUAL REPORT 2016 - 2017

Particulars	FY 2013-14 Rs. In Lakhs	FY 2014-15	FY 2015-16	FY 2015-16
Revenue	343.93	653.68	551.08	585.25
PAT	9.82	107.50	110.21	139.60





SUGAL & DAMANI SHARE BROKERS LIMITED

(Formerly known as Sugal & Damani Finlease Limited)

CIN: L65991TN1993PLC028228

BOARD OF DIRECTORS

Mr. S. Vinodh Kumar
Executive Director

Mr. Mahesh Chandak
Executive Director

Mr. Prasan Chand Jain
Director

Mr. S. Kannadasan
Director

Mr. Babulal Surana
Director

Mr. Rajesh Gurdas Wadhwa
Director

Ms. Dhanesh Mrinalini
Director

REGISTERED OFFICE

'City Centre Plaza' (I Floor)
No. 7, Anna Salai
Chennai – 600 002

REGISTRARS & SHARE TRANSFER AGENTS

Cameo Corporate Services Ltd.
'Subramanian Building' (V Floor)
No. 1, Club House Road
Chennai – 600 002

BANKERS

Axis Bank Ltd.
HDFC Bank Ltd.

SECRETARIAL AUDITOR

M/s. Sneha Jain & Associates
Company Secretaries
Chennai

AUDITOR

Mr. R. Mugunthan
Chartered Accountant
Chennai

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SUGAL & DAMANI SHARE BROKERS LIMITED

(Formerly known as Sugal & Damani Finlease Limited)

CIN: L65991TN1993PLC028228

'City Center Plaza', (I Floor), No. 7, Anna Salai, Chennai – 600 002. Ph. : 28587105 / 108,

E-mail : sugalshare@sugalshare.com Web : www.sugalshare.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY-FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD AT THE REGISTERED OFFICE OF THE COMPANY AT 'CITY CENTRE PLAZA', I FLOOR, 7, ANNA SALAI, CHENNAI – 600 002, ON WEDNESDAY, SEPTEMBER 27, 2017 AT 11.00 A.M. TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESSES:-

Item No. 1 - To receive, consider and adopt the Audited Balance Sheet as at March 31, 2017, and Profit & Loss Account for the period ended on that date and the Reports of Directors and Auditor thereon.

Item No. 2 - To appoint a Director in place of Mr. Mahesh Chandak (DIN – 00050149) who retires by rotation and, being eligible, offers himself for reappointment.

Item No. 3 - To appoint a Director in place of Mr. Prasan Chand Jain (DIN – 00050081) who retires by rotation and, being eligible, offers himself for reappointment.

Item No. 4 - To appoint auditor of the Company to hold the office from the conclusion of this Meeting until the conclusion of the Twenty Ninth Annual General Meeting and to fix his remuneration and to pass the following resolution thereof:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any modification, variation or re-

enactment thereof, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. Chandarana & Sanklecha, Chartered Accountants (Firm Registration No. 000557S), be and are hereby appointed as Statutory Auditors of the Company, in place of retiring auditor Mr.R.Mugunthan, Chartered Accountant, Chennai to hold office from the conclusion of this Annual General Meeting for term of consecutive five years till the conclusion of Twenty Ninth Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and that the Board of Directors of the Company be and are hereby authorised to fix their remuneration for the said term as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

SPECIAL BUSINESSES:

Item No. 5 - Reappointment of Mr. Mahesh Chandak as Whole Time Director

To consider and, if thought fit, to give your assent or dissent to the following resolution proposed to be passed as **Special Resolution:**

NOTICE |



“RESOLVED THAT pursuant to Sections 196, 197, 203 and all other applicable provisions of the Companies Act, 2013, read with Schedule V to the said Act, and subject to other approvals as are necessary, Mr. Mahesh Chandak (DIN: 00050149) be and is hereby re-appointed as Whole Time Director of the Company for the period commencing from this Annual General Meeting to September 30, 2018.

“RESOLVED FURTHER THAT Mr. Mahesh Chandak (DIN: 00050149) shall not be entitled to any sitting fees for attending the meetings of the Board of Directors and Committees thereof.

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

By Order of the Board
For SUGAL & DAMANI SHARE BROKERS LTD

Regd Office:

*'City Center Plaza', (1 Floor)
No. 7, Anna Salai, Chennai – 600 002
Place: Chennai
Date: August 8, 2017*

Sd/-
Mahesh Chandak
(Executive Director)
DIN – 00050149
No. 28, Barnaby Road, Kilpauk, Chennai - 10

**Notes:**

- 1) The statement pursuant to Section 102(1) of the Companies Act, 2013, with respect to the special businesses set out in the notice is annexed.
- 2) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself and a proxy need not be a member of the Company.
- 3) Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other member.
- 4) Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
- 5) The instrument appointing Proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- 6) The Register of Members and the Share Transfer Books of the Company will remain closed from September 13, 2017 to September 27, 2017 (both days inclusive).
- 7) The Register of Directors and their shareholding maintained under section 170 of the Companies Act, 2013, will be available for inspection by the members at the meeting.
- 8) The Shares of the Company are eligible to be held in dematerialised form in Central Depository Services (India) Limited and National Securities Depository Limited.
- 9) Members holding shares in physical form are requested to notify immediately any change in their address along with Address Proof, i.e. a copy of latest Electricity Bill /Telephone Bill / Driving Licence / Passport to the Company's Registrar & Share Transfer Agents and in case their shares are held in dematerialized form, this information should be passed on directly to their respective Depository Participants and not to the Company/RTA without any delay.
- 10) Members are requested to bring with them their copy of the Annual Report to the meeting.
- 11) Members/Proxies are requested to bring the Attendance Slip, duly filled in and signed, and hand over the same at the entrance of the hall.
- 12) Queries relating to Accounts or other items on the agenda are to be forwarded to reach the Registered Office of the Company on or before September 18, 2017.
- 13) Members, who are holding shares in identical order of names in more than one folio, are requested to write to the Company to consolidate their holdings in one folio.
- 14) All documents referred to in the above notice are open for inspection at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on all working days including the date of meeting.
- 15) As per Sections 205A and 205C of the Companies Act, 1956, the dividends unclaimed relating to the years 1996-97 and 1997-98 were transferred on 28.01.2005 and 24.11.2005 respectively to the Investor Education and Protection Fund. Members who have not encashed the dividend warrants for the financial year 1994-95 are requested to claim from the Registrar of Companies, Tamilnadu, Shastri Bhavan, No. 26, Haddows Road, Chennai – 600 006, since the unclaimed dividend relating to the financial year 1994-95 had been transferred to the General Revenue Account of the Central Government in terms of the provisions of Section 205A of the Companies Act, 1956.
- 16) Members who have not encashed the dividend warrants for the financial year 2009-10, 2010-11, 2011-12 and 2012-13 are requested to claim from the Company by communicating to the Registered Office of the Company.
- 17) In case of joint holders, if more than one holder intends to attend the meeting, they must obtain additional Admission Slips on request from the Registered Office of the Company.
- 18) As per the provisions of the Companies Act, 2013, the facility for making nominations is now available to the shareholders in respect of



the equity shares held by them. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13 prescribed by the Government can be obtained from the Registrars and Share Transfer Agents or from the website of the Company at www.sugalshare.com.

- 19) Members are requested to send all communications relating to transfer of physical shares/demat, etc., directly to the Registrars and Share Transfer Agents, M/s. Cameo Corporate Services Limited, 'Subramanian Building' (V Floor), No.1, Club House Road, Chennai - 600 002.
- 20) In compliance with provisions of Section 108 of the Companies Act 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management & Administration) Amendment, Rules 2015 & Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, the company is pleased to provide facility to the members to exercise and cast their votes electronically on all resolutions set forth in this notice through the electronic voting service facility arranged by Central Depository Services (India) Limited.
Ms. Sneha Jain, Practicing Company Secretary (FCS – 8889/CP – 10650) of M/s. Sneha Jain & Associates, Company Secretaries (email id: snehajaincs@gmail.com) of No.9, Trevelyan Basin Street, “Gaurav Towers”, Chennai - 600079 has been appointed as Scrutinizer to scrutinize the remote e-voting and voting process to be carried out at the AGM in a fair and transparent manner.
- 21) The remote e-voting period begins on Sunday, September 24, 2017 at 09:00 A.M. and ends on Tuesday, September 26, 2017 at 05:00 P.M. During this period, shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (i.e., September 20, 2017), may cast their votes electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Detailed instruction e-voting are annexed to the Notice.

The facilities for voting, through the Ballot Paper/polling paper, shall be made available at the AGM on September 27, 2017 & the members as on the “cut-off date” i.e. September 20, 2017, attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through Ballot Paper/Polling Paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.

With a view to using natural resources more responsibly, we request shareholders to update their email addresses with their Depository Participants to enable the Company to send communications electronically.

The results on the resolutions will be declared not later than 24 hours of conclusion of the AGM i.e. September 28, 2017 or any adjournment thereof. The declared results along with the Scrutinizer's Report will be available on the Company's website at www.sugalshare.com and on the website of CDSL at www.evotingindia.com and will also be forwarded to the Stock Exchanges where the Company's shares are listed. Subject to receipt of requisite number of votes, the resolutions, set out in the Notice shall be deemed to be passed on the date of the AGM.

- 22) The instructions for e-voting have been annexed to this Annual Report. Sequence Number has been provided as “SI No.” in the Address label.
- 23) Members may also note that the notice of the 24th Annual General Meeting & the Annual Report 2016-17 will be available on the Company's Website www.sugalshare.com. The physical copies of the documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: info.sdsbl@gmail.com
- 24) Additional information, pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 in respect of the directors seeking appointment/re-appointment at the meeting is furnished as annexure to the notice. The directors have furnished Consent/Declaration for their appointment/re-appointment as required under



STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ANNEXED TO THE NOTICE DATED AUGUST 08, 2017

Item No. 4 – Appointment of M/s.Chandarana & Sanklecha, Chartered Accountants (FRN - 000557S) as Auditors in place of Mr.R.Mugunthan, Retiring Auditor:

In terms of Section 139(2) of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014, the maximum tenure for undertaking an assignment of statutory audit for specified class of companies is restricted to five consecutive years (one term comprises of five years) for individual. The tenure of Mr.R.Mugunthan, Chartered Accountant is getting over at the ensuing 24th Annual General Meeting (AGM) of the Company and pursuant to the above noted provision they are not eligible to be re-appointed for a fresh term. Accordingly as per the said requirements of the Act, M/s Chandarana & Sanklecha, Chartered Accountants are proposed to be appointed as Statutory Auditors for a period of five (5) years, commencing from the conclusion of this AGM till the conclusion of 29th AGM, subject to ratification by members every year, as may be applicable. M/s Chandarana & Sanklecha, Chartered Accountants have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141 (3) (g) of the Act. They have also furnished a declaration in terms of Section 141 that they are eligible to be appointed as auditors and that they have not incurred any disqualification under Companies Act, 2013. The brief profile of M/s. Chandarana & Sanklecha, Chartered Accountants is as under:

LEGAL STATUS:

M/s. Chandarana & Sanklecha, Audit Firm having firm registration no. 000557S was constituted in the year 1988. The registered office of the firm is at 137, Nainiappa Naicken Street, 2nd Floor, Chennai – 600 003. The firm is managed by Mr. Bharat Raj Sanklecha, Proprietor who is a Fellow Member of Institute of Chartered Accountants of India having Membership No 27539. The firm has several experienced trainees and staffs for managing the various clients.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned with or interest in, financial or otherwise, in the Resolution set out at Item no.5 of the notice.

Item No. 5 – Re-Appointment of Mr. Mahesh Chandak as Whole Time Director

Mr. Mahesh Chandak is a fellow member of the Institute of Chartered Accountants of India. He is the Whole Time Director of the Company, designated as Executive Director and was re-appointed up to March 31, 2017. At the meeting of the Board held on August 08, 2017 he was reappointed as Whole Time Director of the Company, designated as Executive Director for the period commencing from this Annual General Meeting to September 30, 2018.

Mr. Mahesh Chandak has over 20 years' experience in Share broking. Keeping in view his rich experience and valuable contribution towards the business of the company over the years, the Board felt that it would be advantageous to the Company to re-appoint Mr. Mahesh Chandak as Whole Time Director of the Company, designated as Executive Director.

Effective October 1, 2015, Mr. Mahesh Chandak has been paid remuneration for the services rendered by

NOTICE |



him in capacity of the Whole Time Director of the Company duly approved by resolution passed by the Nomination and Remuneration Committee in its meeting dated August 04, 2017. As required by the Companies Act, 2013, approval of the members is being sought, for the re-appointment and remuneration of Mr. Mahesh Chandak, Whole Time Director.

The terms and conditions for re-appointment of Mr. Mahesh Chandak (DIN: 00050149) as the Company's Executive Director are summarised hereunder:

1. Mr. Mahesh Chandak (DIN: 00050149) shall be the Executive Director of the Company for the period commencing from this Annual General Meeting to September 30, 2018 as decided by the Board of Directors.
2. Mr. Mahesh Chandak (DIN: 00050149) shall subject to the superintendence, control and direction of the Board of Directors of the Company have substantial powers of management and shall perform the duties and exercise the powers in relation thereto and shall

also perform such other duties and exercise such further powers as may from time to time be entrusted to or conferred upon him by the Board either alone or jointly with any other person or persons as the Board shall determine.

3. Mr. Mahesh Chandak (DIN: 00050149) shall be entitled to reimbursement of other expenses actually and properly incurred by him in connection with the Company's business.

The re-appointment of Mr. Mahesh Chandak (DIN: 00050149) as the Company's Executive Director requires the approval of the members of the Company in General Meeting by passing a special resolution in terms of Schedule V read with sections 196, 197, Chapter XIII and other applicable provisions of the Companies Act, 2013.

The Board of Directors recommend the resolution for approval by the members of the Company by passing a Special Resolution.

Except Mr. Mahesh Chandak and Mr. Prasan Chand Jain, no other Director or Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolution.

By Order of the Board
For SUGAL & DAMANI SHARE BROKERS LTD

Regd Office:

*'City Center Plaza', (1 Floor)
No. 7, Anna Salai, Chennai – 600 002
Place: Chennai
Date: August 8, 2017*

Sd/-
Mahesh Chandak
(Executive Director)
DIN – 00050149
No. 28, Barnaby Road, Kilpauk, Chennai - 10

Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 with regard to the Directors proposed to be appointed / re-appointed vide items No. 2, 3 and 5 of the notice dated August 8, 2017

Name of the Director	Mr. Mahesh Chandak	Mr. Prasan Chand Jain
Date of Birth	15.06.1964	09.05.1967
Director's Identification Number	00050149	00050081
Date of appointment on the Board as Director	24.10.2008	28.07.2010
Date of last appointment / reappointment as Director	25.09.2015	25.09.2016
Expertise in specific functional areas	About 21 years of experience in Share Broking	About 17 years of experience in Share Broking
Qualification	F.C.A	H.S.L.C
List of outside Directorships held	<ol style="list-style-type: none"> 1. Sugal & Damani Agro Farms Pvt. Ltd 2. Swastik Lotteries Pvt Ltd 	<ol style="list-style-type: none"> 1. SDN Agro Farms Ltd 2. Sugal Infotech Pvt. Ltd 3. Ansu Builders Pvt. Ltd 4. Ankur Foundations Pvt. Ltd 5. Sugal & Damani Utility Services Pvt. Ltd 6. Skill Lotto Solutions Pvt. Ltd 7. Spatiium Developers Pvt. Ltd 8. Skilrock Technologies Pvt. Ltd
Chairman / Member of the Committees of Board of Directors of the Company	<ol style="list-style-type: none"> 1. Stakeholder's Relationship Committee 2. Borrowing Committee 3. Investment Committee 	Nil
Chairman / Member of the Committees of Board of Directors of other Companies in which he is a Director	Nil	Nil
Relationship between Directors Inter- se	--	Brother of Mr. S. Vinodh Kumar
Shareholding in the Company	3,54,001 Equity Shares	9,48,185 Equity Shares

DIRECTORS' REPORT

Your Directors would like to present the Twenty-Fourth Annual Report together with the Audited Accounts for the year ended March 31, 2017. The financial highlights of your Company for the year 2016-17 are as follows:

	2016 – 2017 (Rs. in Lakhs)	2015 – 2016 (Rs. in Lakhs)
Gross Income	585.25	551.08
Profit before Interest, Depreciation and Tax	251.96	209.46
Less: Interest	48.96	45.68
Less: Depreciation	5.61	9.12
Net Profit before Tax	197.39	154.66
Less: Tax and other prior period adjustment	57.80	44.45
Net Profit for the period after prior period adjustment	139.59	110.21
Less : Proposed Dividend & Tax	-	-
Less: Transitional Depreciation	-	-
Add: Profit brought forward from the previous year	308.74	198.53
Profit carried forward	448.33	308.74
Earnings per Share		
Basic	2.23	1.76
Diluted	2.23	1.76

DIVIDEND

The Company's operations resulted in profit for the year 2016-17. Due to working capital requirements, your Directors have not recommended any dividend on the Equity Capital of the Company for the year ended March 31, 2017.

BRIEF DESCRIPTION OF THE COMPANY'S AFFAIRS

The Company has been conducting the operational activities during the year as mentioned below.

Buying, Selling and dealing in shares and other Securities in Secondary Markets.

In the case of FPOs, we take up underwriting and broking.

RESERVES

The Company has not transferred any amount to the Reserves.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report that affect the financial position of the company.

DIRECTORATE

Mr. Mahesh Chandak (DIN – 00050149), Director, retires by rotation and, being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Mr. S. Vinodh Kumar (DIN – 00050095), Director, retires by rotation and, being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

DECLARATION OF INDEPENDENCE BY DIRECTORS

The Company has received the necessary declaration from each Independent Directors in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and relevant regulations of SEBI (LODR) Regulations, 2015.

MEETINGS OF THE BOARD OF DIRECTORS

The Company had 4 Board meetings during the financial year under review. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. For further details please refer report on Corporate Governance of this Annual Report.

APPOINTMENT OF COMPANY SECRETARY

During the year the Board appointed Ms. Padmavathi Varadharajan a Member of Institute of Company Secretaries of India as the Company Secretary of the Company. The appointment was effective from August 18, 2016.

EXTRACT OF THE ANNUAL RETURN

The extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in **MGT-9** and is attached to this Report in **Annexure A**.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an Annual Performance Evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committee and other committees.

In compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, the Independent Directors held a meeting on February 3, 2017, and:

Reviewed the performance of non-independent directors and the Board as a whole.

Assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board, which is necessary for the Board to effectively and reasonably perform their duties.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

Pursuant to Clause 25(7) of SEBI (LODR) Regulations, 2015, the Company shall familiarize the Independent Directors with the Company and their roles, rights, responsibilities in the Company, nature of industry in which the company operates, business model of the Company etc.

However, the Independent Directors have been a part of the Board for a few years now, and so no separate sessions for familiarization have been conducted during the year. Further the Policy on the Company's Familiarisation Programme for Independent Directors can be accessed at <http://www.sugalshare.com/InvestorRelations/CompanyPolicies/FamiliarisationProgrammeforIndependentDirectors>.

REMUNERATION POLICY

Your Board has a remuneration policy for selection and appointment of Directors, Senior Management and their remuneration. The remuneration policy forms a part of the Corporate Governance Report annexed to this report.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after the completion of seven years. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. Accordingly, the Company shall transfer the unclaimed and unpaid dividend for FY 2009-10 before September 2017. Further, the statement of unclaimed and unpaid dividend are provided on our website, at [www.sugalshare.com / Investorrelations / Reporting / Statement of Unclaimed and Unpaid Dividend](http://www.sugalshare.com/Investorrelations/Reporting/StatementofUnclaimedandUnpaidDividend)

DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES

The company neither has any subsidiary nor any joint venture(s) during the year.



AUDITOR

Mr. R. Mugunthan, Chartered Accountant, Chennai, is liable to retire at the conclusion of ensuing Annual General Meeting. He is not eligible for re-appointment as in terms of the provisions of Section 139(2) of the Companies Act, 2013, no listed Company shall appoint or re-appoint an Individual for more than one term of five consecutive years.

Hence, your Directors recommend the appointment of M/s Chandarana & Sanklecha, Chartered Accountants for a term of 5 years subject to the ratification by the shareholders at every Annual General Meeting, in accordance with the provisions of the said section, in place of the retiring auditor.

The Company has obtained a Certificate from them to the effect that their appointment, if made, would be in accordance with the conditions prescribed in Section 141 of the Companies Act, 2013.

COMMENTS ON AUDITORS' REPORT

The Auditor, in his report, has made a reservation that the Company has not deposited Income Tax Dues of Rs. 55.62 Lacs (for Asst. Year 2010-11), Rs. 4.24 Lacs (for Asst. Year 2012-13) Rs. 5.14 Lacs (for Asst. year 2013 - 14) and Rs. 2.03 Lacs (for Asst. year 2014 - 15). The dues have not been deposited as the same is being contested by the Company and the dispute is pending before the Commissioner of Income Tax (Appeals). The observation in the report of the Auditor and the Annexure appended thereto is self-explanatory and does not call for any further comments.

COMMENTS ON SECRETARIAL AUDIT REPORT

The Board of Directors of the Company appointed, M/s. Sneha Jain & Associates, Company Secretaries, to conduct the Secretarial Audit for the Financial Year 2016-17 in terms of Section 2014 of the Companies Act, 2013. The Secretarial Audit Report for the Financial Year ended March 31, 2017 is annexed as **Annexure B** of this report.

The Secretarial Auditor in the audit report observed that Show Cause Notice dated July 22, 2016 from the Securities Exchange Board of India under sections 15HB of the SEBI Act and section 23 H of the SCRA for the alleged violations of clause A (5) of the code of conduct specified under schedule II read with regulation 9 of the Stock Brokers Regulations, SEBI Circular No. SMD/SED/CIR/93/23321 dated November 18, 1993 and rule 8(3)(f) of the SCRR has been issued to the Company.

INTERNAL AUDIT & CONTROLS

The Company continues to engage Mr. Sudhir Jain, Chartered Accountant as its Internal Auditor. His scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable

corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

WHISTLE BOWLER POLICY AND VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.sugalshare.com under Investor Relations > Company Policies > Whistle Blower and Vigil Mechanism.

RISK MANAGEMENT POLICY

The company is primarily exposed to credit risk, interest rate risk, liquidity risk and operational risks. The Board oversees and approves the Company's enterprise wide risk management framework. It reviews credit and operational risks and policies in relation to investment strategy and other risks like interest rate risk and liquidity risk. The Company's management monitors and reports principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The company's management systems, organisational structures, processes, standards and code of conduct together form the risk management governance system of the company.

Your company has a robust Risk Management Methodology which has been implemented effectively outlining the exposure given to the Clients of the Company and ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit and compliance with the law and relevant standards.

DEPOSITS

Your Company did not invite or accept any Deposit from public during the year under review.

NBFC STATUS OF THE COMPANY

The RBI permitted the Company to exit from the NBFC Business and RBI Certificate of Registration No. B.07.00362 dt. 13.10.2003 stands cancelled, as desired by the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of loans, guarantees or investments under section 186 of the Companies Act, 2013 are annexed to this report in **Annexure C**.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

Related Party Transaction entered into during the year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives which could have had a potential conflict with the interests of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

India's economic growth slowed for the fourth consecutive quarter in the three months ended March, mirroring the impact of demonetization on key sectors in Financial Services sector. GDP growth slowed to 6.1 percent in the fiscal fourth quarter from 7 percent in the third due to strong expansion in manufacturing and services sectors wherein financial services still facing sloping downward. Growth prospects are likely to improve in the current fiscal, driven by the government's development initiatives and pick-up in business cycle.

(a) Industry Structure and Developments

Indian equities are likely to continue its bullish run this year on the back of improved corporate earnings. The market trends will be determined by various domestic and international factors like global market movements, strengthening of US dollar, RBI's policy and visible improvement in corporate earnings of domestic firms.

Market Valuations have moved upwards during the year and continued till FY 2017. The gap between the large cap and mid cap P/Es had widened during FY 2017, as compared to previous years.

(b) Opportunities and threats

There are several exciting opportunities for the Company in the upcoming FY 2017-18 which consists of India's Growth Rate, Focus on Digital and Affluent Customer, Financial Inclusion, Utilize technology to provide solutions to customers, Increase Distribution Strength.

In the same way, there are threats for the Company which includes Volatile Environment, Fiscal Deficit and Current Deficit, Attracting and retaining talent and training them for the right culture, Inflation and economic slowdown, competition.

(c) Segment-wise or Product-wise Performance

During the financial year ended March 31, 2017 the Company operated only in one segment of business viz, Share Broking.

(d) Outlook

The secondary markets are expected to remain buoyant and the bull-run is expected to continue, a pre-requisite for revival of the primary markets. Lot of Foreign Direct Investment approval is expected with the much-awaited change of government reviving the investor sentiment.

(e) Internal Control Systems and their adequacy

In the opinion of your Directors, Internal Control Systems in the Company are adequate.

(f) Financial Performance

The financial performance during the year under review is given above.

(g) Human Resources/Industrial Relations

The number of people employed has become 22 and the employer-employee relations have been cordial throughout the year.

(h) Risks and concerns

The stock market is witnessing heightened activities and is increasingly gaining importance. The company is aware that it operates in an environment which is acutely vulnerable to several kinds of risks. The financial sector is vulnerable to a range of risks from economic, capital market and regulatory risks. Strategies, policies and limits are designed to ensure that risks are prudently diversified. Risk mitigating activities are reviewed periodically by senior management.

As far as external risks are concerned, the company takes every precaution to ensure that it is not caught exposed to sudden changes in its operating environment. The company is also migrating towards providing state of the art trading platforms.

POLICY ON RISK MANAGEMENT

In accordance with the requirement of Corporate Governance the Board of Directors of the Company has adopted a policy on risk management for assessment and minimization procedure of risk for periodical review by the Board.

POLICY ON DETERMINATION OF MATERIALITY FOR DISCLOSURES

In terms of the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Regulations”), Sugal and Damani Share Brokers Limited (hereinafter referred to as “the Company”) has framed a Policy for determination of materiality of events/ information. Further, the detailed policy are provided on our website, at www.sugalshare.com/company_policies/policy_on_determination_of_materiality_for_disclosures.

POLICY ON PRESERVATION OF DOCUMENTS

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”) the company has formulated the policy on preservation of documents with the objective of classifying various documents, records and registers for the purpose of maintenance and preservation. Further, the detailed policy are provided on our website, at [www.sugalshare.com / company_policies/policy_on_preservation_of_documents](http://www.sugalshare.com/company_policies/policy_on_preservation_of_documents).

POLICY ON RELATED PARTY TRANSACTIONS

The policy regulates all transactions between the Company and its related parties in accordance with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the detailed policy are provided on our website, at www.sugalshare.com/company_policies/policy_on_related_party_transactions.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted a policy for Prevention of Sexual Harassment of Women at Workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

PARTICULARS OF EMPLOYEES

There was no employee whose particulars as per the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are to be reported.

Disclosures pertaining to remuneration and other details as required under section 197(12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in this report in **Annexure D**.

INFORMATION REQUIRED UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013

The consumption of electricity during the year was minimal. Management is taking conscious efforts to conserve energy. Your Company has no activity with regard to technology absorption. Your Company does not have any foreign exchange earnings or outgo during the year.

CORPORATE GOVERNANCE

The Corporate Governance regulations as per the Listing Agreement have been fully complied with. The Report of your Directors on the practices of Corporate Governance forms part of this report in **Annexure F**. A Certificate from the Auditor of the Company regarding compliance with the Code of Corporate Governance, certification by CEO / CFO and Declaration of Compliance with Code of Conduct form a part of the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 134(5) of the Companies Act, 2013, your Directors confirm:

- (a) that in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (b) that 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 ended March 31, 2017, and of the profit/loss of the Company for that year;



- (c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - (d) that the Directors have prepared the annual accounts on a going concern basis;
 - (e) 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
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

APPLICATION FOR COMPOUNDING OF OFFENCES

The Company has received an Order from NCLT on September 22, 2016 for the filed application under Regulation 40(1) of the Company Law Board Regulations, 1991 and Section 621A of the Companies Act, 1956 for compounding of offences u/s. 372A of the Companies Act, 1956 and the penalty of Rs.1,00,000 (Rupees One Lakh Only) has been duly paid by the Company.

LISTING WITH STOCK EXCHANGES

Shares of the Company are listed on Bombay Stock Exchange Limited, Mumbai, P.J. Towers, Dalal Street, Mumbai – 400 001 (Stock Code – 511654). Listing fee to the Stock Exchange has been paid up to date.

The Shares of the Company were also listed on Madras Stock Exchange (“MSE”). However, Securities Exchange Board of India (“SEBI”) has passed an Order on May 14, 2015 providing the exit to Madras Stock Exchange Limited (“MSE”).

ACKNOWLEDGMENT

Your Directors would like to sincerely thank the Company's banker's viz., Axis Bank Ltd., and HDFC Bank Ltd., and the shareholders of the Company. We also thank the employees of the Company for their co-operation and support.

By order of the Board
For SUGAL & DAMANI SHARE BROKERS LTD.

Place: Chennai
Date: May 30, 2017

Sd/-
Mahesh Chandak
Executive Director
DIN – 00050149

Sd/-
S. Kannadasan
Director
DIN - 00050177

**ANNEXURE A
FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2016**
*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]*

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L65991TN1993PLC028228
ii)	Registration Date	May 7, 1993
iii)	Name of the Company	SUGAL & DAMANI SHARE BROKERS LTD.
iv)	Category / Sub-Category of the Company	Company Limited by Shares
v)	Address of the Registered office and contact details	City Centre Plaza (I Floor) 7, Anna Salai Chennai – 600 002 Phone Nos.: 2858 7105 Website: www. sugalshare.com Email : sugalshare@sugalshare.com
vi)	Whether listed company	Yes / No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited No. 1, Subramanian Building, V Floor Club House Road Chennai - 600 002 Ph: 044 28461173

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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Share Broking	67120	100

III. Particulars of Holding, Subsidiary & Associate Companies

S. No	Name & Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
NIL					

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	3597202	2700	3599902	57.60	3597202	2700	3599902	57.60	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Others (Bodies Corporate)	840000	-	840000	13.44	840000	-	840000	13.44	-
Sub Total (A)(1)	4437202	2700	4439902	71.04	4437202	2700	4439902	71.04	-
(2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Others	-	-	-	-	-	-	-	-	-
Sub Total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoters (A) = (A)(1)+(A)(2)	4437202	2700	4439902	71.04	4437202	2700	4439902	71.04	-
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-

ANNEXURE TO DIRECTORS' REPORT |



b) Banks / FI	100	-	100	-	100	-	100	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	100	-	100	-	100	-	100	-	-
(2) Non – Institutions									
(a) Bodies Corp									
i) Indian	187200	17200	204400	3.27	178598	17200	195798	3.13	-0.14
ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	717853	462252	1180105	18.88	724486	458552	1183038	18.92	0.04
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	331057	28500	359557	5.75	331057	28500	359557	5.75	-
(c) Others (specify)									
Hindu Undivided Families	35840	-	35840	0.57	40012	-	40012	0.64	0.07
NRI	-	30000	30000	0.47	-	30000	30000	0.47	-
Clearing Members	103	-	103	-	1600	-	1600	0.02	0.02
Sub-total (B)(2)	1272053	537952	1810005	28.96	1275753	534252	1810005	28.96	-
Total Public Shareholding (B) = (B)(1)+ (B)(2)	1272153	537952	1810105	28.96	1275853	534252	1810105	28.96	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Total (A+B)	5709355	540652	6250007	100	5713055	536952	6250007	100	-
Grand Total (A+B+C)	5709355	540652	6250007	100	5713055	536952	6250007	100	-

(ii) Shareholding of Promoters

Sl. No.	Share holder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Vinodh Kumar S	1448601	23.1775	-	1448601	23.1775	-	-
2	Prasan Chand Jain	948185	15.1709	-	949485	15.1917	-	-
		1300	0.0207					
3	Spatium Developers Private Limited	840000	13.4399	-	840000	13.4399	-	-
4	Mahesh B Chandak	354001	5.6640	-	354001	5.6640	-	-
5	Dwarkadas Chandak	310001	4.9600	-	310001	4.9600	-	-
6	Pramod Jain	308110	4.9297	-	309210	4.9473	-	-
		1100	0.0175					
7	S Prasan Chand Jain	140900	2.2543	-	140901	2.2543	-	-
	Prasan Chand and Sons (HUF)	1	0.0000					
8	Sugalchand Prasanchand (HUF)	54000	0.8639	-	54000	0.8639	-	-
9	Meena Chandak	10000	0.1599	-	10000	0.1599	-	-
10	Bhagwandas Chandak	8501	0.1360	-	8501	0.1360	-	-
11	Chandrabai Prasanchand (HUF)	7900	0.1263	-	7900	0.1263	-	-
12	Kalavathy V	7001	0.1120	-	7201	0.1151	-	-
		200	0.0031					
13	Nirmala P	100	0.0015	-	100	0.0015	-	-
14	Vinodh Kumar (HUF)	1	0.0000	-	1	0.0000	-	-
	TOTAL	4439902	71.0383	-	4439902	71.0383	-	-

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

S. No.	Name of the Promoter	Share holding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Vinodh Kumar S				
	At the beginning of the year	14,48,601	23.18	14,48,601	23.18
	At the End of the year	14,48,601	23.18	14,48,601	23.18
2	Prasan Chand Jain S				
	At the beginning of the year	9,48,185	15.17	9,48,185	15.17
	At the End of the year	9,48,185	15.17	9,48,185	15.17
	Having same PAN(Shares Clubbed)				
	Prasan Chand Jain				
	At the beginning of the year	1,300	0.02	1,300	0.02
	At the End of the year	1,300	0.02	1,300	0.02
3	Spatium Developers Private Limited				
	At the beginning of the year	8,40,000	13.44	8,40,000	13.44
	At the End of the year	8,40,000	13.44	8,40,000	13.44
4	Mahesh B Chandak				
	At the beginning of the year	3,54,001	5.66	3,54,001	5.66
	At the End of the year	3,54,001	5.66	3,54,001	5.66
5	Dwarkadas Chandak				
	At the beginning of the year	3,10,001	4.96	3,10,001	4.96
	At the End of the year	3,10,001	4.96	3,10,001	4.96
6	Pramod Jain				
	At the beginning of the year	3,08,110	4.93	3,08,110	4.93
	At the End of the year	3,08,110	4.93	3,08,110	4.93
	Having same PAN(Shares Clubbed)				
	Pramod P				
	At the beginning of the year	1,100	0.02	1,100	0.02
7	S. Prasanchand Jain				
	At the beginning of the year	1,40,900	2.25	1,40,900	2.25
	At the End of the year	1,40,900	2.25	1,40,900	2.25
	Having same PAN (Shares Clubbed)				
	Prasan Chand & Sons (HUF)				
	At the beginning of the year	1	-	1	-
	At the End of the year	1	-	1	-
8	Sugalchand Prasanchand (HUF)				
	At the beginning of the year	54,000	0.86	54,000	0.86
	At the End of the year	54,000	0.86	54,000	0.86

9	Meena Chandak				
	At the beginning of the year	10,000	0.16	10,000	0.16
	At the End of the year	10,000	0.16	10,000	0.16
10	Bhagwandas Chandak				
	At the beginning of the year	8,501	0.14	8,501	0.14
	At the End of the year	8,501	0.14	8,501	0.14
11	Chandrabai Prasanchand (HUF)				
	At the beginning of the year	7,900	0.13	7,900	0.13
	At the End of the year	7,900	0.13	7,900	0.13
12	V. Kalavathy				
	At the beginning of the year	7,001	0.11	7,001	0.11
	At the End of the year	7,001	0.11	7,001	0.11
	Having same PAN(Shares Clubbed)				
	Kalavathy V				
	At the beginning of the year	200	-	200	-
	At the End of the year	200	-	200	-
13	Nirmala. P				
	At the beginning of the year	100	-	100	-
	At the End of the year	100	-	100	-
14	Vinodh Kumar (HUF)				
	At the beginning of the year	1	-	1	-
	At the End of the year	1	-	1	-

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

S. No.	Names of Top 10 Shareholders	Share holding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Lalit Chandak				
	At the beginning of the year	1,43,550	2.30	1,43,550	2.30
	At the End of the year	1,43,550	2.30	1,43,550	2.30
2	Vallabh Chandak				
	At the beginning of the year	87,092	1.39	87,092	1.39
	At the End of the year	87,092	1.39	87,092	1.39

3	Brijwasi Securities Private Limited				
	At the beginning of the year	60,000	0.96	60,000	0.96
	At the End of the year	60,000	0.96	60,000	0.96
4	Prithvi Softech Limited				
	At the beginning of the year	58,210	0.93	58,210	0.93
	At the End of the year	58,210	0.93	58,210	0.93
5	S U Securities Private Limited				
	At the beginning of the year	32,800	0.52	32,800	0.52
	At the End of the year	32,800	0.52	32,800	0.52
6	Sakti Dhar				
	At the beginning of the year	28,500	0.46	28,500	0.46
	At the End of the year	28,500	0.46	28,500	0.46
7	Prasun Kumar Medhatia				
	At the beginning of the year	21,000	0.34	21,000	0.34
	At the End of the year	21,000	0.34	21,000	0.34
8	Swati Jain				
	At the beginning of the year	20,625	0.33	20,625	0.33
	At the End of the year	20,625	0.33	20,625	0.33
9	Veenaben Ashwinbhai Bagdai				
	At the beginning of the year	18,900	0.30	18,900	0.30
	At the End of the year	18,900	0.30	18,900	0.30
10	Swati Maheshwari				
	At the beginning of the year	15,709	0.25	15,709	0.25
	At the End of the year	15,709	0.25	15,709	0.25

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of Directors	Share holding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	S. Prasanchand Jain				
	At the beginning of the year	9,48,185	15.17	9,48,185	15.17
		1,300	0.02	1,300	0.02
	Having same PAN(Shares Clubbed)				
	At the End of the year	9,49,485	15.19	9,49,485	15.19
2	S. Vinodh Kumar				
	At the beginning of the year	14,48,601	23.18	14,48,601	23.18
	At the End of the year	14,48,601	23.18	14,48,601	23.18
3	Mahesh Chandak				
	At the beginning of the year	3,54,001	5.66	3,54,001	5.66
	At the End of the year	3,54,001	5.66	3,54,001	5.66

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	15,859	2,81,77,951	-	2,81,93,810
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	15,859	2,81,77,951	-	2,81,93,810
Change in Indebtedness during the financial year				
• Addition	-	29,10,16,402	-	29,10,16,402
• Reduction	15,859	27,58,22,333	-	27,58,38,192
Net Change	(15,859)	(1,51,94,069)	-	(1,51,78,210)
Indebtedness at the end of the financial year				
i) Principal Amount	-	4,33,72,020	-	4,33,72,020
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	4,33,72,020	-	4,33,72,020

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

S. No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mahesh Chandak	S. Vinodh Kumar	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18,00,000	-	18,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	18,00,000	-	18,00,000
	Ceiling as per the Act*	18,00,000	-	18,00,000

*Computed as per Schedule V of the Companies Act, 2013.

B. Remuneration to other Directors:

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		S. Kannadasan	Babulal Surana	Rajesh Wadhwa	Dhanesh Mrinalini	Rs.
1	Independent Directors					
	- Fee for attending board committee meetings	24,000.00	18,000.00	6,000.00	10,000.00	58,000.00
	- Commission	-	-	-	-	-
	- Others, please specify	-	-	-	-	-
	TOTAL (1)	24,000.00	18,000.00	6,000.00	10,000.00	58,000.00
2	Other Non-Executive Directors	Prasan Chand Jain	TOTAL			
	- Fee for attending board committee meetings	5,000.00	5,000.00			
	- Commission					
	- Others, please specify	-	-			
	TOTAL (2)	5,000.00	5,000.00			
	TOTAL (B) = (1 + 2)	63,000.00	63,000.00			
	Total Managerial Remuneration		18,63,000.00			
	Overall Ceiling as per the Act		60,00,000.00			

ANNEXURE TO DIRECTORS' REPORT |



The Non-executive Directors are entitled only to the sitting fees for attending Board / Committee Meetings. They are not paid any Commission.

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

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	2,53,392	-	2,53,392
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option				
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	2,53,392	-	2,53,392

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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	-	-	-	-	-
			The Applications are pending hearing before the Registrar of Companies, Chennai and the Company Law Board.		

B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other officers in default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

By order of the Board
For SUGAL & DAMANI SHARE BROKERS LTD.

Place: Chennai
Date: May 30, 2017

Sd/-
Mahesh Chandak
Executive Director
 DIN – 00050149

Sd/-
S. Kannadasan
Director
 DIN - 00050177



Annexure B
Form No. MR-3
SECRETARIAL AUDIT REPORT

For the financial year ended 31st March, 2017

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

To,

The Members,

M/s. SUGAL & DAMANI SHARE BROKERS LIMITED

City Centre Plaza,

No. 7, Anna Salai, 1st Floor,

CHENNAI – 600 002.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. SUGAL & DAMANI SHARE BROKERS LIMITED** (hereinafter called "*the Company*"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **SUGAL & DAMANI SHARE BROKERS LIMITED's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2017** 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, 2017** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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) During the year under review, the Company has not made any Foreign Direct Investment, Overseas Direct Investment nor any External Commercial Borrowings and accordingly the

compliance of the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder does not arise;

- (v) The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) During the year under review, the Company has not issued any securities and accordingly the compliance of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 does not arise;
 - (d) During the year under review, the Company has not issued any securities or options to its employees and accordingly the compliance of the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 does not arise;
 - (e) During the year under review, the Company has not issued and listed any debt securities and accordingly the compliance of the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 does not arise;
 - (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) During the year under review, the Company has not delisted its securities from any of the stock exchanges in which it is listed and accordingly the compliance of the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 does not arise;
 - (h) During the year under review, the Company has not bought back any securities and accordingly the compliance of the provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 does not arise;
- (vi) The Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992.
- (vii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

We report that the company has received a Show Cause Notice dated July 22, 2016 from the Securities Exchange Board of India under sections 15HB of the SEBI Act and section 23 H of the SCRA for the alleged violations of clause A(5) of the code of conduct specified under schedule II read with regulation 9 of the Stock Brokers Regulations, SEBI Circular No. SMD/SED/CIR/93/23321 dated November 18, 1993 and rule 8(3)(f) of the SCRR.



With respect to fiscal laws such as Income Tax Act and Service Tax and labour laws such as Provident Fund, Gratuity, Insurance, Prevention of Sexual Harassment and Compensation based on the information and explanations provided by the Company and also on verification of reports of other professionals, we report that adequate systems are in place to monitor and ensure compliance of fiscal and labour laws as mentioned above.

We have also examined compliance with the Secretarial Standards on Board and General Meetings issued by the Institute of Company Secretaries of India.

We report that the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this audit since the same is subject to review by Statutory Audit and other designated professionals.

We 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. There were no changes in the composition of the Board of Directors during the period under review.

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.

All decisions were carried through with the consent of all the Directors / Committee members present and hence there were no instances of dissent by the members.

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 compliances with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events/ actions having a major bearing on the Company's Affairs.

**For SNEHA JAIN & ASSOCIATES
Company Secretaries**

**Sd/-
(SNEHA JAIN)
Proprietrix**

ACS 24454 C.P. No. 10650

**Place: Chennai
Date: May 30, 2017**



**Annexure to
Secretarial Audit Report**

To,

**The Members,
M/s. SUGAL & DAMANI SHARE BROKERS LIMITED**
City Centre Plaza,
No. 7, Anna Salai, 1st Floor,
CHENNAI – 600 002.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever 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 SNEHA JAIN & ASSOCIATES
Company Secretaries**

Sd/-
(SNEHA JAIN)
Proprietrix

ACS 24454 C.P. No. 10650

*Place: Chennai
Date: May 30, 2017*

Annexure – C

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER
SECTION 186 OF THE COMPANIES ACT, 2013**

Details of Loans:

SL No	Date of making loan	Details of Borrower	Amount	Purpose for which the loan is to be utilized by the recipient	Time period for which it is given	Date of BR	Date of SR (if reqd)	Rate of Interest	Security
NIL									

Details of Investments:-

SL No	Date of investment	Details of Investee	Amount	Purpose for which the proceeds from investment is proposed to be utilized by the recipient
1	06.04.2016	Heidelbergcement India Ltd.	2,71,942	Investment in Quoted Securities
2	06.04.2016	Camlin Fine Ltd	2,83,500	Investment in Quoted Securities
3	07.04.2016	Patel Integrated Logistics Ltd	2,95,380	Investment in Quoted Securities
3	18.04.2016	Camlin Fine Ltd	1,98,318	Investment in Quoted Securities
4	18.04.2016	Patel Engineering Ltd	2,96,750	Investment in Quoted Securities
5	29.09.2016	Sintex Industries Rights	45,500	Investment in Quoted Securities
6	08.12.2016	Karnataka Bank Rights	6,94,190	Investment in Quoted Securities
7	29.03.2017	Canara Bank Rights	26,082	Investment in Quoted Securities
8	29.03.2017	South Indian Bank Rights	1,008	Investment in Quoted Securities
		TOTAL	21,12,670	

Details of Guarantee / Security Provided:

SL No	Date of providing security / guarantee	Details of recipient	Amount	Purpose for which the security/ guarantee is proposed to be utilized by the recipient	Date of BR	Date of SR (if any)	Commission
NIL							

By order of the Board
For SUGAL&DAMANI SHARE BROKERS LTD.,

Place: Chennai
Date: May 30, 2017

Sd/-
Mahesh Chandak
Executive Director
DIN – 00050149

Sd/-
S. Kannadasan
Director
DIN – 00050177

Annexure – D
FORM NO. AOC -2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014.

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

Details of contracts or arrangements or transactions not at Arm's length basis.							
Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
NOT APPLICABLE							

Details of contracts or arrangements or transactions at Arm's length basis.							
S. No.	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Date(s) of approval by the Members	Amount paid as advances, if any
1	Mr. N. Sugalchand Jain, Father of Mr. S. Vinodh Kumar & Mr. Prasanchand Jain, Directors	Availing or rendering of any services – receipt of brokerage fee	On going	The Company is engaged in the business of providing demat services in respect of sale and purchase of securities held by the related parties. The Company in its ordinary course of business charges a brokerage fees which is at arm's length rate normally	August 4, 2015	September 25, 2015	-
2	Mr. Bhagwandas Chandak, Vice President & Father of Mr. Mahesh Chandak, Director	Availing or rendering of any services – receipt of brokerage fee	On going		August 4, 2015	September 25, 2015	-
3	Mr. Dwarkadas Chandak, Brother of Mr. Mahesh Chandak	Availing or rendering of any services – receipt of brokerage fee	On going		August 4, 2015	September 25, 2015	-
4	Mrs. Savitha Chandak, Wife of Mr. Mahesh Chandak	Availing or rendering of any services – receipt of brokerage fee	On going		August 4, 2015	September 25, 2015	-
5	Mrs. Meena Kumari Sister of Mr. Mahesh Chandak	Availing or rendering of any services – receipt of brokerage fee	On going		August 4, 2015	September 25, 2015	-
6	Ms. Radhika Maheshwari Daughter of Mr. Mahesh Chandak	Availing or rendering of any services – receipt of brokerage fee	On going		August 4, 2015	September 25, 2015	-
7	Ms. Krishna Maheshwari Daughter of Mr. Mahesh Chandak	Availing or rendering of any services – receipt of brokerage fee	On going		August 4, 2015	September 25, 2015	-

ANNEXURE TO DIRECTORS' REPORT |



8	Ms. Kishori Maheshwari Daughter of Mr. Mahesh Chandak	Availing or rendering of any services – receipt of brokerage fee	On going	prevailing in the industry. The Company gives a facility of payment of brokerage fees after the settlement of transactions. In this course, there are chances of deferment in realization of brokerage fees. Although the transactions are not material in nature, but, with respect to good governance practice your Company seeks an approval from members for fixing the maximum amount of outstanding brokerage fees.	August 4, 2015	September 25, 2015	-
9	Ms. Ardhaya Maheshwari Daughter of Mr. Mahesh Chandak	Availing or rendering of any services – receipt of brokerage fee	On going		August 4, 2015	September 25, 2015	-
10	Mr. Mahesh Chandak, Executive Director	Availing or rendering of any services – receipt of brokerage fee	On going		August 4, 2015	September 25, 2015	-
11	Nakthamal Bhagwandas Chandak HUF Entity in which Mr. Mahesh Chandak is interested	Availing or rendering of any services – receipt of brokerage fee	On going		August 4, 2015	September 25, 2015	-
12	Bhagwandas Mahesh Kumar Chandak HUF Entity in which Mr. Mahesh Chandak is interested	Availing or rendering of any services – receipt of brokerage fee	On going		August 4, 2015	September 25, 2015	-
13	Mr. S. Vinodh Kumar, Executive Director	Availing or rendering of any services – receipt of brokerage fee	On going		August 4, 2015	September 25, 2015	-
14	Mr. S. Prasan Chand Jain, Non-Executive Director	Availing or rendering of any services – receipt of brokerage fee	On going		August 4, 2015	September 25, 2015	-
15	M/s. Siyat Holding Private Limited, Company in which Mr. S. Vinodh Kumar & Mr. Prasan Chand Jain are interested	Availing or rendering of any services – receipt of brokerage fee	On going		August 4, 2015	September 25, 2015	-
16	Prithvi Finsec Limited Entity in which Mr. Mahesh Chandak is interested	Availing or rendering of any services – receipt of brokerage fee	On going		August 4, 2015	September 25, 2015	-
17	Prithvi Softech Limited Entity in which Mr. Mahesh Chandak is interested	Availing or rendering of any services – receipt of brokerage fee	On going		August 4, 2015	September 25, 2015	-
18	Sugal Commodity Brokers Private Limited, Entity in which director(s) are interested	Availing or rendering of any services – receipt of brokerage fee	On going		August 4, 2015	September 25, 2015	-
19	Sugal Commodity Brokers Private Limited, Entity in which director(s) are interested	Leasing of Property of any kind – payment of rent	On going		August 4, 2015	September 25, 2015	-

By order of the Board
For SUGAL&DAMANI SHARE BROKERS LTD.,

Place: Chennai
Date: May 30, 2017

Sd/-
Mahesh Chandak
Executive Director
DIN – 00050149

Sd/-
S. Kannadasan
Director
DIN – 00050177

ANNEXURE E

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

S.No.	Particulars	Disclosure	
1	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	Mr. S. Vinodh Kumar, Executive Director	-
		Mr. Mahesh Chandak, Executive Director	7.32x
2	The percentage increase in remuneration of each director, in the financial year	Mr. S. Vinodh Kumar, Executive Director	-
		Mr. Mahesh Chandak, Executive Director	-
3	The percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the FY had increased by -4.87%. The calculation of % increase in Median Remuneration is done based on comparable employees. For this the employees who were not eligible for any increment have been excluded.	
4	The number of permanent employees on the rolls of the Company	The Company had 22 employees on the rolls as on March 31, 2017	
5	The explanation on the relationship between average increase in remuneration and Company performance	While recommending increase in remuneration, the Company takes into account various factors like financial performance of the Company and the group, comparison with peers, industry benchmarking and consideration towards cost of living adjustments and inflation. The Company follows holistic performance review mechanism to ensure that the increase is commensurate with the performance of employee and company.	
6	Comparison of the remuneration of the KMP against the performance of the Company	Please refer pt. no. 9 below	
7	Variations in the market capitalization of the Company	The Market Capitalisation of the Company as on March 31, 2017 was Rs.6.14 Crores as compared to Rs. 6.02 Crores as on March 31, 2016.	
	Price earnings ratio as at the closing date of the current FY and previous FY	The price earnings ratio of the Company was 4.40 as at March 31, 2017 and was 5.47 as at March 31, 2016.	

	% increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.	Not Applicable	
8	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 there of and point out if there are any exceptional circumstances for increase in the managerial remuneration;	7%	
9	Comparison of the each remuneration of the KMP against the performance of the Company	Particulars	% of PAT for FY 2016-17
		Mr. S. Vinodh Kumar, Executive Director	-
		Mr. Mahesh Chandak, Executive Director	12.89%
10	The key parameters for any variable component of remuneration availed by the directors.	The broad factors and guidelines considered for the variable remuneration of directors are: (a) Annual Performance Review of the Directors; and (b) Financial Outcomes and Profitability of the Company	
11	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not applicable	
12	Affirmation that the remuneration is as per the remuneration policy of the Company	It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.	

By order of the Board
For SUGAL&DAMANI SHARE BROKERS LTD.,

Sd/-

Mahesh Chandak
Executive Director
DIN – 00050149

Sd/-

S. Kannadasan
Director
DIN – 00050177

Place: Chennai
Date: May 30, 2017

ANNEXURE F**REPORT ON CORPORATE GOVERNANCE****I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

Sugal & Damani Share Brokers Limited believes in adopting the best practices of Corporate Governance and stands committed to good corporate governance. The spirit of Corporate Governance is shaped by the values of transparency, professionalism, accountability, and high levels of integrity in decision making. We have identified four core values of Learning, Teamwork, Speed and Excellence which are being institutionalized in our organization. Our policies are constantly reviewed and improved keeping in mind our goal of maximization of values to all the stakeholders. The stipulations of Corporate Governance mandated by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are being fully complied with.

II. BOARD OF DIRECTORS**Composition of the Board**

As on March 31, 2017, the Company's Board comprised of Seven Directors, out of which 5 are Non-Executive Directors. Thus, the number of Non-Executive Directors is more than 50% of the total number of Directors. There are 4 Independent Directors. The composition of the Board is in conformity with the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Non-Executive Directors are professionals, having expertise in general corporate management, finance and other allied fields.

Director's Attendance Record and Directorships Held

As mandated by the Listing Regulations, none of the Independent Directors of the Company are whole-time directors in any listed Company and do not serve as an Independent Director in more than seven listed Companies. Further, none of the Directors on the Board are members of more than ten Board level committees or Chairman of more than five committees across all the Companies of which he/she is a Director. Details of the composition of the Board and attendance are given below:

Composition of the Board of Directors

Director	No. of Board Meetings attended	Attendance at previous AGM on 29.09.2016	No. of outside Directorships held	No. of membership /Chairmanship in other Board Committees	Executive / Non- Executive / Independent
Mr. S. Kannadasan	4	Not Present	Nil	3	Non-Executive & Independent
Mr. S. Prasanchand Jain	1	Present	21	Nil	Non-Executive

Director	No. of Board Meetings attended	Attendance at previous AGM on 29.09.2016	No. of outside Directorships held	No. of membership /Chairmanship in other Board Committees	Executive / Non- Executive / Independent
Mr. Babulal Surana	3	Not Present	11	2	Non-Executive & Independent
Mr. S. Vinodh Kumar Executive Director	4	Present	25	2	Executive
Mr. Mahesh Chandak Executive Director	4	Present	2	3	Executive
Mr. Rajesh Gurdas Wadhwa	1	Not Present	2	2	Non-Executive & Independent
Ms. Dhanesh Mrinalini	2	Present	1	Nil	Non-Executive & Independent

- The directorship held by the Directors do not include directorship of foreign companies.
- Mr. Prasan Chand Jain and Mr. S. Vinodh Kumar are brothers.
- Mr. Prasan Chand Jain, Mr. S. Vinodh Kumar and Mr. Mahesh Chandak are a part of the Promoter Group.

Number of Board Meetings

The Board of Directors met four times during the year on May 30, 2016, August 12, 2016, November 14, 2016 and February 03, 2017. The time gap between two consecutive Board Meetings did not exceed one hundred and twenty days.

Meeting of Independent Directors

During the year under review, the Independent Directors met on February 03, 2017 without the attendance of non-independent directors and members of the management. Out of four independent directors two directors were present at the meeting. The meeting of the directors was held to inter-alia:

- Review the performance of the Non Independent Directors and the Board as a whole;
- Assess the quality, quantity and timelines of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Information supplied to the Board

The Board has complete access to all the information with the Company. The agenda and the papers for consideration of the Board are circulated well in advance. Adequate information including any important development connected with the business of the Company is circulated as part of Agenda papers and also placed at the meeting to enable the Board to take informed decisions.

Information in cases of appointment / re-appointment of Directors as required under Listing Regulations are given in a separate sheet forming part of the Notice of Annual General Meeting.

Details of the Shares and Convertible instruments held by the Directors

Name of Director	Category	Number of Shares held	No of convertible instrument held
Mr. S. Kannadasan	Non-Executive Independent	Nil	Nil
Mr. Babulal Surana	Non-Executive Independent	Nil	Nil
Mr. S. Vinodh Kumar	Executive	14,48,601	Nil
Mr. Mahesh Chandak	Executive	3,54,001	Nil
Mr. Prasan Chand Jain	Non-Executive	9,48,185	Nil
Mr. Rajesh Gurdas Wadhwa	Non-Executive Independent	Nil	Nil
Ms. Dhanesh Mrinalini	Non-Executive Independent	Nil	Nil

Familiarization Programme for Board Members

The Board Members are provided with necessary documents, reports and internal policies which help them to understand the Company, its business and the regulatory framework in which the Company operates and equips them to effectively fulfill their role as a Director of the Company.

Further, the Directors are also updated about the compliances required to be made by them from time to time under various Acts and Statutes.

The details of Familiarization Programme imparted to Independent Directors are available on the Company's website www.sugalshare.com under Investor Relations > Company Policies > Familiarization Programme for Independent Directors.

The Independent Directors have been appointed for a term of 5 years and a formal letter of appointment has been given to each director in accordance with the Companies Act, 2013, which inter alia explains the role, functions, duties and responsibilities expected of him as a Director of the Company. The letters of appointment of Independent Directors are available on the Company's website.

III. COMMITTEES OF THE BOARD

As on March 31, 2017, the Company consists of four Board-level Committees – Audit Committee, Stakeholder's Relationship Committee, Nomination and Remuneration Committee and Investment and Borrowing Committee.

All details pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee Members are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

a) Audit Committee

As on March 31, 2017, the Audit Committee comprises of three members, namely Mr. S. Kannadasan, Mr. Babulal Surana and Mr. Rajesh Gurdas Wadhwa, all Non-Executive & Independent Directors. The Committee's composition meets the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the members of the Audit Committee possess requisite accounting and financial management expertise.

The Audit Committee met four times during the year on same dates as Board Meetings. The time gap between any two meetings was less than four months, The composition of the Audit Committee and the details of meetings attended by the Directors are given below:

Attendance Record of Sugal & Damani Share Brokers Limited Audit Committee during 2016-17.

Name of Members	Category	Status	No. of Meetings	
			Held	Attended
Mr. S. Kannadasan	Non-Executive Independent	Chairman	4	4
Mr. Rajesh Gurdas Wadhwa	Non-Executive Independent	Member	4	1
Mr. Babulal Surana	Non-Executive Independent	Member	4	3

The Statutory Auditor and Internal Auditor are also regularly invited by the Audit Committee to discuss their comments and recommendations of accounts, internal controls and processes. The Statutory Auditors and Internal Auditors were present at the Audit Committee meetings held during the year.

The Audit Committee has the power to investigate any activity within its terms of reference, to seek information from any employee, to obtain outside legal or other professional advice and to secure attendance of outsiders with relevant expertise., if it considers necessary.

The Role and terms of reference of the Audit Committee has been defined under Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (earlier Clause 49(III) of Listing Agreement). The Committee reviews the Internal Audit Reports and action taken reports of the management thereupon. It also reviews and discusses with the management and Statutory Auditors, the quarterly results, financial statements and such other related issues before their submission to the Board.

The Board terms of reference of the Audit Committee therefore include:

- Recommendations for appointment, remuneration and terms of appointment of Auditors of the Company;

- Review and monitor the auditor's independence and performance, and effectiveness of audit process;

- Examination of the financial statement and the Auditor's report thereon;

- Approval or any subsequent modification of transactions of the company with related parties;

- Scrutiny of inter-corporate loans and investments;

- Valuation of undertakings or assets of the company, wherever it is necessary;

- Evaluation of internal financial controls and risk management systems;

- Monitor the end use of funds raised through public offers and related matters;

The Company also has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations;

- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

- Management letters/letters of internal control weaknesses issued by the Statutory Auditors;

- Internal audit reports relating to internal control weaknesses; and

- The appointment, removal and terms of remuneration of Statutory Auditor/Internal Auditor

a) Nomination and Remuneration Committee

As on March 31, 2017, the Nomination and Remuneration Committee comprises of three members, namely Mr. S. Kannadasan, Mr. Babulal Surana and Mr. Rajesh Gurdas Wadhwa, all Non-Executive & Independent Directors.

The Composition of Nomination and Remuneration Committee meets the requirements of Section 178 of the Companies Act, 2013, and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of Nomination and Remuneration Committee include:

The terms of reference of Nomination and Remuneration Committee cover all the areas mentioned under Section 178 of the Companies Act, 2013, the earlier Clause 49(IV) of the Listing Agreement with the Stock Exchanges and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The board terms of reference of the Nomination and Remuneration Committee include:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to remuneration for the Directors, Key Managerial Personnel and other employees;
- Identifying persons who are qualified to become Directors/Independent Directors in accordance with the criteria laid down;
- Identifying and selecting potential individuals for appointment as Key Managerial Personnel and to other Senior Management Positions;
- Recommend to the Board appointment and removal of the aforementioned persons;
- Review and evaluate the performance of the Directors; and
- To carry out any other functions as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

Performance Evaluation criteria for Independent Directors

Performance evaluation of each independent Director of the Company is done regularly by the Board of Directors of the Company on the basis of the parameters such as percentage attendance at Board Meetings, participation in discussions, preparedness for meetings by reading of the relevant papers, level of engagement, contribution in terms of improving business performance, proactive availability for Company's business, besides Board Meetings, etc. as laid down in the Nomination and Remuneration Policy of the Company.

Remuneration Policy

Remuneration Policy of the Company is based on the following objectives:

- To determine and recommend to the Board the remuneration package of the Executive Directors and sitting fees to Non-Executive Directors.
- To approve in the event of loss or inadequacy of profits in any year, the minimum remuneration payable to the Executive Directors, considering the limits and subject to the parameters as prescribed under the provisions of the Companies Act, 2013.
- Such other functions as required or recommended by Board or under the provisions of the Listing Regulations.

Remuneration Paid to Directors for 2016-17

The Remuneration paid to Executive/Non-executive including Independent Directors are calculated in accordance with the provisions of the Companies Act, 2013, as approved by the Shareholders in their General Meeting subject to terms specified in Articles of Association of the Company. The details of remuneration paid, during the year, to the Directors are given below:

Details of remuneration paid to Directors for 2016-17

Name of Director	Category	Sitting Fee (Rs.)	Salaries (Rs.)	Total (Rs.)
Mr. S. Kannadasan	Non-Executive Independent	24,000	Nil	24,000
Mr. Babulal Surana	Non-Executive Independent	18,000	Nil	18,000
Mr. Prasan Chand Jain	Non-Executive	5,000	Nil	5,000
Mr. S. Vinodh Kumar	Executive	Nil	Nil	Nil
Mr. Mahesh Chandak	Executive	Nil	*18,00,000	*18,00,000
Mr. Rajesh Gurdas Wadhwa	Non-Executive Independent	6,000	Nil	6,000
Ms. Dhanesh Mrinalini	Non-Executive Independent	10,000	Nil	10,000

* Inclusive of allowances.

There is no notice period or severance fee provided in the terms of appointment / re-appointment of the Executive Directors.

The Company does not have any Stock Option Scheme.

Remuneration Policy

Remuneration paid to Executive Director

Mr. Mahesh Chandak

At the Board Meeting held on 04.08.2015, Mr. Mahesh Chandak (DIN: 00050149) was re-appointed as Whole Time Director of the Company, designated as Executive Director on the following terms, conditions and remuneration:

Basic Salary: Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand only) p.m. (i.e., Rs. 15,00,000/- p.a.)

Allowance(s):

Special Allowance: Rs. 5,000/- (Rupees Five Thousand only) p.m. (i.e., Rs. 60,000/- p.a.).

Transportation Allowance: Rs. 5,000/- (Rupees Five Thousand only) p.m. (i.e., Rs. 60,000/- p.a.).

Perquisite(s):

Employer's Contribution to Provident Fund: Rs. 15,000/- (Rupees Fifteen Thousand only) p.m. (i.e. Rs. 1,80,000/- p.a.).

Explanation:

Perquisites shall be evaluated as per the Income-tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

Remuneration paid to Non-Executive Directors

The Non-Executive Directors do not draw any remuneration from the Company. They are entitled only to sitting fees for every meeting of the Board and Audit Committee attended. The total sitting fees paid to them for attending the meetings in 2016-17 are given elsewhere in this report.

The sitting fees are being paid to the Non-Executive Directors at the following rates:

Rs. 5,000/- per Director for every meeting of the Board attended.

Rs. 1,000/- per Director for every meeting of the Audit Committee attended.

There is no other pecuniary relationship or transaction of the Non-Executive Directors vis-a-vis the Company.

c) Stakeholders' Relationship Committee

As on March 31, 2017, the Committee comprises of two members, namely Mr. S. Kannadasan, Non-Executive Independent Director and Mr. Mahesh Chandak, Executive Director. The Committee's composition and the terms of reference meet with the requirements of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of the Section 178 of the Companies Act, 2013.

The Composition of Stakeholder's Relationship Committee and details of meetings attended by the Directors are given below:

Attendance Record of Sugal & Damani Share Brokers Limited Stakeholder's Relationship Committee during 2016-17

Name of Members	Category	Status	No. of Meetings	
			Held	Attended
Mr. S. Kannadasan	Non-Executive Independent	Chairman	2	2
Mr. Mahesh Chandak	Executive	Member	2	2

The terms of reference to this Committee is to look into and redress the complaints received from investors, in coordination with the Company's Registrar and Share Transfer Agent. The Committee periodically reviews all matters connected with Company's transfer/transmission and transposition of shares.

During the year 2016-17, no complaint was received from Shareholders. 2 valid request for transmission of 600 shares were received. All requests for transfer/transmission and / or issue of duplicate share certificate(s) have been acted upon by the Company and no transfer / transmission is pending.

d) Investment & Borrowing Committee

As on March 31, 2017, the Committee comprises of two members, namely Mr. S. Vinodh Kumar, and Mr. Mahesh Chandak, Executive Directors. The Board has constituted Investment & Borrowing Committee for the purpose of determination, review and evaluation of the Investments made / to be made by the Company in the course of Business and report the same to the Board on a quarterly basis.

The Composition of Investment & Borrowing Committee and details of meetings attended by the Directors are given below:

Attendance Record of Sugal & Damani Share Brokers Limited Investment & Borrowing Committee during 2016-17

Name of Members	Category	Status	No. of Meetings	
			Held	Attended
Mr. Mahesh Chandak	Executive	Chairman	4	4
Mr. S. Vinodh Kumar	Executive	Member	4	4

IV. FINANCIAL HIGHLIGHTS AND MANAGEMENT DISCUSSION & ANALYSIS**Financial Highlights**

(Rs. in lakhs)

Particulars	F.Y.2017	F.Y.2016	Growth %
Sales	4,22,09,329	3,68,72,393	14.47
Net Sales	5,85,25,023	5,51,08,174	6.20
PBT	1,97,39,711	1,54,66,312	27.63
PAT	1,39,59,608	1,10,21,394	26.67

Management Discussion and Analysis

The Directors' Report includes Management Discussion and Analysis.

V. GENERAL BODY MEETINGS

Details about Location and time of last three Annual General Meetings are as under:

Financial Year	Date of AGM	Time	Venue
2016	29.09.2016	11:00 A.M.	City Centre Plaza, I Floor, No. 7, Anna Salai, Chennai – 600 002
2015	25.09.2015	11:00 A.M.	City Centre Plaza, I Floor, No. 7, Anna Salai, Chennai – 600 002
2014	31.07.2014	11:00 A.M.	City Centre Plaza, I Floor, No. 7, Anna Salai, Chennai – 600 002

Special resolutions passed during the last three AGMs

Date of AGM	Particulars
29.09.2016	1. Re-appointment of Mr. S. Vinodh Kumar as Whole Time Director
	2. Authorization for making donations to <i>bonafide</i> charitable and other funds
25.09.2015	1. Appointment of Ms. Dhanesh Mrinalini, Independent Director
	2. Re-appointment of Mr. Mahesh Chandak as Whole Time Director
	3. Adoption of Articles of Association of the Company as per Companies Act, 2013
	4. Approval for creation of charge on the asset(s) of the Company

Date of AGM	Particulars
	5. Approval of Limit of Borrowing Power
	6. Approval for Investments by the Company
	7. Approval for Related Party Transactions
31.07.2014	1. Appointment of Mr. S. Kannadasan, Independent Director
	2. Appointment of Mr. Rajesh Gurdas Wadhwa, Independent Director
	3. Appointment of Mr. Babulal Surana, Independent Director

Postal Ballot

No resolutions were passed by Postal Ballot during the year 2016-17

Appointment/Re-appointment of Directors

Pursuant to the Articles of Association of Sugal & Damani Share Brokers Limited at every Annual General Meeting of the Company, one-third of the rotational Directors shall retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. Accordingly, Mr. Prasan Chand Jain, Director of the Company retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

VI. MEANS OF COMMUNICATION WITH SHAREHOLDERS

The quarterly financial results are published in “Newstoday”, English Newspaper and “Maalaisudar”, Regional Newspaper, within the stipulated time. These Financial Results and quarterly Shareholding Pattern are electronically filed to the Stock Exchange and are also uploaded on Company's website www.sugalshare.com under Investor Relations > Reporting > Quarterly Financial Results. The Annual Report containing inter-alia, the Audited Financial Statements, Directors Report, Auditors Report and other important information is circulated to the members well in advance of the Annual General Meeting.

VII. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting

Date : September 27, 2017

Time : 11 A.M.

Venue : City Centre Plaza, I Floor, No. 7, Anna Salai, Chennai – 600 002

Financial Calendar

Financial Year : April 01, 2017 to March 31, 2018

For the year ended March 31, 2018, results will be announced:

First quarter : By mid of August, 2017

Second quarter : By mid of November, 2017

Third quarter : By mid of February, 2018

Fourth quarter : By mid of May, 2018

Book Closure

The dates of book closure are from September 13, 2017 to September 27, 2017 inclusive of both days.

Corporate Identification Number (CIN): L65991TN1993PLC028228

The Company has no outstanding ADRs/GDRs/Warrants or any convertible instruments.

Listing on Stock Exchanges and Stock Code

Shares of the Company are listed on Bombay Stock Exchange Limited, P.J. Towers, Dalal Street, Mumbai – 400 001. (Stock Code – 511654). Listing fee to the Stock Exchange has been paid up to date.

The Shares of the Company were also listed on Madras Stock Exchange (“MSE”). However, Securities Exchange Board of India (“SEBI”) has passed an Order on May 14, 2015 providing the exit to Madras Stock Exchange Limited (“MSE”).

Market Price Data: High/Low in each month of Financial Year 2016-17 on Bombay Stock Exchange:

Month	High Rs.	Low Rs.	Month	High Rs.	Low Rs.
Apr, 2016	9.06	7.81	Oct, 2016	8.80	6.95
May, 2016	8.63	7.79	Nov, 2016	7.29	7.29
June, 2016	7.05	6.46	Dec, 2016	7.00	7.00
July, 2016	7.82	6.16	Jan, 2017	6.65	6.65
Aug, 2016	8.58	7.41	Feb, 2017	6.97	6.97
Sept, 2016	9.18	8.00	Mar, 2017	9.82	7.31

Registrars and Transfer Agents, Share Transfer System

M/s. Cameo Corporate Services Ltd.

No. 1, Subramanian Building, V Floor

Club House Road, Chennai - 600 002

are functioning as the Registrars and Share Transfer Agents of the Company to deal with transfer of shares in physical form and also for electronic connectivity.

Share transfers are registered and returned in the normal course within an average period of 15 days from the date of receipt, if the documents are clear in all respects.

Requests for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited within 15 days by M/s. Cameo Corporate Services Limited.

The International Securities Identification No. (ISIN) allotted to the Company is **INE 309D01011**.

Categories of Shareholding as on March 31, 2017:

Category	No. of shares	% of total shares
Promoters and Associates	44,39,902	71.04
Nationalised banks	100	0.00
NRIs	30,000	0.47
Others (includes holding of Corporate Bodies)	17,80,005	28.48
TOTAL	62,50,007	100.00

Distribution of Shareholding as on March 31, 2017:

No. of shares	No. of Share holders	% of total share holders	No. of shares	% of total shares
Up to 500	3,455	87.57	5,00,352	8.00
501 to 1000	263	6.67	2,21,420	3.54
1001 to 2000	114	2.88	1,77,379	2.84
2001 to 3000	39	0.99	98,409	1.57
3001 to 4000	15	0.38	51,268	0.83
4001 to 5000	16	0.40	77,064	1.24
5001 to 10000	21	0.54	1,79,750	2.88
10001 and above	22	0.57	49,44,365	79.10
TOTAL	3,945	100.00	62,50,007	100.00



Dematerialisation of Shares: 57,13,055 shares (91.41%) of the Company have been dematerialised as on March 31, 2017.

Plant Location: Not applicable. The Company is a Share Broking Company having its Registered Office at Chennai.

Address of Correspondence: Investors and Shareholders can correspond with the Company at the following address:

The Executive Director

Sugal & Damani Share Brokers Limited

(Formerly known as Sugal & Damani Finlease Ltd.)

City Centre Plaza, (I Floor)

7, Anna Salai, Chennai - 600 002

Phone Nos. 2858 7105 - 08 | Fax No: 4215 5285

E-mail for Investors: sugalshare_2008@rediffmail.com

The email ID for redressal of grievances has been changed from **grievancereg@sugalshare.com** to **info.sdsbl@gmail.com**. The stakeholders are requested to take note of the same.

VIII. DISCLOSURES

Related Party Transaction

All related party transactions are approved by the Audit Committee. There were no materially significant related party transactions which may have potential conflict with the interests of the Company at large.

The particulars of transactions between the Company and its Related Parties as defined in AS-18 are set out in Notes on Financial Statement for the year ended March 31, 2017

Transfer to Investor Education and Protection Fund

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Amendment Rules, 2017, the Company is required to transfer the unclaimed dividend which has not been claimed for seven consecutive years or more, to IEPF Authority.

List of Shareholders whose dividend remain unclaimed till the date of Annual General Meeting held on September have been uploaded on the website of the Company www.sugalshare.com under Investor Relations ->Reporting -> Statement of Unclaimed & Unpaid Dividend. Shareholders are requested to check their unpaid dividend from the list and contact the Registrars and Share Transfer Agents to encash these unpaid dividends.

Details of Non-Compliance by the Company

Sugal & Damani Share Brokers Limited has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the Company by Stock Exchanges or SEBI or any authority on any matter during the year under review.

Whistle Blower Policy

The Company has an established mechanism to Directors, Employees and stakeholders to report concerns about unethical behavior, actual or suspected fraud, or violation of the Code of Conduct. It also provides for adequate safeguards against victimization of Directors / Employees who avail the mechanism. The Company affirms that no personnel have been denied access to the audit committee to lodge their grievances. The Company has formulated a Whistle Bowler Policy and Vigil Mechanism which is also available on the Company's website www.sugalshare.com under Investor Relations > Company Policies > Whistle Bowler Policy & Vigil Mechanism.

Code of Conduct

The Company has posted the code of Ethics & Business Conduct for Directors and senior management on its website www.sugalshare.com under Investor Relations > Company Policies > Ethics & Business Conduct.

Policy on Risk Management

In accordance with the requirement of Corporate Governance the Board of Directors of the Company has adopted a policy on Risk Management for assessment and minimization procedure of risk for periodical review by the Board.

Code for Prevention of Insider Trading

In accordance with Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company has formulated Code of Conduct & Internal Procedures for regulating, monitoring & reporting of Trading by Insiders. Mr. T. Balasubramanian has been designated as the Compliance Officer responsible for compliance of policies, procedures, maintenance of records, etc., for the adherence to the said Policy.

No Harassment Policy

No Harassment Policy drafted as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 & the rules made thereunder was adopted by the Board at its meeting held on January 31, 2014.

POLICY ON DETERMINATION OF MATERIALITY FOR DISCLOSURES

In terms of the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Regulations"), Sugal



and Damani Share Brokers Limited (hereinafter referred to as “the Company”) has framed a Policy for determination of materiality of events/ information. Further, the detailed policy are provided on our website, at [www.sugalshare.com/company_policies/policy on determination of materiality for disclosures](http://www.sugalshare.com/company_policies/policy_on_determination_of_materiality_for_disclosures).

POLICY ON PRESERVATION OF DOCUMENTS

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”) the Company has formulated the Policy on Preservation of Documents with the objective of classifying various documents, records and registers for the purpose of maintenance and preservation. Further, the detailed policy are provided on our website, at [www.sugalshare.com/company_policies/policy on preservation of documents](http://www.sugalshare.com/company_policies/policy_on_preservation_of_documents).

(B) ADOPTON OF NON-MANDATORY REQUIREMENTS

- | | |
|---|--|
| (a) Whether Chairman of the Board is entitled to maintain a Chairman’s office at Company’s expense and also incurred in performance of his duties. | The Chairman of the Board does not keep any office in the Regd. office of the Company. |
| (b) Shareholders’ Rights – The half yearly declaration of financial performance including summary of the significant events in last 6 months should be sent to each household of shareholders | <p>As the Company’s half-yearly results are published in an English Newspaper and in a Tamil Newspaper, the same are not sent to the shareholders of the Company.</p> <p>There is no publication of second half yearly results as the annual audited results are approved by the Board and then published in the newspapers and also communicated to the shareholders through the Annual Report.</p> |



CEO / CFO CERTIFICATION

**THE BOARD OF DIRECTORS,
SUGAL & DAMANI SHARE BROKERS LIMITED
CHENNAI**

Re.: Financial Statements for the year 2016 - 17 - Certification by CEO and CFO

I, Mahesh Chandak, Executive Director of Sugal & Damani Share Brokers Limited, on the basis of the review of the Financial Statements and the Cash Flow Statement for the Financial Year ended March 31, 2017 and to the best of my knowledge and belief, hereby certify that:-

1. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
3. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2017 which are fraudulent, illegal or violative of the Company's Code of Conduct.
4. I accept responsibility for establishing and maintaining internal controls for financial reporting. I have evaluated the effectiveness of the Internal Control Systems of the Company pertaining to financial reporting and I have disclosed to the Auditor and the Audit Committee those deficiencies, of which I am aware, in the design or operation of the Internal Control Systems and that I have taken the required steps to rectify these deficiencies.
5. I further certify that:-
 - a) there have been no significant changes in internal control over financial reporting during this year;
 - b) all significant changes in accounting policies during the year, if any, have been disclosed in the notes to the financial statements;
 - c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control system over financial reporting.

**Place: Chennai
Date: May 30, 2017**

**Sd/-
(Mahesh Chandak)
Executive Director
DIN - 00050149**



DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

To
The Members of Sugal & Damani Share Brokers Limited

I, Mahesh Chandak, Executive Director of Sugal & Damani Share Brokers Limited, to the best of my knowledge and belief, declare that all the members of the Board of Directors and Senior Managerial Personnel have affirmed compliance with the Code of Conduct and Ethics for the current year.

Place: Chennai
Date: May 30, 2017

Sd/-
(Mahesh Chandak)
Executive Director
DIN 00050149



CA. R. MUGUNTHAN, B.Com., F.C.A.
Chartered Accountant

“VANJULA”
10 (New No.23), Arisikara Street,
Mylapore, Chennai – 600 004.

**AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE
CONDITIONS OF CORPORATE GOVERNANCE UNDER IN TERMS
OF REGULATION 34(3) AND SCHEDULE V(E) OF SEBI (LISTING OBLIGATIONS
& DISCLOSURE REQUIREMENTS) REGULATION, 2015**

To
The Members,
SUGALANDDAMANI SHARE BROKERS LTD
Chennai.

I have examined the Compliance of conditions of Corporate Governance by **Sugal & Damani Share Brokers Limited (“the Company”)** for the year ended on March 31, 2017 as stipulated in SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company, for ensuring Compliance of the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me by the Directors and the management and read with the paragraph above, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such Compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Chennai
Date : **May 30, 2017**

Sd/-
R. MUGUNTHAN
Chartered Accountant
Membership No. 021397



CA. R. MUGUNTHAN, B.Com., F.C.A.
Chartered Accountant

“VANJULA”
10 (New No.23), Arisikara Street,
Mylapore, Chennai – 600 004.

INDEPENDENT AUDITOR'S REPORT

To the Members of Sugal & Damani Share Brokers Ltd

Report on the Financial Statements

I have audited the accompanying financial statement of **Sugal & Damani Share Brokers Ltd** ('the Company') which comprises the Balance sheet as at **31st March, 2017**, the Statement of Profit and Loss and the cash flow statement for the year then ended, and a summary of the significant accounting policy and other explanatory information.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the accounting standards specified under section 133 of the act, read with rule 7 of the companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of internal control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made there under.

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the financial statements.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2017;
- (b) in the case of the Statement of Profit and Loss, of the **Profit** of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. I give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

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

- (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
- (b) In my 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, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 my separate report in "**Annexure B**".
- (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 my opinion and to the best of my information and according to the explanations given to me:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements,
 - (ii) In my opinion and as per the information and explanations provided to me, the Company has not entered into any long term contracts including derivatives contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
 - (iii) There are no dues required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (iv) The company has provided requisite disclosure in its standalone financial statements as to holding as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 27 to the standalone financial statements.

Sd/-

R. MUGUNTHAN
Chartered Accountant
(Membership No. 021397)

Place : Chennai

Date : May 30, 2017

**“Annexure A” to the Independent Auditors Report of even date on the
Financial statements of Sugal & Damani Share Brokers Ltd.
Report on the Internal Financial controls under Clause (i) of the Sub Section
3 of Section 143 of the Companies Act 2013 (the act)**

I have audited the internal financial controls over financial reporting of Sugal & Damani Share Brokers Limited as of March 31, 2017 in conjunction with our audit of 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 controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountant of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively, for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information as required under the Companies Act. 2013.

Auditor's Responsibility:

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance note on Audit of Internal Financial controls over Financial reporting (The Guidance note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Sec. 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and Guidance note required 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

My 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 auditors judgment, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error.

I believe that audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 include 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 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 the authorizations of management and directors of the company and (3) provide reasonable assurance regarding prevention or timely detection or timely detection of authorized 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 my Opinion, the Company in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017.

Place : Chennai
Date : May 30, 2017

Sd/-
R. MUGUNTHAN
Chartered Accountant
Membership No. 021397

**Reports under The Companies (Auditor's Report) Order, 2016
(CARO 2016) for the year ended on 31st March 2017**

To,

The Members of SUGAL AND DAMANI SHARE BROKERS LIMITED

(1) In Respect of Fixed Assets

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property.

(2) In Respect of Inventories

The Company is providing services and physical verification of inventories does not arise

(3) Compliance under section 189 of The Companies Act, 2013

As informed, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies act, 2013 and accordingly the provisions of clauses 3(iii) (a) to (c) of the Order are not applicable to the company.

- (a) N.A
- (b) N.A
- (c) N.A

(4) Compliance under section 185 and 186 of The Companies Act, 2013

In my opinion and according to the information and explanations given to me, the company has complied with the provisions of Section 185 and 186 of the Companies act, 2013 in respect of loans, investments, guarantees and security, where ever applicable.

(5) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed thereunder while accepting Deposits

The Company has not accepted any deposits from the public, and hence the directives issue by the RBI and provisions of Sec. 73 to 76 or any other relevant provisions of the Act and Companies (Acceptance of Deposit) Rules 2015 with regard to the deposits accepted from the public are not applicable.

(6) Maintenance of cost records

As informed to us, the maintenance of Cost Records has not been specified by the Central Government, under Sub Section (1) of the Section 148 of Act, in respect of the activities carried on by the company.

(7) Deposit of Statutory Dues

(a) According to the information and explanations given to us and on the basis of our explanation of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added tax, Cess and any other statutory dues with the appropriate authorities, wherever applicable. According to the information and explanations given to us, no undisputed amount payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.

b) Detail of Disputed amount payable to statutory authorities are as given below.

Sl. No.	Name of the Statute	Nature of the Dues	Amount in Lacs	Period to which the amount relates	Forum where dispute is pending
01.	Income Tax Act, 1961	Income Tax	Rs.55.62	AY 2010-11	CIT APPEALS
			Rs.4.24	AY 2012-13	CIT APPEALS
			Rs.5.14	AY 2013-14	CIT APPEALS
			Rs.2.03	AY 2014-15	CIT APPEALS

(8) Repayment of Loans and Borrowings

Based on the records and according to the information and explanation given to me, the company has not defaulted in repayment of dues to banks and it has not availed any loans from financial institutions or by way of debentures.

(9) Utilization of Money Raised by Public Offers and Term Loan For which they Raised

The company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Hence this clause is not applicable.

(10) Reporting of Fraud During the Year

Based upon the audit procedures performed and the information and explanations given by the Management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

(11) Managerial Remuneration

Based upon the Audit Procedures performed and on the information and explanations given by the management, I report that the Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

(12) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio

In my opinion, the Company is not a Nidhi Company, Therefore the provisions of clause (4) (xii) of the Order are not applicable to the company.

(13) Related party compliance with Section 177 and 188 of companies Act - 2013

In my Opinion, all transactions with related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial statements as required by the applicable accounting standards.

(14) Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures

Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3 (xiv) of the order, are not applicable to the Company and hence not commented upon.

(15) Compliance under section 192 of Companies Act - 2013

Based upon the audit procedures and the information and explanation given by the Management, the company has not entered into any non cash transaction with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

(16) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934

In my opinion, the Company is not required to be registered under Sec. 45 IA of the Reserve Bank of India Act. 1934 and accordingly, the provisions of Clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Place : Chennai
Date : May 30, 2017

Sd/-
R. MUGUNTHAN
Chartered Accountant
Membership No. 021397



SUGAL & DAMANI SHARE BROKERS LIMITED



Sugal & Damani Share Brokers Limited
Balance Sheet as at 31st March 2017

Particulars	Schedule	31.03.2017	31.03.2016
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	6,25,00,070	6,25,00,070
(b) Reserves and Surplus	2	4,49,88,510	3,10,28,902
(2) Non-Current Liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)	3	11,31,246	11,51,143
(c) Other Long term liabilities		-	-
(d) Long term provisions	4	21,73,763	21,05,050
(3) Current Liabilities			
(a) Short-term borrowings	5	4,33,72,020	2,81,93,810
(b) Trade payables	6	6,73,38,427	5,84,00,789
(c) Other current liabilities	7	2,43,80,690	1,20,23,841
(d) Short-term provisions		-	-
Total		24,58,84,726	19,54,03,605
II.Assets			
(1) Non-current assets			
<i>(a) Fixed assets</i>			
(i) Tangible assets	8	22,31,474	23,47,717
(ii) Intangible assets	8	3,79,872	5,15,293
(b) Non-current investments	9	22,35,460	39,81,248
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	10	1,12,75,212	1,13,75,212
(2) Current assets			
(a) Current Investments	11	4,27,69,823	4,77,69,823
(b) Stock In Trade	12	16,87,629	16,87,629
(c) Trade receivables	13	9,80,55,250	6,92,41,133
(d) Cash and cash equivalents	14	7,28,43,550	4,53,40,186
(e) Short-term loans and advances	15	1,44,06,456	1,31,45,364
(f) Other current assets		-	-
Total		24,58,84,726	19,54,03,605
Significant Accounting Policies Notes on Financial Statements	1 to 28		

As per my attached Report of even date

R. MUGUNTHAN
Chartered Accountant
Membership No. 021397

Place : Chennai
Date : May 30, 2017

For and on behalf of Board of Directors
Sugal & Damani Share Brokers Ltd

Sd/-	Sd/-
(Mahesh Chandak)	(S. Kannadasan)
Executive Director	Director
Sd/-	
(Padmavathi Varardharajan)	
Company Secretary	



Sugal & Damani Share Brokers Limited
Profit and Loss statement as on 31st March 2017

Particulars	Schedule	31.03.2017	31.03.2016
I. Revenue from operations	16	4,22,09,329	3,68,72,393
II. Other Income	17	1,63,15,694	1,82,35,782
III. Total Revenue (I +II)		5,85,25,023	5,51,08,174
IV. Expenses:			
Cost of Services	18	2,04,36,127	1,80,73,107
Employee Costs	19	80,19,791	99,72,671
Financial costs	20	48,96,202	45,68,076
Depreciation & amortisation	21	5,61,512	9,11,758
Establishment & Other Expenses	22	48,71,680	61,16,251
Total Expenses		3,87,85,312	3,96,41,863
V. Profit before exceptional and extraordinary items and tax(III-IV)		1,97,39,711	1,54,66,312
VI. Exceptional Items			
VII. Profit before Extra ordinary items & Tax(V-VI)		1,97,39,711	1,54,66,312
VIII. Extra ordinary item			
IX. Profit before tax(VII-VIII)		1,97,39,711	1,54,66,312
X Tax expense:			
(1) Current tax		58,00,000	45,00,000
(2) Mat Credit Entitlement Reversed			
(3) Deferred tax		(19,897)	(55,802)
(4) Earlier year Tax Refund Written back			
(5) Mat Credit Entitlement Previous Year			
XI. Profit/(Loss) for the period from continuing operation(IX-X)		1,39,59,608	1,10,21,394
XII. Profit or loss from discontinuing operation			
XIII. Tax expense of discontinuing operation			
XIV. Profit /(Loss) from discontinuing operations (after tax) (XII-XIII)			
XV. Profit / (Loss) for the period (XI + XIV)		1,39,59,608	1,10,21,394
XVI. Earning per equity share:			
(1) Basic & Diluted	23	2.23	1.76
Significant Accounting Policies	1 to 28		

As per my attached Report of even date

R. MUGUNTHAN
Chartered Accountant
Membership No. 021397

Place : Chennai
Date : May 30, 2017

For and on behalf of Board of Directors
Sugal & Damani Share Brokers Ltd

Sd/-
(Mahesh Chandak)
Executive Director

Sd/-
(S. Kannadasan)
Director

Sd/-
(Padmavathi Varardharajan)
Company Secretary



Sugal & Damani Share Brokers Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2017

Particulars	2017		2016	
A: CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit before tax as per Profit and Loss Account		19,739,711		1,54,66,312
Adjusted for:				
Profit / Loss on Sale of Assets	(22,423)		38,459	
Depreciation and Amortisation Expense	5,61,512		9,11,758	
Net gain on Sale of Investments	(8,45,666)		(13,19,189)	
Dividend Income	(2,08,896)		(10,111)	
Interest Income	(1,42,51,931)		(1,46,88,567)	
Finance Costs	48,96,202	(98,71,202)	45,68,076	(1,04,99,574)
Operating Profit before Working Capital Changes		98,68,509		49,66,738
Adjusted for:				
Trade and Other Receivables	(2,84,76,222)		(16,96,558)	
Inventories	-		-	
Trade and Other Payables	2,13,63,200	(71,13,022)	2,06,82,690	1,89,86,132
Cash Generated from Operations		27,55,487		2,39,52,870
Taxes Paid	(72,98,983)	(72,98,983)	(40,18,370)	(40,18,370)
Net Cash from Operating Activities (A)		(45,43,496)		1,99,34,500
B: CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets	(3,48,218)		(13,65,502)	
Sale of Fixed Assets	60,790		3,000	
Purchase of Investments	(21,12,670)		(45,31,128)	
Sale of Investments	47,04,123		88,63,887	
Current Investments	50,00,000		2,41,06,569	
Interest Income	1,42,51,931		1,46,88,567	
Dividend Income	2,08,896	21,764,852	10,111	4,17,75,504
Net Cash (used in) Investing Activities (B)		21,764,852		4,17,75,504
C: CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from Long Term Borrowings	-		-	
Repayment of Long Term Borrowings	-		-	
Short Term Borrowings (net)	1,51,78,210		(5,55,31,527)	
Dividends Paid (including dividend distribution tax)	-		-	
Interest Paid	(48,96,202)	1,02,82,008	(45,68,076)	(6,00,99,603)
Net Cash (used in) / from Financing Activities (C)		1,02,82,008		(6,00,99,603)
D : Net Increase in Cash and Cash Equivalents = (A+B+C)		2,75,03,364		16,10,401
Opening Balance of Cash and Cash Equivalents		4,53,40,186		4,37,29,785
Closing Balance of Cash and Cash Equivalents		7,28,43,550		4,53,40,186
Cash and Cash Equivalents comprises				
(a) Cash on Hand			-	
(b) Balance with Bank In Current Account	1,32,16,665		68,97,620	
(c) Balance With Bank In Dividend Account	3,76,885		3,76,885	
(d) Fixed Deposit with Maturity period more than 1 year	5,92,50,000		3,80,65,681	

As per my attached Report of even date

R. MUGUNTHAN
Chartered Accountant
Membership No. 021397
Place : Chennai
Date : May 30, 2017

For and on behalf of Board of Directors
Sugal & Damani Share Brokers Ltd

Sd/-
(Mahesh Chandak)
Executive Director

Sd/-
(S. Kannadasan)
Director

Sd/-
(Padmavathi Varardharajan)
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES:

GENERAL

The financial statements are prepared under the historical cost convention and are in accordance With applicable mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013.

Income and Expenses are accounted for on accrual basis.

REVENUE RECOGNITION

Brokerage Fee income is accounted for, on accrual basis in accordance with the agreement entered into.

Dividend Income is recognized when it is actually received.

Interest Income is recognized on accrual basis.

I. USE OF ESTIMATES:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates.

II. FIXED ASSETS :

Fixed Assets are stated at cost less depreciation.

III. DEPRECIATION & AMORTISATION :

Depreciation on Fixed Assets is provide based on the useful life of the asset as prescribed in Schedule III of Companies Act, 2013.

IV. INVESTMENTS :

Long Term Investments are stated at cost. Provision for Diminution in the value of Long Term Investments is made only if such a decline is other than temporary.

V. INVENTORIES – Stock In Trade :

The Securities held as stock in trade under current assets are valued at Cost.

VI. TAXATION :

Current Tax is the amount of tax payable on the taxable income for the year and determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax is recognized, on timing differences, being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods.

VII. EMPLOYEE RETIREMENT BENEFITS :

- a) Short Term Employee Benefit obligations are estimated and provided for.
- b) Post employment benefits and other long term employee benefits:

Defined Contribution Plans :

Company's contribution to Provident Fund, Super Annuations Fund, Employee state Insurance and other funds are determined under the relevant schemes and/or statute and charged to revenue.

Defined Benefit Plans :

Company's Liabilities towards Gratuity and other Retirement Benefits are recognized on the Basis of Actuarial Valuation Report.

VIII. PROVISION, CONTIGENT LIABILITIES AND CONTIGENT ASSETS :

The company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. 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. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent asset are neither recognized nor disclosed in the financial statements.

IX. EARNINGS PER SHARE :

Basic earning per share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year. The number of equity shares used in computing the dilutive equity earnings per share comprises the weighted average number of equity shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares, unless they are anti-dilutive.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-3-2017.

Previous Year figures have been regrouped/reclassified, wherever necessary to confirm to the current year presentation.

1. SHARE CAPITAL

1.	SHARE CAPITAL	31.03.2017	31.03.2016
	Authorized capital: 9050000 (9050000) Equity Shares of Rs. 10 Each	9,05,00,000	9,05,00,000
	Issued and paid-up capital 6250007 (6250007) Equity shares of Rs. 10 Each	6,25,00,070	6,25,00,070
	Total	6,25,00,070	6,25,00,070

1(a)	Out of the above shares allotted as Bonus Shares in the last 5 years out of capitalization of Reserves	NIL		NIL	
1(b)	Out of the above shares allotted in the last 5 years pursuant to various schemes of amalgamations without payment being received in cash	32,50,007		32,50,007	
1(c)	The Details of Shareholders holding more than 5% Share	No of Shares	%	No of Shares	%
	Name of the Shareholder				
	Spatium Developers Pvt Limited (Promoter Group)	8,40,000	13.44	8,40,000	13.44
	Vinodh Kumar S (Promoter Group)	14,48,601	23.18	14,48,601	23.18
	S. Prasanchand Jain (Promoter Group)	9,49,485	15.19	9,48,185	13.45
	Mahesh B.Chandak (Promoter Group)	3,54,001	5.66	3,54,001	5.66
1(d)	The Reconciliation of Number of Shares Outstanding is given below:	No of Shares		No of Shares	
	Equity Shares at the beginning of the year	62,50,007		62,50,007	
	Add: Shares Issued during the year	NIL		NIL	
	Less: Shares cancelled on Buy Back of Shares	NIL		NIL	
	Equity Shares at the end of the Year	62,50,007		62,50,007	

2. RESERVES & SURPLUS

2	RESERVES & SURPLUS	31.03.2017	31.03.2016
	a) General Reserve	1,54,485	1,54,485
	b) Profit & Loss		
	Opening Balance	3,08,74,417	1,98,53,023
	(+) Current year profit	1,39,59,608	1,10,21,394
	Less: Appropriation		
	(-) Transitional Depreciation	-	-
	(-) Proposed Dividend	-	-
	Dividend Tax	-	-
	Total (B)	4,48,34,025	3,08,74,417
	Grand Total (A+B)	4,49,88,510	3,10,28,902

3. DEFERRED TAX LIABILITY

DEFERRED TAX LIABILITY	31.03.2017	31.03.2016
Opening Balance	11,51,143	12,06,225
Add/Less: provided During the year	(19,897)	(55,082)
Closing Balance	11,31,246	11,51,143

3.1 Deferred Tax:

The company has provided deferred tax in accordance with Accounting standard 22 Accounting for Taxes on Income issued by the "Institute of Chartered Accountants of India". The Breakup of net deferred tax liability as on 31st March 2016 is as under:

Particulars	Deferred tax Liability Rs.	Deferred tax Liability Rs.
Opening DTL as 01.04.2016	11,51,143	12,06,225
DTA on Book and Tax Depreciation	(19,897)	(55,082)
Closing DTL as on 31.03.2017	11,31,246	11,51,143

4. LONG TERM PROVISION

LONG TERM PROVISION	31.03.2017	31.03.2016
Provision for Gratuity	21,73,763	21,05,050
Total	21,73,763	21,05,050

5. SHORT TERM BORROWING

SHORT TERM BORROWING	31.03.2017	31.03.2016
1) SECURED LOAN		
Bank Overdraft Against Shares and FDR	-	15,859
Total	-	15,859
2) UNSECURED LOAN		
a) Loans & advances from other parties (ICD)	-	-
b) Loans & advances from related parties (ICD)	4,33,72,020	2,81,77,951
Total	4,33,72,020	2,81,93,810

5.1. Secured on the hypothecation of Fixed Deposit with Bank and shares held by the Company.

6. TRADE PAYABLES.

TRADE PAYABLE	31.03.2017	31.03.2016
Due to Micro, small and Medium Enterprises		
Due to Others	6,73,38,427	5,84,00,789
Total	6,73,38,427	5,84,00,789

6.1 There are no dues to Micro, small and Medium Enterprises as per the Information available with the Company.

7. OTHER CURRENT LIABILITIES.

OTHER CURRENT LIABILITIES	31.03.2017	31.03.2016
Unclaim Dividend F.Y. 2009-10	131,017	131,017
Unclaim Dividend F.Y. 2010-11	136,870	136,870
Unclaim Dividend F.Y. 2011-12	36,196	36,196
Unclaim Dividend F.Y. 2012-13	72,802	72,802
Franchisee & Client Deposit	2,34,46,420	1,13,06,920
Other Payables *	5,57,386	3,40,043
Total	2,43,80,690	1,20,23,841

* Includes statutory dues & Cdsl service Tax.

SUGAL & DAMANI SHARE BROKERS LIMITED
(Formerly known as Sugal & Damani Finlease Limited)

08. (i) TANGIBLE ASSET

PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK		
	AS AT 01.04.2016	ADDITIONS	DELETIONS	AS AT 31.03.2017	UP TO 31.03.2016	Depreciation WITHDRAWN	Depreciation For the year 31.03.2016	UPTO 31.03.2017	AS AT 31.03.2017	AS AT 31.03.2016
Air Conditioner	6,18,272	1,57,000	-	7,75,272	4,90,282	-	31,411	5,21,693	2,53,579	1,27,990
Computers	18,14,909	-	-	18,14,909	16,11,943	-	76,825	16,88,768	1,26,141	2,02,967
UPS & Battery	6,75,010	1,91,218	2,69,250	5,96,978	6,19,820	2,55,788	38,204	4,02,237	1,94,742	55,190
Furniture	16,71,963	-	-	16,71,963	15,43,923	-	16,082	15,60,005	1,11,958	1,28,040
Electric & Fittings	12,79,227	-	-	12,79,227	11,97,352	-	17,913	12,15,265	63,962	81,875
Fax Machine	6,900	-	-	6,900	5,450	-	1,105	6,555	345	1,450
Vehicle	24,37,429	-	4,68,550	19,68,879	7,29,387	4,43,645	2,39,554	5,25,296	14,43,583	17,08,042
Television	1,22,700	-	-	1,22,700	1,16,565	-	-	1,16,565	6,135	6,135
Epbex and Telephones	98,600	-	-	98,600	92,353	-	1,000	93,353	5,247	6,247
Printer	2,17,439	-	-	2,17,439	2,06,567	-	-	2,06,567	10,872	10,872
Tablet	9,500	-	-	9,500	3,077	-	1,877	4,954	4,546	6,423
Locker	26,070	-	-	26,070	24,766	-	-	24,766	1,304	1,304
Coffee Machine	12,938	-	-	12,938	12,291	-	-	12,291	647	647
Scanner	14,150	-	-	14,150	13,443	-	-	13,443	707	707
Biometric Attendance Reader	10,733	-	-	10,733	906	-	2,120	3,026	7,707	9,827
Total	90,15,840	3,48,218	7,37,800	86,26,258	66,68,125	6,99,433	4,26,091	63,94,784	22,31,474	23,47,717
(ii) INTANGIBLE ASSET										
Software	57,27,918	-	-	57,27,918	52,12,625	-	1,35,421	53,48,046	3,92,882	5,15,293
Total	57,27,918	-	-	57,27,918	52,12,625	-	1,35,421	53,48,046	3,92,882	5,15,293
GRAND TOTAL	147,43,758	3,48,218	7,37,800	1,43,54,176	1,18,80,750	6,99,433	5,61,512	117,42,830	26,11,346	28,63,010



9. NON CURRENT INVESTMENT - (LONG TERM INVESTMENT)
i) Investment in Equity Shares – NON TRADE - Quoted

a) Investment in Associates Company	Nil	Nil
b) Investment in Other Companies		
Scrip Name	As at 31st March, 2017	As at 31st March, 2016
0(5000) shares of IL&FS trans Net Ltd of Rs.10/- each	-	3,99,492
5000(5000) shares of Valecha Eng Ltd of Rs.10/- each	2,70,000	2,70,000
0(5000) Share of Tourism Finance Corp Ltd of Rs.10/- Each	-	3,07,471
0(5000) Share of Jain Irrigation of Rs.2/- each	-	3,00,000
0(3000) Share of Kwaliti Dairy Ltd of Rs. 1/- each	-	3,09,450
0(5000) Shares of Sintex Industries Ltd of Rs.1/- each	-	3,66,854
200(200) Shares of Bharat Textile of Rs10/- each	2,470	2,470
3000(0) Shares of Tree House Edu & Ltd Of Rs 10/- each	1,54,000	1,54,000
0(1198) Shares of Heidelberg cement Ind Ltd of Rs 10/- each	-	89,610
126(0) Canara Bank Rights of Rs10/- each	26,082	-
72(0) South Indian Bank Rights Rs.1/- each	1,008	-
TOTAL	4,53,560	21,99,348

ii) Investment in Equity Shares - Unquoted

a) Investment in Associates Company		
Scrip Name	As at 31st March, 2017	As at 31st March, 2016
178190(343190) share of Sugal Commodity Brokers Ltd of Rs.10/- each	17,81,900	17,81,900
TOTAL	17,81,900	17,81,900
b) Investment in Other Company	Nil	Nil
Total Investment	22,35,460	39,81,248

Aggregate amount of Quoted Investments	4,53,560/-	21,99,348/-
Market Value of Quoted Investments	1,67,914/-	19,88,168/-
Aggregate amount of Unquoted Investments	17,81,900/-	17,81,900/-

10. LONG TERM LOAN & ADVANCES

LONG TERM LOANS & ADVANCES	31.03.2017	31.03.2016
Deposit with Exchange	1,07,17,200	1,08,17,200
Other Deposit	5,58,012	5,58,012
Total	1,12,75,212	1,13,75,212

11. CURRENT INVESTMENTS

CURRENT INVESTMENTS	31.03.2017	31.03.2016
11649.64(11649.64) units of Reliance Liquid Fund Treasury Plan Growth Plan Growth Option	3,72,39,935	3,72,39,935
0 (1697) Units of HDFC Liquid Fund Growth Plan	-	50,00,000
3369(0) units of Axis Liquid Fund Direct Growth Plan	55,29,888	55,29,888
Total	4,27,69,823	4,77,69,823

* Current Investment in the Mutual Fund is made towards margin requirement of Nse & Bse Exchange and Market Value of Current Investment Rs. 5,21,27,199/- as on 31.03.2017.

12. INVENTORIES

INVENTORIES	31.03.2017	31.03.2016
Stock In Trade	16,87,629	16,87,629
Total	16,87,629	16,87,629

13. TRADE RECEIVABLE

TRADE RECEIVABLE	31.03.2017	31.03.2016
Trade receivables: (Unsecured)		
Debts Due for More than 6 Months - Considered Good	1,71,67,347	1,21,31,213
Others Debts Considered Good	8,08,87,903	5,71,09,920
Total	9,80,55,250	6,92,41,133

14. CASH AND BANK BALANCES

CASH & CASH EQUIVALENT	31.03.2017	31.03.2016
Cash in Hand	-	-
Balance with Scheduled Banks - In Current Accounts *	1,32,16,665	68,97,620
Balance with Bank In Dividend Account – In Current Accounts	3,76,885	3,76,885
In Fixed Deposits	5,92,50,000	3,80,65,681
Total	7,28,43,550	4,53,40,186

15. SHORT TERM LOANS AND ADVANCES

SHORT TERM LOANS & ADVANCES	31.03.2017	31.03.2016
Accrued Interest	7,20,750	11,49,478
Income Tax Less Provision	26,87,371	11,88,388
Deposit with Exchange	85,77,199	86,00,000
Other Advances - Unsecured		
considered good	24,21,136	22,07,498
considered doubtful	6,74,377	6,74,377
	30,95,513	28,81,875
Less: provision for doubtful advances	6,74,377	6,74,377
Total	1,44,06,456	1,31,45,364

16. REVENUE FROM OPERATIONS

REVENUE FROM OPERATIONS	31.03.2017	31.03.2016
Income from Services		
Cdsl Dp Charges	7,53,103	6,36,189
Cdsl Amc Charges	611,057	9,36,100
Kra Registration Chgs Recd	-	21,720
Comm on sale of IPO	2,730	6,469
Brokerage Realised	4,08,42,439	3,52,71,915
Total	4,22,09,329	3,68,72,393

17. OTHER INCOME

OTHER INCOME	31.03.2017	31.03.2016
Interest received	1,42,51,931	1,46,88,567
Dividend received	2,08,896	10,111
Profit on sale of Investment - Long Term	-	11,89,971
Profit on sales of Assets	22,423	-
Short Term Capital Gain	18,32,444	23,47,133
Total	1,63,15,694	1,82,35,782

18. COST OF SERVICES

Cost of Services	31.03.2017	31.03.2016
Annual Maintenance Charges	11,19,291	15,90,368
Branch Expenses	2,40,000	2,40,000
Sub brokerage	1,77,50,251	1,43,15,869
Trading Expenses	13,26,585	15,78,009
TOTAL	2,04,36,127	1,77,24,246

19. EMPLOYEE REMUNERATION & BENEFITS

EMPLOYEE REMUNERATION & BENEFITS	31.03.2017	31.03.2016
Director Remuneration	18,00,000	19,00,000
Employer's contribution to provident Fund	2,94,674	2,58,501
Employer's contribution to Employees State Insurance	59,845	34,085
Gratuity Expenses	68,713	5,69,821
Salaries and Allowances	57,96,559	72,10,264
Total	80,19,791	99,72,671

19.1 As per AS-15 "Employee Benefits" the disclosure as defined in the Accounting Standard are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plan recognized as expense for the year is as under

	<u>31-03-2017</u>	<u>31-03-2016</u>
Contribution to Employees Provident Fund	2,94,674	2,58,501
Contribution to ESIC	59,845	34,085

Defined Benefit Plan

Provision of Gratuity amounting to Rs 68,713 (PY Rs.3.86 Lakhs) was made on the basis of Actuarial Valuation Report dated 18.05.2017 Disclosure in respect of AS-15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2007.

20. FINANCIAL CHARGES

FINANCIAL CHARGES	31.03.2017	31.03.2016
Interest paid	46,79,822	44,18,791
Interest on Bank Overdraft	2,16,380	1,49,285
Total	48,96,202	45,68,076

21. DEPRECIATION & AMORTISATION EXPENSES

Depreciation & Amortisation Expenses	31.03.2017	31.03.2016
Depreciation	5,61,512	9,11,758
Total	5,61,512	9,11,758

22. OTHER EXPENSES

Other Expenses	31.03.2017	31.03.2016
Advertisement Expenses	1,19,884	1,26,758
AGM Expenses	1,20,249	1,71,742
Auditor's Remuneration	60,000	60,000
Bad Debts Written off	-	-
Bank Charges	(632)	11,535
Bank Guarantee Commission	5,84,940	5,80,320
Consultancy Charges	1,000	1,000
Directors Sitting Fees	63,000	91,000
Electricity charges	6,40,866	6,26,967
Email Expense	-	12,000
Insurance Charges	45,053	24,711
Interest on Late Payment of TDS	3,825	348
Legal and Professional charges	7,52,000	9,95,595
Loss on sale of asset	-	38,459
Loss on Long Term Investments	-	-
Office Expenses	2,52,412	3,14,663
Postage & Telephone	7,55,521	7,38,136
Printing & stationery	1,07,528	3,50,383
Rent Rates & Taxes	7,27,683	6,71,500
Repairs & maintenance	94,609	1,76,460
Roc Filling Expenses	1,11,536	14,438
Travelling & Conveyance	96,453	1,29,217
Trading Expenses	6,201	16,277
Business Expenses	3,29,552	13,13,603
Total	48,71,680	64,65,112

22.1 Remuneration to auditors

	31.03.2017	31.03.2016
For Audit	40,000	40,000
Taxation	15,000	15,000
Others	5,000	5,000
Service Tax	8,700	8,700
Total	68,700	68,700

23. Basic and diluted earning per share

Particulars	31 st March 2017	31 st March 2016
Net Profit for the year (In Rs.)	Rs.1,39,59,608	Rs.1,10,21,398
Weighted Average number of equity shares	62,50,007	62,50,007
Nominal value of shares	Rs.10 per share	Rs.10 per share
Basic & diluted earning per share (In Rs.)	2.23	1.76

24. Balances of loans and advances, sundry creditors, sundry debtors, deposits and other liabilities are as per the books and subject to confirmation.

25. The Company is engaged primarily in the business of Stock Broking and accordingly there are no separate reportable segments as per Accounting Standard (AS17) "Segment Reporting".

26. **Disclosure in respect of Related Parties Pursuant to AS-18**

(a) **List of Relates Parties**

Related parties with whom transactions are taken place during the year.

(i) **Key Managerial personnel and their Entities**

- (a) Mr. S. Vinodh Kumar Jain – Executive Director
- (b) Mr. Mahesh Chandak – Executive Director

(ii) **Relatives of Key Managerial Personnel and their Entities**

- (a) Siyat Holding Private Limited
- (b) N. Sugalchand Jain
- (c) S. Prasan Chand Jain
- (d) Bhagwandas Chandak
- (e) Dwarakadas Chandak
- (f) Savitha Chandak
- (g) Radhika Maheshwari
- (h) Meena Kumari
- (i) Krishna Maheshwari
- (j) Kishori Maheshwari – (minor) daughter of Mr. Mahesh Chandak
- (k) Ardhaya Maheshwari – (minor) daughter of Mr. Mahesh Chandak
- (l) Nakhatmal Bhagwandas Chandak HUF
- (m) Bhagwandas Mahesh Kumar Chandak HUF
- (n) Prithvi Finsec Limited
- (o) Prithvi Softech Limited

(b) Transaction with Related Parties :

	Key Managerial personnel & their Entities		Relative of Key Managerial Personnel & their Entities	
	2017	2016	2017	2016
(a) Brokerage Received	8,432	5,626	13,97,092	14,17,362
(b) Remuneration & Salary Paid	18,00,000	19,00,000	Nil	4,96,200
(c) Interest Paid	Nil	Nil	35,16,402	38,63,129
(d) Loan Received	Nil	Nil	28,75,00,000	37,50,00,000
(e) Loan Repaid	Nil	Nil	27,54,70,693	42,90,04,626
(f) Interest Received	Nil	Nil	Nil	Nil
(g) Balance Loan Amount	Nil	Nil	4,33,72,020	2,81,77,951
(h) Trade Receivable	1,069	724	1,56,05,880	65,11,414
(i) Trade Payable	Nil	2,327	6,89,916	15,385
(j) Rent paid	Nil	Nil	Nil	Nil

27. Details of Cash during the demonetization period from 8th November 2016 to 30th December 2016

Particulars	Specified Bank Notes		Other Denomination Notes		Total	
	Denomination	Amount	Denomination	Amount	Denomination	Amount
Closing balance as at 8 th November 2016		7,500		15,122		22,622
Transaction between 9th November 2016 and 30th December 2016						
Add: Withdrawals from Bank Accounts		-		40,000		40,000
Add: Receipts for permitted transactions		-		-		-
Add: Receipts for non permitted transactions		-		-		-
Less: Paid for permitted transactions		-		44,718		44,718
Less: Paid for non permitted transactions		-		-		-
Less: Deposited in bank accounts		7,500		-		7,500
Closing balance as at 30 December 2016		-		10,404		10,404



Particulars	Specified Bank Notes	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	7500	15122	22622
(+) Permitted receipts	-	-	-
(-) Permitted Payments	-	44718	44718
(-) Amounts deposited in Banks	7500	-	7500
Closing cash in hand as on 30.12.2016	-	10404	10404

28. Contingent Liability/Commitments

- A) A sum of Rs. 55,62,310 /- has been demanded towards Income Tax liability for the A.Y 2010-2011 and the same has not been accepted by the company and gone on appeal and the matter is pending before the Commissioner of Income Tax Chennai. Since the company hopes that the appeal will be in favour of company, hence no provision has been made in the accounts.
- B) A sum of Rs. 4,24,460 /- has been demanded towards Income Tax liability for the A.Y 2012-2013 and the same has not been accepted by the company and gone on appeal and the matter is pending before the Commissioner of Income Tax Chennai. Since the company hopes that the appeal will be in favour of company, hence no provision has been made in the accounts.
- C) A sum of Rs. 5,13,780/- has been demanded towards Income Tax liability for the A.Y. 2013 - 2014 and the same has not been accepted by the company and gone on appeal and the matter is pending before the Commissioner of Income Tax Chennai. Since the company hopes that the appeal will be in favour of company, hence no provision has been made in the accounts.
- D) A sum of Rs. 2,02,782/- has been demanded towards Income Tax liability for the A.Y. 2014 - 2015 and the same has been accepted by the company and gone on appeal and the matter is pending before the Commissioner of Income Tax Chennai. Since the company hopes that the appeal will be in favour of company, hence no provision has been made in the accounts.
- E) Guarantees given on behalf of the company by banks to NSE, BSE amounting to Rs.6.35 Crores Outstanding as on 31.03.2017 is secured on the Fixed Deposits with banks, Investment in Shares belonging to the company and Investment in Shares belonging to the directors and their relatives.

As per my attached Report of even date

For and on behalf of Board of Directors
Sugal & Damani Share Brokers Ltd

R. MUGUNTHAN
Chartered Accountant
Membership No. 021397

Sd/-
(Mahesh Chandak)
Executive Director
DIN - 00050149

Sd/-
(S. Kannadasan)
Director
DIN - 00050177

Place : Chennai
Date : May 30, 2017

Sd/-
(Padmavathi Varardharajan)
Company Secretary

E-VOTING INSTRUCTION |



Dear Member,

Sub: Instructions for e-voting

Pursuant to the provisions of section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all the resolutions set forth in the Notice convening the 24th Annual General Meeting to be held on Wednesday, September 27, 2017 at 11.00 a.m. The Company has engaged the services of Central Depository Services (India) Ltd. to provide the e-voting facility. The e-voting particulars are set out below:

The e-voting facility will be available during the following period:

Commencement of e-voting	End of e-voting
September 24, 2017 at 09:00 a.m. IST	September 26, 2017 6:00 p.m. IST

STEPS FOR E-VOTING

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.co.in
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "Company Name" from the drop down menu and click on "Submit"
- (iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID), Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to www.evotingindia.co.in and voted on an earlier voting of any company, then your existing password is to be used. If you are a first-time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Not Applicable	

E-VOTING INSTRUCTION |



*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

#Please enter any one of the details in order to login. In case both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "Submit" tab.
- (viii) Members holding shares in physical form will then reach directly to the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for Sugal & Damani Share Brokers Limited.
- (xi) On the voting page, you will see Resolution Description and against the same the option "Yes/No" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on "Submit". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "Cancel" and accordingly modify your vote.
- (xiv) Once you "Confirm" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xiv) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.co.in and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- a. Please follow all steps from Sl. no. (i) to sl. no. (xvii) above to cast vote.
- b. During the e-voting period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut off date i.e., Wednesday, September 20, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- c. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

**By order of the Board
For Sugal & Damani Share Brokers Limited**

Regd Office:

'City Center Plaza', (I Floor)
No. 7, Anna Salai, Chennai – 600 002

Place: Chennai
Date: August 8, 2017

sd/-
Mahesh Chandak
(Executive Director)
DIN – 00050149

No. 28, Barnaby Road, Kilpauk, Chennai - 10

ADMISSION SLIP |



SUGAL & DAMANI SHARE BROKERS LIMITED

CIN: L65991TN1993PLC028228

'City Center Plaza', (I Floor),
No. 7, Anna Salai, Chennai – 600 002

TWENTY FOURTH ANNUAL GENERAL MEETING

Name of the Member(s):

Name of the Proxy(s):

(To be filled in if the proxy attends instead of the member)

Folio No. / Client ID / DP ID:

No. of Shares held:

I hereby record my presence at the Twenty Fourth Annual General Meeting of the Company at 'City Centre Plaza' (I Floor), No. 7, Anna Salai, Chennai – 600 002, on Wednesday, September 27, 2017 at 11:00 A.M.

Signature of the member / proxy

Notes:

- 1. Members/Proxy(s) are requested to bring the Admission Slips to the Meeting and hand over at the entrance duly signed.*

PROXY FORM |



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

SUGAL & DAMANI SHARE BROKERS LIMITED

CIN: L65991TN1993PLC028228

'City Center Plaza', (I Floor),
No. 7, Anna Salai, Chennai – 600 002

Name of the Member(s):
Registered Address:
E-Mail ID
Folio No/Client Id:
DP ID:

I/We, being the member(s) holding shares of the above named company, hereby appoint

- Name: _____ E-mail: _____
Address: _____

Signature: _____
or failing him,
- Name: _____ E-mail: _____
Address: _____

Signature: _____
or failing him,
- Name: _____ E-mail: _____
Address: _____

Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Fourth Annual General Meeting of the Company, to be held on Thursday, the 27th day of September, 2017 at 11.00 a.m. at City Centre Plaza (I Floor), No. 7 Anna Salai, Chennai – 600 002 and at any adjournment thereof in respect of such resolutions as are indicated below:

PROXY FORM |



Resolution No.	Resolution	Vote		
		For	Against	Abstain
ORDINARY BUSINESSES				
1.	Audited Balance Sheet as at March 31, 2017, and Profit & Loss Account for the period ended on that date and the Reports of Directors and Auditor thereon			
2	Appointment of Director in place of Mr. Mahesh Chandak (DIN - 00050149) who retires by rotation and, being eligible, offers himself for reappointment.			
3	Appointment of a Director in place of Mr. Prasan Chand Jain (DIN – 00050081) who retires by rotation and, being eligible, offers himself for reappointment.			
4	Appointment of M/s. Chandarana & Sanklecha, Chartered Accountant, as the Auditor of the Company.			
SPECIAL BUSINESSES				
5.	Reappointment of Mr. Mahesh Chandak as Whole Time Director for the period commencing from this Annual General Meeting to September 30, 2018.			

Signed this _____ day of _____, 20__

Affix Revenue Stamp

Signature of Member

Signature of Proxy holders(s)

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



SUGAL & DAMANI SHARE BROKERS LIMITED
CIN: L65991TN1993PLC028228
'City Center Plaza', (I Floor),
No. 7, Anna Salai, Chennai – 600 002
[Ph: 28587105 – 108 Fax: +91-44-42155285]

Dear Shareholder,

GREEN INITIATIVE IN CORPORATE GOVERNANCE

As part of the “Green Initiative in Corporate Governance”, the Ministry of Corporate Affairs (MCA), Government of India, through its circular Nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents to their shareholders electronically considering its legal validity under the information Technology Acts, 2000.

The Company proposes to send all shareholder communications such as the Notice of General Meetings, Audited Financial Statement, Directors' Report, Auditors' Report, etc., to shareholders in electronic form to the E-mail id provided by them and made available to us by the Depositories.

Currently, we do not have your E-mail id on our records. Keeping in view the spirit of the MCA directive, we request you to register yourself for receiving electronic communications in lieu of physical form by returning the duly filled-in and signed form appended below. Simultaneously, we request you to register your E-mail id with your Depository Participants and inform them of any changes to the same from time to time.

Please be informed that the full text of all electronic communications shall be made available in an easily navigable format on our website www.sugalshare.com under the investor section.

We will also notify the date of AGM and the availability of Annual Report on our website in prominent national and regional newspapers.

As always, physical copies of all communications will be available at our Registered Office for inspection during office hours.

Yours faithfully,

FOR SUGAL & DAMANI SHARE BROKERS LIMITED

Sd/-

EXECUTIVE DIRECTOR



Form for registration of E-mail id for receiving documents/notices through electronic mode

Name (In Block Letters) (Including Joint Holders, if any)

Registered Folio No. DPID/Client ID:

E-Mail ID

Signature (including Joint holders, if any)

Also you can send the above details through email to our Registrar and Share Transfer Agent M/s. Cameo Corporate Services Ltd to their email id: investor@cameoindia.com

In case you desire to receive future communications in Physical Form, kindly check the below mentioned check box.

Yes:

Place:

Date:





SUGAL & DAMANI

SHARE BROKERS LIMITED

Powered by Trust, Driven by Commitment

Members : NSE, BSE & CDSL Depository

Services Offered

- ☞ **Equities Trading**
- ☞ **F & O Trading**
- ☞ **Depository Participant Services**
- ☞ **IPOs**
- ☞ **Online Trading**
- ☞ **Online Client Services**

Sugal & Damani Share Brokers Limited

CIN : L65991TN1993PLC028228

City Centre Plaza, I Floor, No.7, Anna Salai, Chennai - 600 002

Tel No: 28587105 / 108, | Fax: 91-044-4215 5265

www.sugalshare.com