



# SHREE SECURITIES LIMITED

Registered Office : 3, Synagogue Street, 3rd Floor,

Room No. 18G, Kolkata - 700 001, (W.B.) INDIA

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[www.shreesecindia.com](http://www.shreesecindia.com)

CIN : L65929WB1994PLC061930

Date: 24.09.2018

To,  
BSE Limited,  
Department of Corporate Filings,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400 001

Sub: Submission of Annual Report for Financial Year 2017-2018 in compliance with Regulation 34(1) of SEBI (LODR) Regulations, 2015.

Ref : Shree Securities Limited (Scrip Code: 538975)

Dear Sir/Madam,

This has reference to captioned subject and in compliance with Regulation 34(1) of SEBI (LODR) Regulations, 2015 we are submitting herewith soft copy of Annual Report for Financial Year 2017-2018 in PDF format.

Kindly take the same on record and acknowledge the receipt of the same.

Thanking you,

Yours Faithfully,

For SHREE SECURITIES LTD

Basant Kumar Sharma  
Managing Director  
DIN: 00084604



Encl: As above

C.C. To : The Calcutta Stock Exchange Ltd.



**SHREE SECURITIES LIMITED**



**Annual Report**  
**2017-18**



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## "Corporate Information's"

### BOARD OF DIRECTORS

**Mr. Basant Kumar Sharma**  
Managing Director cum CEO  
**Mr. Shankar Kumar Chakraborty**  
Non-Executive Independent Director  
**Mr. Harshwant Joshi**  
Non-Executive Independent Director  
**Mr. Shrawan Kumar Jalan\***  
Non-Executive Independent Director  
**Mr. Amit Kumar Basu#**  
Non-Executive Independent Director  
**Mrs. Swapna Jain**  
Whole-time Director & CFO

### CHIEF FINANCIAL OFFICER

**Mrs. Swapna Jain**

### COMPANY SECRETARY

**Ms. Reema Kejriwal**

### AUDITORS

**M/s. R. K. Kankaria & Co**  
Chartered Accountants  
33 , Brabourne Road,  
3rd Floor, Kolkata-700001  
Tel.: +91 33 2242 5812;  
E-mail: [rajesh@rkkco.in](mailto:rajesh@rkkco.in)

### BANKERS

**HDFC Bank Ltd**  
Stephen House Branch,  
4, B. B. D. Bag (East),  
Kolkata-700001  
West Bengal, India

### REGISTERED OFFICE

3, Synagogue Street,  
3rd Floor, Room No.: 18G,  
Kolkata - 700001 (W. B.) India  
Tel.: +91 33 2231 3366 / 3367  
E-mail : [ssl\\_1994@yahoo.co.in](mailto:ssl_1994@yahoo.co.in) ;  
[info@shreesecindia.com](mailto:info@shreesecindia.com)  
Website: [www.shreesecindia.com](http://www.shreesecindia.com)

### REGISTRARS AND SHARE TRANSFER AGENTS

**Niche Technologies Pvt. Ltd.**  
D-511, Bagree Market,  
71, B. R. B. Basu Road,  
5th Floor, Kolkata - 700001  
Tel.: +91 33 2235 7270 / 7271;  
Fax: +91 33 2215 6823  
E-mail: [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

### CIN OF THE COMPANY

L65929WB1994PLC061930

\*Resigned on 07.12.2017

# Appointed w.e.f. 08.12.2017

## Committee's

### Audit Committee

Chairman	::	Harshwant Joshi
Member	::	Basant Kumar Sharma
Member	::	Shrawan Kumar Jalan (upto 07.12.2017)
Member	::	Amit Kumar Basu (w.e.f. 08.12.2017)

### Stakeholders' Relationship Committee

Chairman	::	Shrawan Kumar Jalan (upto 07.12.2017)
Chairman	::	Amit Kumar Basu (w.e.f. 08.12.2017)
Member	::	Basant Kumar Sharma
Member	::	Harshwant Joshi

### Nomination & Remuneration Committee

Chairman	::	Harshwant Joshi
Member	::	Shrawan Kumar Jalan (upto 07.12.2017)
Member	::	Amit Kumar Basu (w.e.f. 08.12.2017)
Member	::	Shankar Kumar Chakraborty

**" DIRECTORS' REPORT "**

FOR THE FINANCIAL YEAR ENDED 31st DAY OF MARCH, 2018

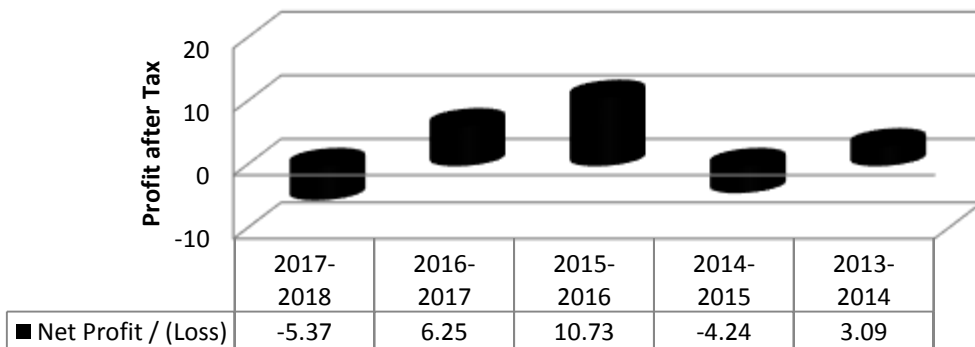
To The Members,

The Directors submit 25th Annual Report of M/s. Shree Securities Limited (the "Company") along with standalone audited financial statements for the financial year ended on **31st March, 2018**.

**1. FINANCIAL RESULTS:**

(Rs. In Lakh)

Particulars	March 31, 2018	March 31, 2017
Sales and Other Income	304.69	437.97
Profit before depreciation, taxation & Exceptional items	(5.37)	8.94
Less: Depreciation	0.00	0.03
Less: Exceptional Items	0.00	0.00
Less: Current Tax	0.00	2.66
Less: Deferred Tax	0.00	0.00
Less: Tax for earlier year	0.00	0.00
Profit after taxation	(5.37)	6.25
Add: Balance brought forward from previous year	(37.51)	(40.97)
Surplus available for appropriation	(59.57)	(37.51)
Appropriations		
Transferred to Special Reserve	0.00	(1.25)
Contingency provision for Standard Assets	2.36	(1.54)
Provision for Doubtful Assets	(19.05)	0.00
Transitional Provision for Depreciation	0.00	0.00
Balance carried to Balance sheet	(59.57)	(37.51)

**Chart Showing Net Profit / (Loss) for the last five years.**

## Shree Securities Limited

### 2. COMPANY'S PERFORMANCE:

During the year under review, the revenue from operations is Rs. 304.69 lakhs compare to previous year Rs. 437.82 lakhs while the Company has earned Profit/(Loss) of Rs. (5.37) lakhs as against profit of Rs.6.25 lakhs of previous year. Your Directors are identifying prospective areas and will make appropriate investments that will maximize the revenue of the company in the current Financial Year.

### 2. BRIEF DESCRIPTION OF THE STATE OF COMPANY'S AFFAIRS :

The Company is a Non-Banking Finance Company and is presently engaged in the business of Investing and Financing.

In the multi-tier financial system of India, importance of NBFCs in the Indian financial system cannot be neglected. The Company expects that with a stable and a reformed government at the center, there will be positive growth and further rationalization of capital market, which will lead to more investment, value creation, capitalization and thus the additional wealth for investors and see better prospects in near future. Also, with the growing economy there will be more opportunities for financing which will prove beneficial for our company. The Company expects better results in near future in anticipation of the policy reforms combined with the dedication of the highly motivated team with excellent understanding of the operations along with magnificent customer relation skills.

### 3. DIVIDEND :

During the year under review, the Directors of your Company do not recommend any dividend.

### 4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND :

Since there was no unpaid / unclaimed Dividend declared and paid in previous year, the provisions of Section 125 of the Companies Act, 2013 is not applicable to the Company.

### 5. AUDITORS :

#### *Statutory Audit :-*

In accordance with the provisions of Section 139(8) of the Companies Act, 2013 and the Rules framed thereunder ('the Act'), M/s. G. C. Bafna & Co., Chartered Accountants, (Firm Registration No. 319104E), was appointed as the Auditors of the Company at the Annual General Meeting (AGM) held on September 12, 2017, to hold office till the conclusion of the AGM to be held in 2018. M/s. G. C. Bafna & Co. has since tendered its resignation as the Auditors of the Company, resulting in casual vacancy in the office of the Auditors.

The Board has recommended to the Members the appointment of M/s. R. K. Kankaria & Co. Chartered Accountants, (Firm Registration No. 321093E), as the Auditors of the Company:

- (a) to fill the casual vacancy caused by the resignation of M/s. G. C. Bafna & Co. and to hold the office up to the conclusion of this AGM; and
- (b) for a period 5 years from the conclusion of this AGM till the conclusion of the AGM of the Company to be held in the year 2023.

M/s. R. K. Kankaria & Co. Chartered Accountants, (Firm Registration No. 321093E) has confirmed its eligibility to act as the Statutory Auditors of the Company.

#### *Secretarial Audit :-*

As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a secretarial audit report.

Pursuant to the provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s. P D Rao & Associates, Practicing Company Secretaries (C.P. No. 14385 & Membership Number A38387) to undertake the Secretarial Audit of the Company. The Secretarial Audit report for the financial year ended 31st March, 2018 is annexed herewith as "Annexure-A" to this report. The Secretarial Audit Report does not contain any qualification, reservation and adverse remark.

**6. AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE:**

The auditors' certificate on Corporate Governance as required by SEBI (LODR) Regulations, 2015 is enclosed to the Board's report. The certificate does not contains any qualifications, reservations or adverse remarks.

**7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Pursuant to the provisions of section 149 of the Act, Mr. Harshwant Joshi (DIN : 03642328), Mr. Shrawan Kumar Jalan (DIN : 02191031) and Mr. Shankar Kumar Chakraborty (DIN:00087412), Independent Directors of the Company, have submitted a declaration that each of them meets the criteria of independence as provided in section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

Director Mrs. Swapna Jain (DIN: 06995389) retire by rotation and, being eligible, offer herself for re appointment.

Approval of members is being sought for re-appointment of Mr. Basant Kumar Sharma (DIN: 00084604) as Managing Director of the Company for the period of five years on expiry of his present term on 11.02.2019, with effect from 12th day of February, 2019 up to 10th day of February, 2024 as set out in explanatory statement annexed to the notice convening this Meeting.

Approval of members is being sought for appointment of Mr. Amit Kumar Basu (DIN:08009413) as Independent Director of the Company, who was appointed as an Additional Director on 8th December, 2017.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company.

Pursuant to the provisions of section 203 of the Act, the key managerial personnel of the Company are - Mr. Basant Kumar Sharma (DIN 00084604), Chief Executive Officer and Managing Director, Mrs. Swapna Jain, Chief Financial Officer cum Whole Time Director and Ms. Reema Kejriwal (ACS - 41217), Company Secretary. There has been no change in the key managerial personnel during the year.

**8. COMMITTEES OF THE BOARD:**

Currently, the Board has three committees: the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee. A detailed note on the composition of the Board and its Committees is provided in the Corporate Governance Report section of this Annual report.

**9. CORPORATE SOCIAL RESPONSIBILITY:**

According to the provision of Section 135 of the Companies Act 2013, companies having a net worth of Rs.500 crore or more, or turnover of Rs.1000 crore or more or a net profit of Rs.5 crore or more during any financial year are required to constitute CSR Committee. However, your Company does not fall in the above said criteria and hence not required to constitute the said Committee.

**10. RISK MANAGEMENT :**

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion. The Board members were informed about risk assessment and after which the Board formally adopted and implemented the necessary steps for monitoring the risk management plan for the company.



## **Shree Securities Limited**

### **11. STATUTORY INFORMATION:**

Particulars as required under sub section (3)(m) of Section 134 of the Co. Act 2013 read with Companies (Accounts) Rules, 2014:

1. CONSERVATION OF ENERGY	:	Nil
2. TECHNOLOGY ABSORPTION & ADOPTION	:	Nil
3. FOREIGN EXCHANGE EARNING & OUTGO	:	Nil

### **12. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to the requirement of clause (c) of sub-section (1) and sub section (5) of section 134 of the Companies Act, 2013 ('the Act') and based on the representations received from the operating management, the Directors hereby confirm that:

- i. In preparation of the annual accounts, the applicable Accounting Standards have been followed.
- ii. The Directors have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year and Profit & Loss of the company for that period.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The Directors have prepared the annual accounts ongoing concern basis.
- v. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

### **13. SUBSIDIARY COMPANIES:**

The Company does not have any subsidiary, hence the compliance of provisions of section 129(3) of the Companies Act, 2013 are not applicable.

### **14. SHARE CAPITAL:**

The paid up equity capital as on March 31, 2018 was Rs. 7,980 Lakhs. The company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

### **15. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE ENDS OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT :**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year and the date of this report

### **16. TRANSFER TO RESERVES :**

The company has transferred NIL amount to RBI Statutory Reserve Fund for the year ended 31st March 2018.

### **17. FINANCE:**

The Cash and cash equivalents as at March 31, 2018 was Rs. 87.09 lakhs. The company continues to focus on judicious management of its working capital, Receivables and other working capital parameters were kept under strict check through continuous monitoring.

**18. FIXED DEPOSITS:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**19. PARTICULARS OF LOANS, ADVANCES, GURANTEES AND INVESTMENTS:**

The provision of section 186 of the Co. Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), are not applicable as the Company has not given any loans or guarantees during the year. The details of investments, if any, made by the Company is given in the notes of the financial statements.

**20. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

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

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

**21. ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS:**

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

## **Shree Securities Limited**

### **22. REMUNERATION POLICY:**

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

### **23. PERSONNEL:**

Human Capital is an important asset for the Company and the Company has taken and shall continue to take adequate steps towards education and enrichment of the human capital. Your Directors place on record the sense of appreciation for the valuable contribution made by the staff members of the company and hope that their continued support will help in achieving the goals of the Company. None of the employees of the company are in receipt of remuneration in excess of the limit prescribed under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (appointment and Remuneration of Managerial Personnel) Rules 2014.

### **24. MEETINGS:**

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year Fourteen Board Meetings and the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### **25. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT :**

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange and requirements under the Companies Act, 2013, the Report on Corporate Governance together with Statutory Auditors view and management discussion & analysis report regarding compliance of the SEBI code of Corporate Governance is annexed herewith.

### **26. TRANSACTIONS WITH RELATED PARTY:**

There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. The policy regulates all transactions between the company and its related parties. The policy is available on the website of the company (<http://www.shreesecindia.com/file/2016/may/PolicyofRelatedPartyTransaction.pdf>).

### **27. ENVIRONMENT AND SAFETY :**

The Company is conscious of the importance of environmentally clean & safe environment. Since your company is a Non-Banking financial company so the question of environment pollution does not arise.

However, the company ensures safety of all concerned, compliances environmental regulations and prevention of natural resources.

### **28. POLICIES**

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All our corporate governance policies are available on our website (<http://www.shreesecindia.com/invr.html>). The policies are reviewed periodically by the board and updated based on need and new compliance requirement.

### **29. CODE OF CONDUCT:**

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

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

The policy is available on the website of the Company (<http://www.shreesecindia.com/file/2016/may/CodeofConductofBoardofDirectorsandSeniorManagementPerson.pdf>).

**30. VIGIL MECHANISM/WHISTLE BLOWER POLICY :**

The Company has a vigil mechanism named Fraud and Risk Management Policy to deal with instance of fraud and mismanagement, if any.

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has a Fraud Risk and Management Policy to deal with instances of fraud and mismanagement, if any. The FRM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

The policy is available on the website of the Company (<http://www.shreesecindia.com/file/2016/may/WhistleBlowerPolicy.pdf>).

**31. PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code. The policy is available on the website of the Company (<http://www.shreesecindia.com/file/2016/may/InsiderTrading.pdf>).

**32. PRESERVATION OF DOCUMENTS:**

All the documents as required under the Act, has been properly kept at the registered office of the Company.

**33. LISTING WITH STOCK EXCHANGE**

The Company confirms that it has not defaulted in paying the Annual Listing Fees for the financial year 2017-18 to The Bombay Stock Exchange Limited (BSE) and The Calcutta Stock Exchange Ltd. (CSE) where the shares of the Company are listed.

**34. DEPOSITORY SYSTEM:**

Your Company's equity shares are available for dematerialization through National Securities Depository Limited and Central Depository Services (India) Limited. As of March 31, 2018, 99.84% of the equity shares of your Company were held in demat form.

## Shree Securities Limited

**35. SECRETARIAL STANDARDS OF ICSI:**

The Company is in compliance with the relevant provisions of Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.

**36. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:**

There are no significant and material orders passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

**37. ARCHIVAL POLICY:**

The policy deals with the retention and archival of corporate records of Shree Securities Ltd. The policy is available on the website of the company : (<http://www.shresecindia.com/file/2016/july/ArchivalPolicy.pdf>).

**38. EXTRACT OF ANNUAL RETURN:**

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

**39. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

Your Company is committed to provide and promote safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. No cases have been files under the Act as the Company is keeping the working environment healthy.

**40. ACKNOWLEDGEMENTS:**

The Board wishes to place on record their gratitude for the co-operation and assistance received from all those who contributed by some means or other for the performance of the company and expect the same in the future.

For and on behalf of the Board

**Basant Kumar Sharma**  
Managing Director  
(DIN: 00084604)

**Swapna Jain**  
Chief Financial Officer  
& Whole Time Director  
(DIN: 06995389)

Place : **Kolkata**

Date : **29th day of May, 2018.**

## **" SECRETARIAL AUDIT REPORT "**

Annexure - "A"

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2018**

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

To  
The Members  
M/s. Shree Securities Ltd.  
3, Synagogue Street  
3<sup>rd</sup> Floor, Room No. 18G  
Kolkata - 700001.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Shree Securities Limited (CIN: L65929WB1994PLC061930)** (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **M/s. Shree Securities Limited** 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 **31<sup>st</sup> March, 2018 ('Audit Period')** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Shree Securities Limited** ("the Company") for the financial year ended on 31<sup>st</sup> March, 2018 according to the provisions of:

1. The Companies Act, 2013(the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. 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, 2015 to the extent applicable to the Company during the period under review;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the Audit Period**);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014 notified on 28<sup>th</sup> October, 2014 (**Not applicable to the Company during the Audit Period**);

## Shree Securities Limited

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period);**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period);**
6. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof the Company has complied with the following laws applicable specifically to the Company:
- Reserve Bank of India Act, 1934 to the extent of provisions applicable to Non Deposit Taking NBFCs (NBFC –ND) and Directions, Guidelines and Circulars made thereunder.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable to the Company during the period under review.

### **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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All majority decisions at Board Meetings and Committee Meetings as represented by the management, were carried out unanimously as recorded in the minutes of the meetings of Board of Directors or Committees of the Board as the case may be.

**We further report that** as represented by the Company and relied upon by us there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the Audit Period, the Company has not incurred any specific event/action that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

### **We further report that**

- The Company has received a letter from Bombay Stock Exchange (BSE) regarding SEBI Directions w.r.t. listed shell Companies vide its letter reference No. SEBI/HO/ISD/ISD/OW/P/2017/18926/1 dated August 09, 2017 under review and the Company has been complied with all the requirements and final Order has been passed by the BSE for the same.
- The Company has applied to The Calcutta Stock Exchange Ltd. (CSE) for delisting of equity shares as the exchange is under review.

- The Company has received a letter from Bombay Stock Exchange (BSE) regarding Forensic Audit of books of Accounts and other documents of the Company vide its letter reference No. L/SURV/OFL/KM/2018/SHELL/COMP/538975/4 dated February 08, 2018 under review.

P D Rao & Associates  
Practising Company Secretaries

Signature:  
Name : CS P. Doleswar Rao  
( Proprietor )  
Mem No. : A38387  
C. P. No. 14385

Place : Kolkata  
Date : 29.05.2018

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

### **Annexure 'I' to the Secretarial Audit Report :**

To  
The Members  
M/s. Shree Securities Ltd.  
3, Synagogue Street  
3<sup>rd</sup> Floor, Room No. 18G  
Kolkata - 700001.

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 the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random 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.

P D Rao & Associates  
Practising Company Secretaries

Signature:  
Name : CS P. Doleswar Rao  
( Proprietor )  
Mem. No. : A38387  
C. P. No. 14385

Place : Kolkata  
Date : 29.05.2018



**" ANNEXURE B TO THE BOARDS REPORT "**

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2018

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

I. REGISTRATION AND OTHER DETAILS

:--

- i) CIN : L65929WB1994PLC061930
- ii) Registration Date : 23.02.1994
- iii) Name of the Company : SHREE SECURITIES LIMITED
- iv) Category/Sub-Category of the Company : Company Limited by Shares
- v) Address of the Registered office and Contact details : **Registered Office :-**  
3, Synagogue Street,  
3rd Floor, Room No. 18G,  
Kolkata - 700001 (W.B.)  
Tel.: +91 33 2231 3366 / 3367
- vi) Whether listed company : YES, the company listed into BSE Ltd. and The Calcutta Stock Exchange Ltd.
- i) Name, Address and Contact details of Registrar and Transfer Agent : **Niche Technologies Pvt. Ltd.**  
D-511, Bagree Market,  
71, B.R.B.B. Road, 5th Floor,  
Kolkata - 700 001  
Tel.: +91 33 2235 7271 / 7270  
Fax : +91 33 2215 6823

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.	Deposit services to other depositors	99711290	58.22%
2.	Other products N.E.C.	99623900	41.78%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
---------	---------------------------------	---------	----------------------------------	------------------	--------------------

The company has not any subsidiary company.

## 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	
<b>A. PROMOTERS</b>									
<b>INDIAN</b>									
Individuals/ Hindu Undivided Family	352700	0	352700	0.442	352700	0	352700	0.442	0.000
Central Government/ State Government(S)	0	0	0	0	0	0	0	0	0.000
Bodies Corporate	24087150	0	24087150	30.184	24087150	0	24087150	30.184	0.000
Financial Institutions/ Banks	0	0	0	0	0	0	0	0	0.000
Any Other ( Specify )	0	0	0	0	0	0	0	0	0.000
Sub-Total (A)(1)	24439850	0	24439850	30.626	24439850	0	24439850	30.626	0.000
<b>FOREIGN</b>									
NRIs - Individuals	0	0	0	0	0	0	0	0	0.000
Other – Individuals	0	0	0	0	0	0	0	0	0.000
Bodies Corporate	0	0	0	0	0	0	0	0	0.000
Institutions	0	0	0	0	0	0	0	0	0.000
Any Other (Specify)	0	0	0	0	0	0	0	0	0.000
Sub-Total(A)(2)	0	0	0	0	0	0	0	0	0.000
Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)	24439850	0	24439850	30.626	24439850	0	24439850	30.626	0.000
<b>PUBLIC SHAREHOLDING</b>									
<b>INSTITUTIONS</b>									
Mutual Funds	0	0	0	0	0	0	0	0	0.000
Financial Institutions/Banks	0	0	0	0	0	0	0	0	0.000
Central Government/ State Government(S)	0	0	0	0	0	0	0	0	0.000
Venture Capital Funds	0	0	0	0	0	0	0	0	0.000
Insurance Companies	0	0	0	0	0	0	0	0	0.000
Foreign Institutional Investors	0	0	0	0	0	0	0	0	0.000
Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0.000
Any Other (Specify)	0	0	0	0	0	0	0	0	0.000
Sub-Total (B)(1)	0	0	0	0	0	0	0	0	0.000
<b>NON-INSTITUTIONS</b>									
Bodies Corporate	53039994	79200	53119194	66.565	52940842	79200	53020042	66.441	-0.124

## Shree Securities Limited

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	
Individuals - I. Individual Shareholders Holding Nominal Share Capital Up To Rs.1lakh.	615808	34200	650008	0.815	614908	34200	649108	0.813	-0.002
ii. Individual Shareholders Holding Nominal Share Capital In Excess of Rs.1 Lakh.	1574648	16300	1590948	1.994	1674300	16300	1690600	2.119	0.125
Any Other (Specify)	0	0	0	0	400	0	400	0.001	0.001
Nri's	0	0	0	0	0	0	0	0	0.000
Sub-Total (B)(2)	55230450	129700	55360150	69.374	55230450	129700	55360150	69.374	0.000
Total Public Shareholding (B)= (B)(1)+(B)(2)	55230450	129700	55360150	69.374	55230450	129700	55360150	69.374	0.000
Total (A)+(B)	<b>79670300</b>	<b>129700</b>	<b>79800000</b>	<b>100.000</b>	<b>79670300</b>	<b>129700</b>	<b>79800000</b>	<b>100.000</b>	<b>0.000</b>
Shares Held By Custodians And Against Which Depository Receipts Have Been Issued	0	0	0	0	0	0	0	0	0.000
Grand Total (A)+(B)+(C)	<b>79670300</b>	<b>129700</b>	<b>79800000</b>	<b>100.000</b>	<b>79670300</b>	<b>129700</b>	<b>79800000</b>	<b>100.000</b>	<b>0.000</b>

### (ii) SHAREHOLDING OF PROMOTERS

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			Shares of % change in share holding during the year
		No. of Shares	% of total Shares of company	% of Shares Pledged /encumbered to total shares	No. of Shares	% of total Shares of company	% of Shares Pledged/ encumbered to total shares	
1	Faber Trexim Pvt.Ltd.	7037300	8.819	0	7037300	8.819	0	0%
2	Meghshree Credit Pvt. Ltd.	17049850	21.366	0	17049850	21.366	0	0%
3	Basant Kumar Sharma	100	0.000	0	100	0.000	0	0%
4	Manik Chand Pugalia	352500	0.442	0	352500	0.442	0	0%
5	Subhash Chandra Dadhich	100	0.000	0	100	0.000	0	0%
	<b>Total</b>	<b>24439850</b>	<b>30.626</b>	<b>0</b>	<b>24439850</b>	<b>30.626</b>	<b>0</b>	<b>0%</b>

(iii) CHANGE IN PROMOTERS' SHAREHOLDING:

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total No. of shares	No. of shares	% of total No. of shares
1.	<b>Faber Trexim Private Limited</b> At the beginning of the year	7037300	8.819		
	Increase / (Decrease) in Promoters Share holding during the year.	[NO CHANGES DURING THE YEAR]			
	At the End of the year			7037300	8.819
2	<b>Meghshree Credit Pvt. Ltd.</b> At the beginning of the year	17049850	21.366		
	Increase / (Decrease) in Promoters Share holding during the year.	[NO CHANGES DURING THE YEAR]			
	At the End of the year			17049850	21.366
3	<b>Basant Kumar Sharma</b> At the beginning of the year	100	0.000		
	Increase / (Decrease) in Promoters Share holding during the year.	[NO CHANGES DURING THE YEAR]			
	At the End of the year			100	0.000
4	<b>Manik Chand Pugaliala</b> At the beginning of the year	352500	0.442		
	Increase / (Decrease) in Promoters Share holding during the year.	[NO CHANGES DURING THE YEAR]			
	At the End of the year			352500	0.442
5	<b>Subhash Chandra Dadhich</b> At the beginning of the year	100	0.000		
	Increase / (Decrease) in Promoters Share holding during the year.	[NO CHANGES DURING THE YEAR]			
	At the End of the year			100	0.000

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS  
(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total No. of shares	No. of shares	% of total No. of shares
1	<b>MOONCLUB MERCHANTS PVT. LTD.</b> At the beginning of the year	3600000	4.511		
	Increase / (Decrease) in Share holding during the year. 23/03/2018 Transfer	33000	0.041	3633000	4.553
	At the End of the year			3633000	4.553

## Shree Securities Limited

2	<b>BOSER MERCANTILES PVT. LTD.</b> At the beginning of the year	1177371	1.475		
	Increase / (Decrease) in Share holding during the year.				
	09/06/2017 Transfer	-956000	1.198	221371	0.277
	21/07/2017 Transfer	1437200	1.801	1658571	2.078
	31/03/2018 Transfer	986400	1.236	2644971	3.315
	At the End of the year			2644971	3.315
3	<b>SMOOTH IMPEX PVT. LTD.</b> At the beginning of the year	725	0.001		
	Increase / (Decrease) in Share holding during the year.				
	09/06/2017 Transfer	3640	0.005	4365	0.005
	16/06/2017 Transfer	6540	0.008	10905	0.014
	14/07/2017 Transfer	-10905	0.014	0	0.000
	21/07/2017 Transfer	2100000	2.632	2100000	2.632
	At the End of the year			2100000	2.632
4	<b>RIGHT COMMODITIES PVT. LTD.</b> At the beginning of the year	2000725	2.507		
	Increase / (Decrease) in Share holding during the year.				
	14/07/2017 Transfer	18265	0.023	2018990	2.530
	At the End of the year			2018990	2.530
5	<b>BESTLUCK TREXIM PVT. LTD.</b> At the beginning of the year	2000000	2.506		
	Increase / (Decrease) in Share holding during the year.	[NO CHANGES DURING THE YEAR]			
	At the End of the year			2000000	2.506
6	<b>CAMEX IMPEX PVT. LTD.</b> At the beginning of the year	2000000	2.506		
	Increase / (Decrease) in Share holding during the year.	[NO CHANGES DURING THE YEAR]			
	At the End of the year			2000000	2.506
7	<b>TARGET COMMODEAL PVT. LTD.</b> At the beginning of the year	1940000	2.431		
	Increase / (Decrease) in Share holding during the year.	[NO CHANGES DURING THE YEAR]			
	At the End of the year			1940000	2.431
8	<b>IMPRESSION DEALCOM PVT. LTD.</b> At the beginning of the year	1810000	2.268		
	Increase / (Decrease) in Share holding during the year.				
	02/03/2018 Transfer	1800	0.002	1811800	2.270
	At the End of the year			1811800	2.270
9	<b>SPACEPLUS AGENCIES PVT LTD.</b> At the beginning of the year	804696	1.008		
	Increase / (Decrease) in Share holding during the year.				
	09/06/2017 Transfer	756370	0.948	1561066	1.956
	16/06/2017 Transfer	10180	0.013	1571246	1.969
	At the End of the year			1571246	1.969
10	<b>GARNET SUPPLIERS LLP</b> At the beginning of the year	1480000	1.855		
	Increase / (Decrease) in Share holding during the year.	[NO CHANGES DURING THE YEAR]			
	At the End of the year			1480000	1.855

## (v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total No. of shares	No. of shares	% of total No. of shares
1.	<b>MR. BASANT KUMAR SHARMA</b> <b>Managing Director cum CEO</b> At the beginning of the year	100	0.000		
	Increase/(Decrease) in Share holding during the year.	[NO CHANGES DURING THE YEAR]			
	At the End of the year			100	0.000
2.	<b>MRS. SWAPNA JAIN</b> <b>Whole Time Director &amp; CFO</b> At the beginning of the year	0	0.000		
	Increase/(Decrease) in Share holding during the year.	[NO CHANGES DURING THE YEAR]			
	At the End of the year			0	0.000
3.	<b>MR. SHANKAR KUMAR CHAKRABORTY</b> <b>Non- Executive Independent Director</b> At the beginning of the year	0	0.000		
	Increase/(Decrease) in Share holding during the year.	[NO CHANGES DURING THE YEAR]			
	At the End of the year			0	0.000
4	<b>MR. HARSHWANT JOSHI</b> <b>Non- Executive Independent Director</b> At the beginning of the year	0	0.000		
	Increase/(Decrease) in Share holding during the year.	[NO CHANGES DURING THE YEAR]			
	At the End of the year			0	0.000
5	<b>MR. SHRAWAN KUMAR JALAN (upto 07.12.2017)</b> <b>Non- Executive Independent Director</b> At the beginning of the year	0	0.000		
	Increase/(Decrease) in Share holding during the year.	[NO CHANGES DURING THE YEAR]			
	At the End of the year			0	0.000
6	<b>MR. AMIT KUMAR BASU (w.e.f. 08.12.2017)</b> <b>Non- Executive Independent Director</b> At the beginning of the year	0	0.000		
	Increase/(Decrease) in Share holding during the year.	[NO CHANGES DURING THE YEAR]			
	At the End of the year			0	0.000
7	<b>MS. REEMA KEJRIWAL</b> <b>Company Secretary cum Compliance Officer</b> At the beginning of the year	0	0.000		
	Increase/(Decrease) in Share holding during the year.	[NO CHANGES DURING THE YEAR]			
	At the End of the year			0	0.000

## Shree Securities Limited

V. INDEBTEDNESS (Rs. In Lakhs)

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	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year.				
Addition	0	0	0	0
Reduction	0	0	0	0
Net Change Indebtedness	0	0	0	0
At the end of the financial year.				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Basant Kumar Sharma Managing Director cum CEO	Swapna Jain Whole Time Director & CFO	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	132000	00	132000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	00	00	00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	00	00	00
2	Stock Option	00	00	00
3	Sweat Equity	00	00	00
4	Commission - as % of profit - others, specify	00	00	00
5	Others	00	00	00
	Total (A)	132000	00	132000

**B. REMUNERATION TO OTHER DIRECTORS:**

(Amount in Rs.)

Sl. No.	Directors	Particulars of Remuneration			Total Amount
		Fee for attending Board / Board Committee Meetings	Commission	Others, Please Specify	
1	<b>Independent Directors :</b>				
	Mr. Shankar Kumar Chakraborty	00	00	00	00
	Mr. Harshwant Joshi	00	00	00	00
	Mr. Shrawan Kumar Jalan*	00	00	00	00
	Mr. Amit Kumar Basu#	00	00	00	00
	<b>Total Amount (1)</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>
2	<b>Other Executive Directors</b>	00	00	00	00
	<b>Total Amount (2)</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>
	<b>Total (B) = (1+2)</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>

\* Resigned on 07.12.2017

# Appointed w.e.f. 08.12.2017

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Reema Kejriwal Company secretary	Swapna Jain Whole Time Director & CFO	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	180000	72000	252000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	00	00	00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	00	00	00
2	Stock Option	00	00	00
3	Sweat Equity	00	00	00
4	Commission - as % of profit - others, specify	00	00	00
5	Others, please specify	00	00	00
	<b>Total (C)</b>	<b>180000</b>	<b>72000</b>	<b>252000</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Against the Company, Directors and other Officers in Default under the Companies Act, 2013 : None

For and on behalf of board of directors

**Basant Kumar Sharma**  
(Managing Director cum CEO)

DIN : 00084604

Place : Kolkata

Date : 29th day of May, 2018.



## Shree Securities Limited

### " ANNEXURE - TO THE DIRECTORS' REPORT "

#### " CORPORATE GOVERNANCE REPORT "

Your Company believes in adopting best practices of corporate governance. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders including society at large.

As per regulation 34 of the Listing Regulations, a separate section on corporate governance practices followed by your Company, together with a certificate from M/s. R K Kankaria & Co., Chartered Accountants (Firm Registration Number 321093E), on compliance with corporate governance norms.

#### 1) BOARD OF DIRECTORS

- i) We believe that our Board needs to have an appropriate mix of executive and independent directors to maintain its independence, and separate its functions of governance and management. Our Board consists of five directors two of whom are executive or whole time directors, while the remaining three are independent directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.
- ii) None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director. None of the Directors are related to each other.
- iii) Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act..
- iv) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other public companies as on March 31, 2018 are given herein below







































































Name of the Director	Designation	Number of board meetings during the year 2017-18		Whether attended last AGM held on 12th September, 2017	No of other Directorship in other Companies		Number of Committee's <sup>2</sup> position held in other Public Companies	
		Held	Attended		Public	Private	Chairman	Member
Mr. Basant Kumar Sharma	Managing Director	14	14	YES	NIL	1	NIL	NIL
Mrs. Swapna Jain	WTD & Chief Financial Officer	14	11	YES	NIL	1	NIL	NIL
Mr. Shrawan Kumar Jalan (upto 07.12.2017)	Independent Director	14	10	YES	--	--	--	--
Mr. Amit Kumar Basu (w.e.f. 08.12.2017)	Independent Director	14	4	NA	NIL	NIL	NIL	NIL
Mr. Shankar Kumar Chakraborty	Independent Director	14	13	NO	NIL	1	NIL	NIL
Mr. Harshwant Joshi	Independent Director	14	14	YES	6	NIL	NIL	NIL


1. Memberships of the Directors in various Committees are within the permissible limits of the Listing Regulations.
2. Includes Membership of Audit and Stakeholders Relationship Committees of other Indian Public Limited Companies only.

- v) Fourteen Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days.

The dates on which the said meetings were held: 11.04.2017; 22.05.2017; 24.06.2017; 24.07.2017; 10.08.2017; 12.08.2017; 13.09.2017; 20.09.2017; 27.10.2017; 17.11.2017; 20.12.2017; 11.01.2018; 13.02.2018 and 19.03.2018.

The necessary quorum was present for all the meetings.

Date	Basant Kumar Sharma	Swapna Jain	Shrawan Kumar Jalan (upto 07.12.2017)	Amit Kumar Basu (w.e.f. 08.12.2017)	Shankar Kumar Chakraborty	Harshwant Joshi
11.04.2017				NA		
22.05.2017				NA		
24.06.2017				NA		
24.07.2017				NA		
10.08.2017				NA		
12.08.2017				NA		
13.09.2017				NA		
20.09.2017				NA		
27.10.2017				NA		
17.11.2017				NA		
20.12.2017			NA			
11.01.2018			NA			
13.02.2018			NA			
19.03.2018			NA			
% of Attendance	100%	78%	71%	28%	93%	100%

 = Present in Meeting

 = Absent in Meeting

- vi) The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company. During the year, one meeting of the Independent Directors were held on 09.03.2018. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

- vii) The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.

## 2) COMMITTEES OF THE BOARD

### A) AUDIT COMMITTEE













The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act. The Composition procedure, role/function of the Audit Committee comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review 4 (four) meetings of the Audit Committee were held on 22.05.2017; 10.08.2017; 27.10.2017 and 13.02.2018. The necessary quorum was present for all the meetings. The brief terms of reference of the Audit Committee includes the following:

1. Overseeing the Company's financial report process and disclosure of its financial information.
2. Reviewing, with the management, the quarterly financial results before submission to the Board for approval.

## Shree Securities Limited

3. Disclosure with Statutory and Internal auditors about the nature and scope of audit and their observations.
4. Investigate any matter referred to by the Board.
5. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to :
  - i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.
  - ii) Changes, if any, in accounting policies and practices and reasons for the same.
  - iii) Major accounting entries involving estimates based on the exercise of judgment by management.
  - iv) Significant adjustments made in the financial statements arising out of audit findings.
  - v) Compliance with listing and other legal requirements relating to financial statements.
  - vi) Disclosure of any related party transactions.
  - vii) Qualifications in the draft audit report.
6. Reviewing, the information required as per SEBI (LODR) Regulations, 2015
7. The Composition of the Audit Committee and the details of meetings attended by its members :

Members	Designation	Category	Numbers of Meetings Attended	
			Held	Attended
Mr. Harshwant Joshi	Chairman	Non Executive & Independent	4	4
Mr. Basant Kumar Sharma	Member	Executive	4	4
Mr. Shrawan Kumar Jalan (upto 07.12.2017)	Member	Non- Executive & Independent	4	3
Mr. Amit Kumar Basu (w.e.f. 08.12.2017)	Member	Non- Executive & Independent	4	1

Date	Harshwant Joshi	Basant Kumar Sharma	Shrawan Kumar Jalan (upto 07.12.2017)	Amit Kumar Basu (w.e.f. 08.12.2017)
	Chairman	Member	Member	Member
22.05.2017				NA
10.08.2017				NA
27.10.2017				NA
13.02.2018			NA	
% of Attendance	100%	100%	100%	100%



= Present in Meeting















= Absent in Meeting

### B) STAKEHOLDER RELATIONSHIP COMMITTEE

The Stakeholders' relationship committee is constituted with the provision of Regulation 20 of SEBI listing Regulations read with Section 178 of the Co. Act, 2013. The Committee is to look into the specific Complaints received from the Shareholders of the Company. Investor grievances are resolved by the Stakeholders Relationship Committee who operates subject to the overall supervision of the Board. The Committee meets on the requirement basis during the financial year to monitor and review the matters relating to investor grievances. During the year under review 4 (four) meetings of the Shareholders Relationship Committee were held on 24.06.2017; 24.07.2017; 17.11.2017 and 19.03.2018. The company had not received any complaints from its investors during the financial year 2017-18. At present there are no complaints pending to be resolved before SEBI SCORES.

The Composition of the said Committee is as follows:

Members	Designation	Category	Numbers of Meetings Attended	
			Held	Attended
Mr. Shrawan Kumar Jalan (upto 07.12.2017)	Chairman	Non Executive & Independent	4	3
Mr. Amit Kumar Basu (w.e.f. 08.12.2017)	Chairman	Non Executive & Independent	4	1
Mr. Basant Kumar Sharma	Member	Executive Director	4	4
Mr. Harshwant Joshi	Member	Non- Executive & Independent	4	4

Date	Shrawan Kumar Jalan (upto 07.12.2017)	Amit Kumar Basu (w.e.f. 08.12.2017)	Basant Kumar Sharma	Harshwant Joshi
	Chairman	Chairman	Member	Member
24.06.2017		NA		
24.07.2017		NA		
17.11.2017		NA		
19.03.2018	NA			
% of Attendance	100%	100%	100%	100%



= Present in Meeting



= Absent in Meeting













### C) NOMINATION AND REMUNERATION COMMITTEE :

The Nomination and Remuneration committee is constituted with the provision of Regulation 19 of SEBI Listing Regulations read with Section 178 of the Co. Act, 2013. The remuneration to Non-Executive Directors is decided by the Board of Directors as authorized by the Articles of Association of the Company and within the limits set out in Section 197 of the Companies Act, 2013. The committee evaluates and approves the appointment and remuneration of senior executives, the Company's remuneration plan, annual salary increase principles and budgets, annual and long term incentive plans of the Company, policies and programs such as succession planning, employment agreements, severance agreements and any other benefits. During the year 4 (four) meetings of the remuneration committee was held on 22.05.2017; 10.08.2017; 27.10.2017 and 13.02.2018.

The Composition of the said Committee is as follows:

Members	Designation	Category	Numbers of Meetings Attended	
			Held	Attended
Mr. Harshwant Joshi	Chairman	Non Executive & Independent	4	4
Mr. Shrawan Kumar Jalan (upto 07.12.2017)	Member	Non- Executive & Independent	4	3
Mr. Amit Kumar Basu (w.e.f. 08.12.2017)	Member	Non- Executive & Independent	4	1
Mr. Shankar Kumar Chakraborty	Member	Non- Executive & Independent	4	4

## Shree Securities Limited

Date	Harshwant Joshi	Shrawan Kumar Jalan (upto 07.12.2017)	Amit Kumar Basu (w.e.f. 08.12.2017)	Shankar Kumar Chakraborty
	Chairman		Member	Member
22.05.2017			NA	
10.08.2017			NA	
27.10.2017			NA	
13.02.2018		NA		
% of Attendance	100%	100%	100%	100%



= Present in Meeting



= Absent in Meeting

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgement.

### Details of remuneration and sitting fees paid to Directors:

Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. The remuneration policy supports such mobility through pay models that are compliant to local regulations. The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Managing Director and the Executive Directors, subjected to the overall ceiling as stipulated in the Companies Act, 2013. Given below are the details of Remuneration paid to Executive Director & Key Managerial Personal (KMP) Viz., Managing Director, Company Secretary & CFO:

Name of Executive director & KMP	Designation	Total Salary paid during April, 2017 to March, 2018	Others
Basant Kumar Sharma	Managing Director	132000	00
Swapna Jain	Chief Financial Officer and Whole Time Director	72000	00
Reema Kejriwal	Company Secretary	180000	00

### Compliance Officer:

Reema Kejriwal, Company Secretary, is the Compliance Officer for complying with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in India and abroad.

### 3) GENERAL BODY MEETINGS

(a) (i) The details of Annual General Meetings held in the last three years are as under:-

Financial Year	Date	Time	Venue
2014-2015	25.09.2015	01:30 PM	"Conference Hall" at 11, Clive Row, 5th Floor, Kolkata-700001.
2015-2016	30.08.2016	01:00 PM	"Conference Hall" at 11, Clive Row, 5th Floor, Kolkata-700001.
2016-2017	12.09.2017	11:30 AM	"Conference Hall" at 11, Clive Row, 5th Floor, Kolkata-700001.

(ii) There were no Extra-Ordinary General Meeting held in the last three years:

(b) Whether any special resolutions passed in the previous 3 AGMs/EGMs :

Yes, details of which are given hereunder:-

<u>Date of AGM</u>	<u>Matter of Passing Special Resolution</u>
12 <sup>th</sup> September, 2017	To re-appoint Mr. Harshwant Joshi (DIN: 03642328), Independent Director of the Company for a second term under the provisions of the Companies Act, 2013
12 <sup>th</sup> September, 2017	To re-appoint Mr. Shrawan Kumar Jalan (DIN: 02191031), Independent Director of the Company for a second term under the provisions of the Companies Act, 2013
12 <sup>th</sup> September, 2017	To re-appoint Mr. Shankar Kumar Chakraborty (DIN: 00087412), Independent Director of the Company for a second term under the provisions of the Companies Act, 2013

(c) Whether any special resolution passed last year through postal ballot and details of voting pattern?

During the Financial Year 2016-17 Special Resolution were not passed through Postal Ballot and the special Resolution passed at the last Annual General Meeting of the company were not put through Postal Ballot.

(d) Person who conducted the postal ballot exercise? - Not Applicable.

#### **4) RIGHTS OF SHAREHOLDERS :**

The Company is committed to facilitate the exercise of shareholders rights for voting on all crucial decisions, by making available voting through electronic means. The shareholders are given an opportunity at the general meetings to ask questions to the Board and the same are replied to by the Managing Director. Information regarding the general meeting is given to the shareholders in advance and no shareholder has any control disproportionate to their holdings. The Company has only one class of equity shares.

The shareholders have the right to appoint/re-appoint the Directors on the Board. The Company has a framework to avoid Insider trading and abusive self dealing. The Company has adopted the Code of Fair Disclosure Practices for Prevention of Insider Trading and the same has been put up on its website.

The Company respects the rights of its shareholders and provides effective redressed mechanism for violation of their rights, if any. All information is provided on the website of the Company on a timely and regular basis to enable the shareholders to participate in Corporate Governance process. The Company also encourages employee participation in the Corporate Governance process through a strong whistle blower mechanism and conducts regular trainings to ensure employees are aware of the options available to them.

The Company follows all disclosure requirements on all material matters and has a strong Board fully conversant with the requirements of law. The Board fulfils all the key functions as required by it and also does the needful to carry out its other responsibilities.

Company believes that Corporate Governance is a tool to generate long term wealth and create value for all its stakeholders be it shareholders, customers, creditors, employees etc.

## Shree Securities Limited

### 5) MEANS OF COMMUNICATION :

The quarterly / half-yearly and annual financial results of the Company are sent to the Stock Exchanges where the shares of the Company are listed immediately after they have been taken on record by the Board. The same are usually published in Financial Express/ Arthik Lipi Newspapers. The Company is also providing information relating to the material events from time to the investors and to the public at large by faxing the information to the Stock Exchanges as and when happened. These results are not distributed / sent individually to the shareholders. A Management Discussion and Analysis Report forms part of Company's Annual Report

In terms of the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in India, the un-audited financial results as well as audited financial results and Shareholding Pattern and Corporate Governance Compliance and all important information are electronically submitted, unless there are technical difficulties and are displayed on our website i.e. <http://shresecindia.com>

### 6) GENERAL SHAREHOLDER INFORMATION

#### (a) ANNUAL GENERAL MEETING :

AGM Date, Time and Venue	Saturday, the 22nd day of September, 2018 at 11:00 A.M. at "Conference Hall" 11, Clive Row, 5th Floor, Kolkata-700001.
	As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given herein and in the Annexure to the Notice of the AGM to be held on 22.09.2018
Financial Calendar	1st April, 2017 To 31st March, 2018
Date of Book Closure	17th September, 2018 to 22nd September, 2018 (Inclusive of both days)
Listing on Stock Exchanges	1) BSE Limited [ Scrip Code : 538975 ] Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Web: <a href="http://www.bseindia.com">http://www.bseindia.com</a> 2) The Calcutta Stock Exchange Limited [Scrip Code: 10029469] 7, Lyons Range, B. B. D. Bagh, Kolkata-700001, West Bengal
Demat ISIN No. for CDSL and NSDL	INE397C01018
Listing Fee	Paid to the exchanges for the year 2017-2018
Custodial Fees	Paid to the NSDL & CDSL for the year 2017-18
Registrar and Share Transfer Agents	Niche Technologies Pvt. Ltd. D-511, Bagri Market, 71, B. R. B. Road, 5Th Floor, Kolkata-700001. (W.B.) Tel.: +91 33 2235 7270 / 7271 Fax: +91 33 2215 6823 E-mail: <a href="mailto:nichetechpl@nichetechpl.com">nichetechpl@nichetechpl.com</a>

**(b) Market Price Data: High-Low During each month in the last Financial Year (In Rs.)**

The Market High & Low during the year are not available since the share have not been started to trade in the market. However, the company had obtained Trading approval from BSE Limited.

**7) DISCLOSURES**

During the financial year ended March 31, 2018 there were no materially significant related party transactions with the Company's Directors or their relatives. The Company has complied with all the statutory requirements comprised in the Listing Regulations/Guidelines/Rules of the Stock Exchanges/SEBI/other Statutory Authorities.

**8) DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2018:**

<u>Slab</u>	<u>No. of Shareholders</u>		<u>No. of Ordinary Shares</u>	
	<u>Total</u>	<u>% of Shareholders</u>	<u>Total</u>	<u>% of Shareholders</u>
001-500	283	44.9206	29037	0.0364
501-1000	28	4.4444	24429	0.0306
1001-5000	113	17.9365	298700	0.3743
5001-10000	53	8.4127	408275	0.5116
10001-50000	76	12.0635	1621014	2.0313
50001-100000	13	2.0635	1001614	1.2552
100001 and above	64	10.1587	76416931	95.7606
<b>Total</b>	<b>630</b>	<b>100.0000</b>	<b>79800000</b>	<b>100.0000</b>

**Category of Shareholders as on 31<sup>st</sup> March, 2018 :**

<u>CATEGORY</u>	<u>NO. OF SHARES</u>	<u>%</u>
Public	2339708	2.94
Domestic Bodies Corporate	53020042	66.43
Clearing Member & Clearing Corpo.	400	0.00
Promoters & Associates	24439850	30.63
<b>TOTAL</b>	<b>79,800,000</b>	<b>100.000</b>



**" MANAGEMENT DISCUSSION AND ANALYSIS REPORT "**

The Directors have pleasure in presenting the Management Discussion and Analysis Report for the year ended on 31<sup>st</sup> March, 2018. This Report have been included in consonance with the Code of Corporate Governance as approved by the Securities and Exchange Board of India (SEBI).

The Management of the Company is presenting herein the overview, opportunities, threats and overall strategy of the Company and its outlook for the future. This outlook is based on Management's own assessment and it may vary due to Economic and other future developments in the Country.

**ECONOMIC OVERVIEW**

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2017- 18 the Indian economy is expected to grow at 7 to 7.50 per cent during FY 2018-19, despite the uncertainties in the global market.

Uncertainties, however, continue to loom over the global economy, which could have a cascading effect on the Indian economy. The build-up of financial vulnerabilities remains a key concern. As per the October 2017 Global Financial Stability Report, the share of companies with low investment-grade ratings in advanced economy bond indices has increased significantly in recent years. Non-financial corporate debt has also grown rapidly in some emerging markets, necessitating a policy response. Other factors that could impact global investments are increase in trade barriers and regulatory realignments, while a rise in commodity prices could also adversely affect the non-OPEC (Organization of the Petroleum Exporting Countries) markets.

The overall forecast for the coming years appears positive, with growth rates for many of the Euro zone economies having been revised upwards. Germany, Italy and the Netherlands are, in particular, reflecting stronger momentum in domestic demand and higher external demand. In EMDEs (Emerging Markets & Domestic Economies), pickup of growth in commodity exports (forecast to rise to an average of 3.1% in 2019-20) is expected to boost growth to an average of 4.7% in 2019-20.

The Advance Estimates released by the Central Statistics Office, the growth rate of GDP at constant market prices for the year 2017-2018 is placed at 6.5%, as against 7.1% in 2016-17. The major driver for this estimate is the Government final consumption expenditure in the current year. However, there has been recent initiatives like Demonetisation & Goods & Service tax (GST) to eliminate black money and the growing menace, thereby creating opportunities for improvements in economic growth.

**INDUSTRY OVERVIEW**

There are several large and profitable opportunities for NBFC'S and the sector plays an important role in the Indian Financial system. The key is for the NBFC sector to grow in a prudential manner while focusing on financial innovation and in having in place, the adequate risk management systems and procedures before entering into risky areas.

The Indian financial services sector, comprising of a range of institutions from commercial and co-operative banks, pension funds and Non-Banking Financial Companies (NBFCs) to Mutual Funds, insurance companies, etc., is diverse and expanding rapidly. Over the years, the Government of India has initiated several reforms to liberalize this industry and expand its reach to individuals in the hinterlands and Micro, Small and Medium Enterprises (MSMEs) in need of credit and other financial services. Adding a further dimension, the Government and RBI have also allowed new entities such as Payment Banks and Small Finance Banks to enter the financial sector.

Financing needs in India have risen with the notable growth recorded by the economy over the past decade. NBFCs have played a major role in meeting this need, complementing banks and other financial institutions. The regulator constantly endeavors to balance the multiple objectives of financial stability, consumer and depositor protection and regulatory arbitrage concerns.

The financial sector in India predominantly comprises of the banking sector, with commercial banks accounting for more than 64% of the total assets held by the financial system. However, the role of the NBFC sector has been growing. The balance sheet of the NBFC sector expanded by 14.5% during financial year 2016-17. Despite the growth, NBFCs managed their asset quality better than the banks. Gross bad loans of the NBFC industry stood at 4.4% in March 2017, down from 4.9% in September 2016, when banks in general witnessed a rise. Net NPAs as a percentage of total advances also declined from 2.7% to 2.3%.

**STRENGTHS :**

At SSL we provide financial services through simple processes and simple procedures in sanction and disbursement of credit as well as timely, friendly and flexible terms of repayment aligned to the unique features of its clientele. Easy and fast appraisal and disbursements make the Company the preferred choice for many of its customers Customer Insight:

**CHALLENGES :**

Newer regulatory updates pose a constant challenge for smooth operations of the Company. With constant updates governing the functional aspects of financial institutions, there lie unseen challenges in the coming years. Focus on a particular market segment might affect the Company's portfolio & sustainability.

**OPPORTUNITIES :**

Business opportunities for finance companies are enormous as the new areas and segments are being explored. A larger segment of customers remain un-served by Banks and large sized Finance Companies. Your Company on its part is also well poised to seize new opportunities as they come. A rural middle income boom has led to rise in rural incomes. This has been fuelled by increased support prices and welfare schemes initiated by the government. Per capita Gross Domestic Product has grown faster in India's rural areas than in its urban centers. New opportunities like home equity, personal finance, and a foray into factoring and bill payment for the rural hard-to-reach customer may take the Company to new scales of success.

**RISING PER CAPITA INCOME :**

Increase in per capita income leads to creation of increasing wealth and positively impacts disposable incomes. This results in a significant investment multiplier effect on the Indian economy, further leading to increasing consumerism and wealth creation and positively impacting savings. Rising per capita income and stability in economic growth have played a role in increasing the pace of urbanization in the country. One of the notable factors behind the growth in the housing industry has been easy availability of finance. Availability of low interest rate finance has increased disbursement of loans among several financial players.

**THREATS :**

The major threat being faced by finance companies are regulatory changes, interest rates hiked by RBI, high inflation etc. The Company is also facing stiff competition from banks / financial institutions due to their ability to raise low cost funds which enables them to provide funds at much cheaper rate. Higher cost of funds might lead to reduced bottom line for the Company. Also, a lesser interest spread, or higher cost of lending might lead to customers turning away to cheaper source of funds. Asset quality deterioration may not only wipe the profits out of the Company but eat into its net worth. The Company must ensure it maintains minimal delinquency levels.

## **Shree Securities Limited**

### **WEAKNESS :**

The Company does not have strong network & link at remote areas of villages. The Company has significant business presence in the state of West Bengal only. The Company does not have all India based network and establishments to reach out to large segment of people in the country in both semi-urban and rural areas whereas more than 90% of the unorganized sector has no link with banks and 60% of the rural consumers do not have bank accounts.

### **RISKS & CONCERNS**

As a NBFC, your Company's growth and profitability are dependent on the functioning of Capital Markets. The Company is exposed to several market risks like credit risk, liquidity risk and interest rate risk. The volatility of the capital markets in which your Company operates is also a major cause of concern to the Company.

Risk is managed by using a set of credit norms and policies, as approved by the Board. SSL has a structured and standardized process including customer selection criteria, comprehensive credit risk assessment, which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of the borrower.

### **FINANCIAL PERFORMANCE**

The details of the financial performance of the Company is given in the Directors' Report.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate internal control system commensurate with its size and business and has vigilant process to monitor the internal control system. The management has devised its internal control system to safeguard its assets, efficiency in operations and compliance of statutes. The Audit Committee of the Company consisting of Non-Executive Independent Directors, periodically reviews and recommends the financial statements of the Company. The Audit Committee also monitors the implemented suggestions.

### **HUMAN RESOURCES**

The Company strongly believes that its success lies on its employees achieving their personal and professional goals. The Company's constant endeavour is that its employees feel invested in, and in turn, they invest in the Company, its growth and mission.

To foster a positive workplace environment, free from harassment of any nature, the Company has framed a policy for Prevention of Sexual Harassment at Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and reviews the same periodically.

### **CAUTIONARY STATEMENT**

Statements in the MD&A, describing the Company's objective, projections and estimates, are forward looking statements and progressive within the meaning of applicable security laws and regulations. These statements involve a number of risks, uncertainties and other factors namely; economic conditions, Government Policies that could cause actual results to differ materially from those that may be implied by these forward looking statements

Place : Kolkata

Date : 29th day of May, 2018

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

**(Basant Kumar Sharma)**

**Managing Director & CEO**

**DIN : 00084604**

**" CEO and CFO Certification "**

We, Mr. Basant Kumar Sharma (DIN: 00084604), Managing Director cum Chief Executive Officer and Mrs. Swapna Jain (DIN: 06995389), Whole Time Director cum Chief Financial Officer certify that:

- a) We have reviewed Financial Statements and the Cash Flow Statement for the financial year 2017-18 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
  - ii. these statements together present a true and fair view of the Company's affairs and comply with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d)
  - i) There has not been any significant changes in the internal control during the year;
  - ii) There has not been any significant changes in the accounting policies during the year, required disclosure in the notes to the financial statements; and
  - iii) We are not aware of any instances of significant fraud and the involvement therein of the management or an employee having a significant role in the Company's internal control system.

For and on behalf of board of directors

**Basant Kumar Sharma**  
(Managing Director and  
Chief Executive Officer)

**Swapna Jain**  
(Chief Financial Officer  
and Whole Time Director)

Place : Kolkata

Date : 29th day of May, 2018

DIN : 00084604

DIN : 06995389

**"Declaration regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct"**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non Executive Directors and Independent Directors. These Codes are available on the website of the Company (<http://www.shresecindia.com/file/2016/may/CodeofConductofBoardofDirectorsandSeniorManagementPerson.pdf>).

I confirm that the Company has in respect of the year ended March 31, 2018, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

Place: Kolkata

Date : 29th day of May, 2018

**Basant Kumar Sharma**  
Managing Director & CEO  
DIN : 00084604

**" AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE "**

To,  
The Members of  
**SHREE SECURITIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by **Shree Securities Limited** for the year ended on **31<sup>st</sup> March, 2018**, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and into the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**For R. K. KANKARIA & CO.**  
Chartered Accountants  
Firm Reg. No. : 321093E

**(R. K. KANKARIA)**  
(Partner)  
M. No. : 082796  
Place : Kolkata  
Date : 29th day of May, 2018

## **" INDEPENDENT AUDITORS' REPORT "**

To the members of

**M/s. SHREE SECURITIES LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **M/s. SHREE SECURITIES LIMITED** ('the company') which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in the 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 include maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

### **Auditors' Responsibility**

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

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

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

An audit involves performing procedure to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## Shree Securities Limited

### Opinion

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018, from being appointed as a director in terms of section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanation given to us :
    - i. The Company does not have any pending litigations which would impacts its financial position in its financial statements;
    - ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses; and
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For R. K. KANKARIA & CO.**

Chartered Accountants  
Firm Reg. No. : 321093E

**(R. K. KANKARIA)**

(Partner)

M. No. : 082796

Place : Kolkata

Date : 29th day of May, 2018.

**" ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT "**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- I. In respect of its fixed assets:
  - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets of the Company are physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification. In our opinion the periodicity of the physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) According to the information and explanations given to us, the Company does not have immovable property. Thus, paragraph 3(i) (c) of the Order is not applicable to the Company.
- II. In respect of its Inventories:

The Company does not hold any inventory within the meaning of inventories, as defined in Accounting Standard -2. Hence, in our opinion, Paragraph 3(ii) of the order is not applicable to the Company.
- III. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the Register maintained under Section 189 of the Act. So in our opinion the provisions of paragraph 3(iii) (a), 3(iii) (b) and 3(iii) (c) of the Order are not applicable.
- IV. The Company is a Non-Banking Financial Company and it has complied with the provisions of section 185 & 186 of the Act, to the extent applicable to the Company.
- V. The Company has not accepted any deposits from the public.
- VI. The Central Government has not specified maintenance of cost records under section 148 (1) of the Act for any of the services rendered by the Company.
- VII. In respect of statutory dues:
  - (a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service Tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as on last day of the financial year concerned for a period of more than six months from the date they became payable.
  - (b) There are no dues in respect of income-tax, sales-tax, service tax or duty of customs or duty of excise or value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- VIII. The Company has no dues payable to a financial institution, Bank, Government or to debenture-holders during the year. Accordingly, the provision of paragraph 3(viii) of the Order is not applicable.
- IX. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Accordingly, the provision of paragraph 3(ix) of the Order is not applicable.
- X. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any material fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.



## Shree Securities Limited

- XI. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- XII. In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the provision of section 177 & 188 of the Act, where applicable and details of such transactions have been disclosed in the notes to financial statements as required by the applicable accounting standards.
- XIII. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- XIV. The company has not entered into any non-cash transactions with its directors or persons connected with him, so the provisions of section 192 of the Act is not required to be complied with.
- XVI. The company is Non-Banking Financial Company and is duly registered under section 45-IA of the Reserve Bank of India Act, 1934.

### For R. K. KANKARIA & CO.

Chartered Accountants  
Firm Reg. No. : 321093E

### (R. K. KANKARIA)

(Partner)  
M. No. : 082796  
Place : Kolkata  
Date : 29th day of May, 2018.

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## **" ANNEXURE "B" TO THE AUDITORS' REPORT "**

### **Annexure - B to the Independent Auditors' Report on the Financial Statements of SHREE SECURITIES LIMITED**

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

#### **To the members of M/s. SHREE SECURITIES LIMITED**

We have audited the internal financial controls over financial reporting of M/s. SHREE SECURITIES LIMITED ("the Company") as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI").

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

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

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

## Shree Securities Limited

### Opinion

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

**For R. K. KANKARIA & CO.**

Chartered Accountants

Firm Reg. No. : 321093E

**(R. K. KANKARIA)**

(Partner)

M. No. : 082796

Place : Kolkata

Date : 29th day of May, 2018.

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### **" Auditors' Certificate on Non Banking Financial Companies "**

To

The Board of Directors,

**M/s. SHREE SECURITIES LIMITED**

As required under Non-Banking Financial Companies Auditors Report (Reserve Bank) Directions, 2016 and on the basis of information and explanation given to us, We report that:

#### **3A)**

1. The Company is engaged in the Business of Non Banking Financial Institution and it has obtained a certificate of Registration from the Reserve Bank of India.
2. On the basis of Balance Sheet & Profit & Loss account for the year ended 31.03.2018 in our opinion the Company is entitled to continue to hold such certificate of Registration in terms of its asset/income pattern.
3. On the basis of Balance Sheet & Profit & Loss account for the year ended 31.03.2018 in our opinion the Company may be classified as **LOAN/ INVESTMENT COMPANY**.

#### **3C)**

1. The Board of Directors has passed a resolution for Non Acceptance of any Public Deposits.
2. The Company has not accepted any deposit from the public during the year ended 31<sup>st</sup>March, 2018.
3. The Company has complied with the prudential Norm relating to the Income Recognition, Accounting Standards, assets classification and provisioning for bad and doubtful debts as applicable to it in terms of Non Banking Financial (Non Deposits Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions – 2016.
4. The Company is not a systemically Important Company as defined in Paragraph 2(1)(XIX) of the Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016.

**For R. K. KANKARIA & CO.**

Chartered Accountants

Firm Reg. No. : 321093E

**(R. K. KANKARIA)**

(Partner)

M. No. : 082796

Place : Kolkata

Date : 29th day of May, 2018.

**BALANCE SHEET AS AT 31ST MARCH, 2018**

Particulars	Note No	Current Year	Previous Year
		Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	79,80,00,000	79,80,00,000
(b) Reserves and Surplus	3	15,57,12,758	15,79,19,360
<b>(2) Non Current Liabilities</b>			
(a) Deferred Tax Liabilities (Net)	4	-	-
(b) Long Term Provisions	5	39,30,457	22,99,089
<b>(3) Current Liabilities</b>			
(a) Other Current Liabilities	6	28,267	67,970
(b) Short-term Provisions	7	3,10,538	2,72,498
<b>TOTAL</b>		<b>95,79,82,020</b>	<b>95,85,58,917</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed Assets			
Tangible Assets	8	2,020	2,020
(b) Non-current Investments	9	74,79,25,005	74,79,25,005
(c) Long Term Loans and Advances	10	17,36,87,683	20,13,39,621
(d) Deferred Tax Assets (Net)	4	515	842
<b>(2) Current assets</b>			
(a) Inventories		38,25,000	
(b) Short-term Loans and Advances	11	2,01,34,038	35,12,760
(c) Cash and Cash equivalents	12	87,09,356	38,47,706
(d) Other Current Assets	13	36,98,403	19,30,963
<b>TOTAL</b>		<b>95,79,82,020</b>	<b>95,85,58,917</b>
SIGNIFICANT ACCOUNTING POLICIES	1	<b>For and on behalf of the Board</b>	
OTHER NOTES ON ACCOUNTS	21		
<i>In terms of our report of even date</i>		<b>Basant Kumar Sharma</b> Managing Director & CEO (DIN : 00084604)	
<b>FOR R K KANKARIA &amp; CO.</b> (Chartered Accountants) Firm Reg. No : 321093E			
<b>CA. RAJESH KUMAR KANKARIA</b> Partner M. No. : 082796		<b>Swapna Jain</b> Chief Financial Officer & WTD (DIN : 06995389)	
<b>Date : 29th day of May, 2018</b> <b>Place : Kolkata</b>		<b>Reema Kejriwal</b> Company Secretary (ACS : 41217)	

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2018**

PARTICULARS		Note No	Current Year	Previous Year
			Rs.	Rs.
I	REVENUE FROM OPERATIONS	14	3,04,68,860	4,37,82,496
II	OTHER INCOME	15	-	14,162
III	<b>TOTAL REVENUE ( I + II )</b>		<b>3,04,68,860</b>	<b>4,37,96,658</b>
IV	<b>EXPENSES</b>			
	Purchases of Stock-in-Trade		3,33,85,000	4,13,89,200
	Changes in Inventories of Stock-in-Trade	16	(38,25,000)	-
	Employee Benefit Expenses	17	5,50,500	6,00,000
	Depreciation and Amortization Expense	18	-	3,464
	Other Expenses	19	8,95,227	9,12,632
	<b>TOTAL EXPENSES</b>		<b>3,10,05,727</b>	<b>4,29,05,296</b>
	Profit Before Exceptional Items		(5,36,867)	8,91,362
	Less : Exceptional Items		-	-
V	Profit Before Tax		(5,36,867)	8,91,362
VI	<b>TAX EXPENSES</b>			
a	Current Tax		-	(2,66,337)
b	Deferred Tax		(327)	86
c	Tax for Earlier Year		-	-
VII	<b>PROFIT / ( LOSS ) FOR THE PERIOD</b>		<b>(5,37,194)</b>	<b>6,25,111</b>
VIII	Earning Per Equity Share			
a	Basic	20	(0.007)	0.008
b	Diluted	20	(0.007)	0.008
	SIGNIFICANT ACCOUNTING POLICIES	1	<b>For and on behalf of the Board</b>	
	OTHER NOTES ON ACCOUNTS	21		
	<i>In terms of our report of even date</i> <b>FOR R K KANKARIA &amp; CO.</b> <b>(Chartered Accountants)</b> Firm Reg. No : 321093E		<b>Basant Kumar Sharma</b> Managing Director & CEO (DIN 00084604)	
	<b>CA. RAJESH KANKARIA</b> Partner M. No. : 082796		<b>Swapna Jain</b> Chief Financial Officer & WTD (DIN : 06995389)	
	<b>Date : 29th day of May, 2018.</b> <b>Place : Kolkata</b>		<b>Reema Kejriwal</b> Company Secretary (ACS :41217)	

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

		Current Year		Previous Year	
		(Rs.)		(Rs.)	
1.	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
	Net Profit/(Loss) before Tax (a)		(536,867)		891,362
	Less: Interest on IT Refund	-		(12,662)	
	Add : Depreciation	-		3,464	
	Sub Total - (b)		-		(9,198)
	<b>Operating Profit before Working Capital Changes</b>		(536,867)		882,164
	Adjustments :				
	Increase/ (Decrease) in Current Liabilities	(39,703)		(457,375)	
	(Increase)/Decrease in Inventories	(3,825,000)			
	(Increase) / Decrease in Loans & advances	11,030,660	7,165,957	(17,412,818)	(17,870,193)
	Sub Total - (c)		6,629,090		(16,988,029)
	Less: Taxes paid		(1,767,440)		(1,564,257)
	<b>Net Cash from Operating Activities A</b>		<b>4,861,650</b>		<b>(18,552,286)</b>
2.	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
	(Increase) / Decrease in Investment	-		17,010,000	
	<b>Net Cash from Investing Activities B</b>		-		17,010,000
3.	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	Increase/(Decrease) in Borrowings	-		-	
	<b>Net Cash from Financing Activities C</b>		-		-
	Net Increase in Cash/Cash Equivalent A+B+C		4,861,650		(1,542,286)
	Cash/Cash Equivalents (Opening)		3,847,706		5,389,992
	Cash/Cash Equivalents (Closing)		8,709,356		3,847,706

1	<b>Note :</b> The above cash flow statement has been prepared under the indirect Method as set out in the Accounting Standard-3 on Cash Flow Statements		
	<b>Break up of cash and cash equivalents</b>	<b>Current Year</b>	<b>Previous Year</b>
		(Rs.)	(Rs.)
2	Cash in Hand	65,480	62,470
	Cash at Bank	8,643,876	3,785,236
		<b>8,709,356</b>	<b>3,847,706</b>

SIGNIFICANT ACCOUNTING POLICIES  
OTHER NOTES ON ACCOUNTS

*In terms of our report of even date*  
**FOR R K KANKARIA & CO.**  
**(Chartered Accountants)**  
Firm Reg. No : 321093E

**CA. RAJESH KANKARIA**  
Partner  
M. No. : 082796

**Date : 29th day of May, 2018.**  
**Place : Kolkata**

**For and on behalf of the Board**

**Basant Kumar Sharma**  
Managing Director & CEO  
(DIN 00084604)

**Swapna Jain**  
Chief Financial Officer & WTD  
(DIN : 06995389)

**Reema Kejriwal**  
Company Secretary  
(ACS :41217)

**NOTE - 1**

**Significant Accounting Policies :**

**01. ACCOUNTING CONVENTIONS :**

The Financial Statements are prepared on Historical Cost Convention. Financial Statements are prepared in accordance with relevant presentational requirements of the Companies Act, 2013 and applicable mandatory Accounting Standards as prescribed under section 133 of Companies Act, 2013 read with rule 7 of the Companies ( Accounts ) Rules, 2014.

**02. FIXED ASSETS :**

Fixed assets are stated at cost less accumulated depreciation and impairment if any. Cost comprises the purchase price inclusive of duties, taxes, and incidental expenses upto the date, the asset is ready for its intended use.

**03. DEPRECIATION :**

Depreciation on Fixed Assets has been provided based on useful life assigned to each asset prescribed in accordance with Part - "C" of Schedule-II of the Companies Act, 2013.

Depreciation on fixed assets added / disposed off during the year, is provided on pro-rata basis with reference to the date of addition / disposal.

In a case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over their remaining useful life.

**04. IMPAIRMENT OF FIXED ASSETS :**

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its receive after impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

**05. EARNING PER SHARE :**

Earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**06. INVESTMENTS :**

Investments that are readily realizable and intended to be held for not more than a year are classified as Current Investments. All other Investments are classified as Non Current Investments. Current Investments are stated at lower of cost and market rate on an individual investment basis. Non Current Investments are considered 'at cost' on individual investment basis, unless there is a decline other than temporary in the value, in which case adequate provision is made against such diminution in the value of investments.

**07. RECOGNITION OF INCOME & EXPENDITURE :**

Income and expenditure are accounted for on accrual basis. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when the shareholder's right to receive.

**08. CONTINGENCIES :**

These are disclosed by way of notes on the Balance sheet. Provisions is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end, till the finalization of accounts and material effect on the position stated in the Balance Sheet.

**09 PROVISIONING FOR STANDARD ASSETS :**

The Reserve Bank of India vide Notification No. DNBR.PD.007/03.10.119/2016-17 Dated **SEPTEMBER 1, 2016** has issued direction to all NBFCs to make provision of **0.25%** on **STANDARD ASSETS** with immediate effect. Accordingly the Company has made provision @ **0.25%** on Standard Assets in accordance therewith.

**10 PROVISIONING FOR DEFERRED TAXES :**

The Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred Tax resulting from “timings difference” between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the Balance Sheet date. The Deferred Tax Asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.

**11 TAXES ON INCOME :**

Current Tax is determined as the amount of tax payable in respect of taxable income for the year.

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



**NOTE FORMING PART OF THE BALANCE SHEET AS AT  
& STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018**

<b>NOTE - 2</b> <b>SHARE CAPITAL</b>	<b>Current Year</b>	<b>Previous Year</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>Authorised</b> 7,98,05,000 (P.Y. 7,98,05,000) Equity Shares of Rs.10/- each	<b>79,80,50,000</b>	<b>79,80,50,000</b>
<b>Issued, Subscribed &amp; Paid up</b> 7,98,00,000 (P.Y. 7,98,00,000) Equity Shares of Rs.10/- each	79,80,00,000	79,80,00,000
	<b>79,80,00,000</b>	<b>79,80,00,000</b>

**A. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

	<b>Current Year</b>		<b>Previous Year</b>	
	<b>Nos</b>	<b>Amount</b>	<b>Nos</b>	<b>Amount</b>
Shares outstanding at the beginning of the year	7,98,00,000	79,80,00,000	7,98,00,000	79,80,00,000
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	<b>7,98,00,000</b>	<b>79,80,00,000</b>	<b>7,98,00,000</b>	<b>79,80,00,000</b>

**B. TERMS/ RIGHTS ATTACHED TO EQUITY SHARES**

The Company has only one class of equity share having par value of Rs.10/- per share. Each holder of Equity share is entitled to one vote per share.

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

**C. Details of shareholders holding more than 5% shares of the Company**

<b>NAME OF THE SHAREHOLDER</b>	<b>Current Year</b>		<b>Previous Year</b>	
	<b>Nos</b>	<b>%</b>	<b>Nos</b>	<b>%</b>
<b>(EQUITY SHARES OF RS 10/- EACH FULLY PAID UP)</b>				
MEGSHSHREE CREDIT PRIVATE LIMITED	1,70,49,850	21.37	1,70,49,850	21.37
FABER TREXIM PRIVATE LIMITED	70,37,300	8.82	70,37,300	8.82

As per the records of the Company, including its Register of Members and other declarations received from the shareholders regarding beneficial interest, the above shareholders represents legal ownership of shares.

**D. SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH**

Out of the above 74800000 (P.Y. 74800000) Equity Shares have been issued for consideration other than cash.

**NOTE FORMING PART OF THE BALANCE SHEET AS AT  
& STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018**

Particulars	Current Year	Previous Year
	Rs.	Rs.
<b>NOTE - 3</b>		
<b><u>RESERVE &amp; SURPLUS</u></b>		
<b>Amalgamation Reserve</b>		
Opening Balance	16,11,34,330	16,11,34,330
Add: Created during the year	-	-
<b>A</b>	<b>16,11,34,330</b>	<b>16,11,34,330</b>
<b>Special Reserve</b>		
Opening Balance	5,35,916	4,10,894
Add : Created during the year	-	1,25,022
<b>B</b>	<b>5,35,916</b>	<b>5,35,916</b>
<b>Profit &amp; Loss Account</b>		
Opening Balance	(37,50,886)	(40,97,110)
Add : Profit for the year	(5,37,194)	6,25,111
Add : Provision for Doubtful Assets	(19,05,000)	-
Less : Transferred to Special Reserve	-	(1,25,022)
Add : Contingency provision for standard Assets	2,35,592	(1,53,865)
<b>C</b>	<b>(59,57,488)</b>	<b>(37,50,886)</b>
<b>TOTAL (A+B+C)</b>	<b>15,57,12,758</b>	<b>15,79,19,360</b>
<b>NOTE - 4</b>		
<b><u>DEFERRED TAX ASSETS / (LIABILITIES)</u></b>		
<b><u>DEFERRED TAX LIABILITIES</u></b>		
Opening Balance	59	59
Add : Generated	327	-
Less: Reversed	-	-
Cls . Balance	<b>386</b>	<b>59</b>
<b><u>DEFERRED TAX ASSETS</u></b>		
Opening Balance	901	815
Add : Generated	-	86
Less: Reversed	-	-
Closing Balance	<b>901</b>	<b>901</b>
Net Deferred Tax Assets/(liabilities)	<b>515</b>	<b>842</b>
<b>NOTE - 5</b>		
<b><u>LONG TERM PROVISIONS</u></b>		
Provision for Loss Assets	16,00,000	16,00,000
Contingency Provision for Standard Assets	4,25,457	6,99,089
Provision for Doubtful Assets	19,05,000	-
	<b>39,30,457</b>	<b>22,99,089</b>
<b>NOTE - 6</b>		
<b><u>OTHER CURRENT LIABILITIES</u></b>		
TDS Payable	407	5,000
Professional Tax Payable	2,860	220
Liabilities For Expenses	25,000	62,750
	<b>28,267</b>	<b>67,970</b>
<b>NOTE - 7</b>		
<b><u>SHORT TERM PROVISION</u></b>		
Provision for Taxation For Current Year	2,60,203	2,60,203
Contingency Provision for Standard Assets	50,335	12,295
	<b>3,10,538</b>	<b>2,72,498</b>

**NOTE FORMING PART OF THE BALANCE SHEET AS AT  
& STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018**

**Note -8**

**Fixed Assets**

Description	Gross Block			Depreciation			Net Block		
	As at 01.04.17	Addition	Deletion	As at 31.03.18	Up to 31.03.17	For the year	Up to 31.03.18	As at 31.03.18	As at 31.03.17
<b>Tangible assets</b>									
<b>Computer</b>	99,000	-	-	99,000	96,980	-	96,980	2,020	2,020
<b>Total</b>	<b>99,000</b>	<b>-</b>	<b>-</b>	<b>99,000</b>	<b>96,980</b>	<b>-</b>	<b>96,980</b>	<b>2,020</b>	<b>2,020</b>
<b>Previous Year</b>	99,000	-	-	99,000	93,516	3,464	96,980	2,020	-

**NOTE FORMING PART OF THE BALANCE SHEET AS AT  
& STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018**

**NOTE - 9**

**NON CURRENT INVESTMENTS**

(Long Term, Non Trade, Valued at Cost)

Particulars	Face Value	Current Year		Face Value	Previous Year	
		No. of Shares	Amount Rs.		No. of Shares	Amount Rs.
<b><u>QUOTED SHARES</u></b>						
Mangalam Industrial Finance Ltd.	1	50,75,000	1,52,25,000	10	50,75,000	1,52,25,000
<b>SUB TOTAL :</b>		<b>50,75,000</b>	<b>1,52,25,000</b>		<b>50,75,000</b>	<b>1,52,25,000</b>
<b><u>UNQUOTED SHARES</u></b>						
<b><u>In others</u></b>						
Rabirun Vinimay Pvt. Ltd.	10	68,62,500	27,45,00,000	10	68,62,500	27,45,00,000
BRG Iron & Steel Co. Pvt. Ltd.	10	3,05,46,667	45,82,00,005	10	3,05,46,667	45,82,00,005
<b>SUB TOTAL :</b>		<b>3,74,09,167</b>	<b>73,27,00,005</b>		<b>3,74,09,167</b>	<b>73,27,00,005</b>
<b>GRAND TOTAL :</b>		<b>4,24,84,167</b>	<b>74,79,25,005</b>		<b>4,24,84,167</b>	<b>74,79,25,005</b>
<b>MARKET VALUE QUOTED SHARE :</b>			<b>58,87,000</b>			<b>80,69,250</b>
<b>BOOK VALUE QUOTED SHARE :</b>			<b>1,52,25,000</b>			<b>1,52,25,000</b>

Particulars	Current Year	Previous Year
	Rs.	Rs.
<b>NOTE - 10</b>		
<b><u>LONG TERM LOANS &amp; ADVANCES</u></b>		
(Unsecured, Considered good)		
Loans to Corporate (Standard Assets)	2,79,78,123	4,29,27,200
Loans to others		
-Standard Assets	14,22,04,560	15,68,12,421
-Doubtful Assets	19,05,000	-
-Loss Assets	16,00,000	16,00,000
	<b>17,36,87,683</b>	<b>20,13,39,621</b>
<b>NOTE -11</b>		
<b><u>SHORT TERM LOANS &amp; ADVANCES</u></b>		
(Unsecured, Considered good)		
Loan to Others		
-Standard Assets	2,01,34,038	35,12,760
	<b>2,01,34,038</b>	<b>35,12,760</b>
<b>NOTE - 12</b>		
<b><u>CASH &amp; CASH EQUIVALENTS</u></b>		
Cash in hand (As certified)	65,480	62,470
Balances with Schedule Bank in Current Account	86,43,876	37,85,236
	<b>87,09,356</b>	<b>38,47,706</b>
<b>NOTE -13</b>		
<b><u>OTHER CURRENT ASSETS</u></b>		
Tax Deducted At Source	36,77,503	19,10,063
Deposits	20,900	20,900
	<b>36,98,403</b>	<b>19,30,963</b>
<b>NOTE - 14</b>		
<b><u>REVENUE FROM OPERATIONS</u></b>		
Sale of Equity shares	1,27,31,342	2,70,60,427
Interest	1,77,37,518	1,67,22,069
	<b>3,04,68,860</b>	<b>4,37,82,496</b>
<b>NOTE - 15</b>		
<b><u>OTHER INCOME</u></b>		
Interest on Income Tax Refund	-	12,662
Liabilities no longer required written back	-	1,500
	-	<b>14,162</b>
<b>NOTE - 16</b>		
<b><u>INVENTORIES</u></b>		
Opening Inventories		
Equity Shares	-	-
	-	-
Closing Inventories		
Equity Shares	38,25,000	-
	38,25,000	-
Changes in inventories	<b>(38,25,000)</b>	-
<b>NOTE - 17</b>		
<b><u>EMPLOYEE BENEFIT EXPENSES</u></b>		
Salary	4,18,500	4,68,000
Directors Remuneration	1,32,000	1,32,000
	<b>5,50,500</b>	<b>6,00,000</b>

## Shree Securities Limited

<u>Particulars</u>	<u>Current Year</u>	<u>Previous Year</u>
	Rs.	Rs.
<b><u>NOTE - 18</u></b>		
<b><u>DEPRECIATION &amp; AMORTISATION</u></b>		
Depreciation	-	3,464
Preliminary Expenses W/Off	-	-
	-	<b>3,464</b>
<b><u>NOTE - 19</u></b>		
Advertisement Expenses	64,427	58,056
Payment to Auditors		
As Audit Fees *	-	28,750
For Tax Audit Fees *	-	11,500
Bank Charges	437	524
Secretarial Audit Fees	15,000	15,000
Certification Fees	15,000	10,000
Computer Maintenance	12,000	12,000
Demat Expenses	944	875
Depository Expenses	186,568	207,250
E-Voting Expenses	7,080	5,750
Filing Fees	8,400	39,200
Internal Audit Fees	5,000	5,000
Legal & Professional Expenses	46,215	70,151
Listing Fees	346,725	287,968
Meeting Expenses	5,075	4,260
Miscellaneous Expenses (Incl. Intt. On TDS & Prof. Tax)	26,800	29,043
Postage & Telegram	27,808	25,191
Printing & Stationery	55,747	64,340
Rates & Taxes	5,750	5,750
Telephone Expenses	2,769	2,612
Transfer Agent Fees	23,000	22,900
Travelling Expenses	34,544	-
Website Expenses	5,938	6,512
	<b>895,227</b>	<b>912,632</b>
*Please refer Note 21(xi) of other Notes on Accounts.		
<b><u>NOTE - 20</u></b>		
<b><u>EARNING PER SHARE</u></b>		
Net Profit after tax as per Statement of Profit and Loss (A)	(5,37,194)	6,25,111
weighted Average number of equity shares outstanding (B)	7,98,00,000	7,98,00,000
Basic and Diluted Earnings per share (Rs.) [A/B]	(0.007)	0.008
Face value per equity share (Rs.)	10	10

**NOTE-21 OTHER NOTES ON ACCOUNTS**

- i** Based on the information / documents available with the Company, no creditor is covered under Micro, Small and Medium Enterprise Development Act, 2006. As a result, no interest provision / payments have been made by the Company to such creditors, if any, and no disclosures thereof are made in these accounts.
- ii** Loans & advances balances are subject to confirmation by the respective parties.
- iii** The management has assessed that there is no impairment of Fixed Assets requiring provision in the Accounts. Accordingly, there is no debit to the Statement of Profit & Loss for the impairment of Assets.
- iv** The Company has complied the revised Accounting Standard - 15 "Employee Benefits" notified under the Companies (Accounting Standards) Rules, 2006. There is no present obligation of any post employment benefit including gratuity during the year. Therefore no actuarial gain or loss arose at the end of the year.
- v** **Segment Report :**  
The Company is engaged in the business of Non-Banking Financial Services and there are no separate reportable segments as per Accounting Standard 17.
- vi** **Related Party Disclosure :**  
As per accounting standard 18 the information for related parties is given below:  
**Name of the related parties**  
**ASSOCIATES** - None  
**SUBSIDIARIES** - None  
**KEY MANAGEMENT PERSONNEL ( KMP )**  
1. Basant Kumar Sharma - Managing Director  
2. Swapna Jain - Chief Financial Officer  
3. Reema Kejriwal - Company Secretary  
**RELATIVES OF (KMP)** - None  
**Enterprise in which KMP and their Relatives has Substantial Interest** - None

**RELATED PARTY TRANSACTION**

Sl. No.	Nature of Transaction	Relation	31.03.2018 (Rs.)	31.03.2017 (Rs.)
	<b>Directors Remuneration</b>			
1	Basant Kumar Sharma	Managing Director	1,32,000	1,32,000
	<b>Salary</b>			
1	Swapna Jain	Chief Financial Officer	72,000	72,000
2	Reema Kejriwal	Company Secretary	1,80,000	1,80,000

- vii** The Company has Complied this information based on the current information in its possession. As at 31.03.2018, No supplier has intimated the Company about its status as a Micro or Small enterprise or its Registration with the appropriate authority under Micro, Small and Medium Enterprise Development Act, 2006.  
Amount due to Micro Small and Medium Enterprises as on 31.03.2018 Rs. NIL ( P.Y. Rs. NIL )
- viii** The company has made 100% provision in respect of certain Loans & Advances which is considered as loss asset and unsecured doubtful asset by the management as prescribed by the Reserve Bank of India.

## Shree Securities Limited

ix	Particulars	2017-2018	2016-2017
	C.I.F. Value of Imports	NIL	NIL
	F.O.B. Value of Exports	NIL	NIL
	Expenditure in Foreign Currency	NIL	NIL
	Income in Foreign Currency	NIL	NIL
X	No provisions has been made for fall, if any, in the market value of quoted securities or break- up value of unquoted securities, held as Investments, diminution where, if any, is not permanent in nature.		
xi	Keeping in view the introduction of GST and to align the same with books of accounts we recommend that do not make provision regarding the audit fes for the financial year 2017-18. The same shall be taken in the books of accounts as and when we raise the bill for audit fees. Consequently do not deduct the TDS on the audit fees in the quarter ending on 31.03.2018 and the same shall be deducted in the quarter when the bill will be raised. Due notes shall be given in Financial Statements regarding this. Kindly note that this is being done so that there can be seamless flow of ITC.		
xii	No provision has been made on account of leave salary as there are no leave to the credit of employees as at the end of the year.		
xiii	No provision has been made on account of gratuity as there are no employees who have completed the required number of years as per the Payment of Gratuity Act, 1972.		
xiv	<b>Deferred Taxation :</b> In the opinion of the management, the Company has provided the provisions for deferred tax on account of timing differences for the period in which there is virtual certainty of sufficient future income for realisation in future years, in accordance with AS-22 "Accounting For Taxes On Income" issued by the Institute of Chartered Accountants of India.		
xv	The company has considered Tax Credit on income received on the basis of income recognised by it in the Books . However the same is subject to confirmation by the appropriate authorities. Any difference will be accounted for in subsequent accounting year.		
xvi	Previous Year figures have been regrouped, rearranged or recasted wherever considered necessary to make them comparable with the figures of the current year.		
xvii	Particulars required to be furnished by the NBFCs as per paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 issued by the RBI are given as per Annexure attached hereto.		
SIGNIFICANT ACCOUNTING POLICIES		<b>For and on behalf of the Board</b>	
OTHER NOTES ON ACCOUNTS			
<i>In terms of our report of even date</i>		<b>Basant Kumar Sharma</b>	
<b>FOR R K KANKARIA &amp; CO.</b>		Managing Director & CEO	
<b>(Chartered Accountants)</b>		(DIN 00084604)	
Firm Reg. No : 321093E		<b>Swapna Jain</b>	
		Chief Financial Officer & WTD	
		(DIN : 06995389)	
<b>CA. RAJESH KANKARIA</b>		<b>Reema Kejriwal</b>	
Partner		Company Secretary	
M. No. : 082796		(ACS :41217)	
<b>Date : 29th day of May, 2018.</b>			
<b>Place : Kolkata</b>			

**ANNEXURE REFERRED TO IN NOTE NO. - 21 (xvii)\_TO ACCOUNT  
ANNEXED AS PER RESERVE BANK OF INDIA PRUDENTIAL NORMS AS ON 31.03.2018.**

**AS REQUIRED IN TERMS OF PARAGRAPH 13 OF A NON-BANKING FINANCIAL (NON-DEPOSIT  
ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 2007**

<b>PARTICULARS</b>		<b>(Rs. In Lakhs)</b>	
<b>1.</b>	<b><u>LIABILITIES SIDE :</u></b> LOANS AND ADVANCES AVAILED BY THE NBFCS INCLUSIVE OF INTEREST ACCRUED THEREON BUT NOT PAID	<b><u>Amount Outstanding</u></b>	<b><u>Amount Overdue</u></b>
	a) DEBENTURES : SECURED UNSECURED (Other than falling within the meaning of public deposits)	NIL NIL	NIL NIL
	b) DEFERRED CREDITS	NIL	NIL
	c) TERM LOANS	NIL	NIL
	d) INTER - CORPORATE LOANS AND BORROWINGS	NIL	NIL
	e) COMMERCIAL PAPER	NIL	NIL
	f) PUBLIC DEPOSITS	NIL	NIL
	g) OTHER LOANS (SPECIFY NATURE) • Please see Note - 1 below	NIL	NIL
<b>2.</b>	<b><u>ASSETS SIDE :</u></b> BREAK-UP OF LOANS AND ADVANCES INCLUDING BILLS RECEIVABLES OTHER THAN THOSE INCLUDED IN (4) BELOW:		<b><u>Amount Outstanding</u></b>
	• SECURED • UNSECURED		NIL 1938.22
<b>3.</b>	<b><u>BREAK-UP OF LEASED ASSETS AND STOCK ON HIRE AND HYPOTHECATION LOANS COUNTING TOWARDS EL/HP ACTIVITIES</u></b>		
	i) LEASE ASSETS INCLUDING LEASE RENTALS UNDER SUNDRY DEBTORS • FINANCIAL LEASE • OPERATING LEASE		NIL NIL
	ii) STOCK ON HIRE INCLUDING HIRE CHARGES UNDER SUNDRY DEBTORS • ASSETS ON HIRE • REPOSSESSED ASSETS		NIL NIL
	iii) HYPOTHECATION LOANS COUNTING TOWARDS EL/HP ACTIVITIES • LOANS WHERE ASSETS HAVE BEEN REPOSSESSED • LOANS OTHER THAN (A) ABOVE.		NIL NIL



4.	<b>BREAK-UP OF INVESTMENTS ** :</b> <b>CURRENT INVESTMENTS (STOCK IN TRADE)</b>			
	<b>1. QUOTED :</b> <ul style="list-style-type: none"> <li>• SHARES : A) EQUITY</li> <li style="padding-left: 20px;">B) PREFERENCE</li> <li>• DEBENTURES AND BONDS</li> <li>• UNITS OF MUTUAL FUNDS</li> <li>• GOVERNMENT SECURITIES</li> <li>• OTHERS (PLEASE SPECIFY)</li> </ul>			NIL NIL NIL NIL NIL NIL
	<b>2. UNQUOTED :</b> <ul style="list-style-type: none"> <li>• SHARES : A) EQUITY</li> <li style="padding-left: 20px;">B) PREFERENCE</li> <li>• DEBENTURES AND BONDS</li> <li>• UNITS OF MUTUAL FUNDS</li> <li>• GOVERNMENT SECURITIES</li> <li>• OTHERS (PLEASE SPECIFY)</li> </ul>			NIL NIL NIL NIL NIL NIL
	<b>LONG TERM INVESTMENTS</b>			
	<b>1. QUOTED :</b> <ul style="list-style-type: none"> <li>• SHARES : A) EQUITY</li> <li style="padding-left: 20px;">B) PREFERENCE</li> <li>• DEBENTURES AND BONDS</li> <li>• UNITS OF MUTUAL FUNDS</li> <li>• GOVERNMENT SECURITIES</li> <li>• OTHERS (PLEASE SPECIFY)</li> </ul>			152.25 NIL NIL NIL NIL NIL
	<b>2. UNQUOTED :</b> <ul style="list-style-type: none"> <li>• SHARES : A) EQUITY</li> <li style="padding-left: 20px;">B) PREFERENCE</li> <li>• DEBENTURES AND BONDS</li> <li>• UNITS OF MUTUAL FUNDS</li> <li>• GOVERNMENT SECURITIES</li> <li>• OTHERS (PLEASE SPECIFY)</li> </ul>			7327 NIL NIL NIL NIL NIL
	<b>Note: ** Does not include investment made in land.</b>			
5.	<b>BORROWER GROUP-WISE CLASSIFICATION OF ALL LEASED ASSETS, STOCK-ON-HIRE AND LOANS AND ADVANCES</b>	<b>AMOUNT NET OF PROVISIONS</b>		
	<b>CATEGORY</b>			
	<b>1. RELATED PARTIES **</b>	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	A) SUBSIDIARIES	NIL	NIL	NIL
	B) COMPANIES IN THE SAME GROUP	NIL	NIL	NIL
	C) OTHER RELATED PARTIES	NIL	NIL	NIL
	<b>2. OTHER THAN RELATED PARTIES</b>	NIL	1938.22	1938.22
	<b>TOTAL</b>	<b>NIL</b>	<b>1938.22</b>	<b>1938.22</b>

<b>6. INVESTOR GROUP WISE CLASSIFICATION OF ALL INVESTMENTS (CURRENT AND LONG TERM) IN SHARES AND SECURITIES (BOTH QUOTED AND UNQUOTED)</b>			
<b>CATEGORY</b>		<b>Market Value /Break-Up of Fair Value or NAV</b>	<b>Book Value (Net of Provisions)</b>
<b>1. RELATED PARTIES **</b>			
A) SUBSIDIARIES		NIL	NIL
B) COMPANIES IN THE SAME GROUP		NIL	NIL
C) OTHER RELATED PARTIES (ASSOCIATES)		NIL	NIL
<b>2. OTHER THAN RELATED PARTIES</b>		7385.87	7479.25
<b>TOTAL</b>		<b>7385.87</b>	<b>7479.25</b>
<b>7. OTHER INFORMATIONS</b>			
<b>PARTICULARS</b>			<b><u>AMOUNT</u></b>
<b>I) GROSS NON - PERFORMING ASSETS</b>			
A) RELATED PARTIES			NIL
B) OTHER THAN RELATED PARTIES			35.05
<b>II) NET NON PERFORMING ASSETS</b>			
A) RELATED PARTIES			NIL
B) OTHER THAN RELATED PARTIES			35.05
<b>III) ASSETS ACQUIRED IN SATISFACTION OF DEBT</b>			NIL
SIGNIFICANT ACCOUNTING POLICIES		<b>For and on behalf of the Board</b>	
OTHER NOTES ON ACCOUNTS			
<i>In terms of our report of even date</i>		<b>Basant Kumar Sharma</b>	
<b>FOR R K KANKARIA &amp; CO.</b>		Managing Director & CEO	
<b>(Chartered Accountants)</b>		(DIN 00084604)	
Firm Reg. No : 321093E		<b>Swapna Jain</b>	
		Chief Financial Officer & WTD	
		(DIN : 06995389)	
<b>CA. RAJESH KANKARIA</b>		<b>Reema Kejriwal</b>	
Partner		Company Secretary	
M. No. : 082796		(ACS :41217)	
<b>Date : 29th day of May, 2018.</b>			
<b>Place : Kolkata</b>			

**FORM NO. SH-13**

**Nomination Form**

*[Pursuant to section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies Share Capital and Debentures) Rules, 2014]*

To,  
**Shree Securities Limited**  
3, Synagogue Street,  
3rd Floor, Room No. 18G,  
Kolkata- 700 001.

I am / We are \_\_\_\_\_ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my / our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of Securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

(2) PARTICULARS OF NOMINEE/S—

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's Name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) e-mail id:
- (h) Relationship with the security holder:

(3) IN CASE NOMINEE IS A MINOR—

- (a) Date of birth:
- (b) Date of attaining majority:
- (c) Name of guardian:
- (d) Address of guardian:

Name:

Address:

Name of Security Holder(s)

Signature

Witness with name and address

1	Please read the instructions given below very carefully. If the form is not filed as per instructions, the same will be rejected.
2	The nomination can be made by individuals only. Non individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of power of attorney cannot nominate.
3	If the Shares are held jointly all joint holders shall sign (as per the specimen registered with the Company) the nomination form.
4	A nomination must be witnessed by two witnesses. A nomination form not witnessed by two witnesses will be rejected.
5	A minor can be nominated and in that case the name and address of the Guardian shall be given by the holder.
6	The nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family, or a power of attorney holder. A non-resident Indian can be a nominee on repatriable basis.
7	Transfer of Shares in favour of a nominee shall be a valid discharge by the Company against the legal heir(s).
8	Only one person can be nominated for a given folio.
9	Details of all holders in a folio need to be filed; else the nomination will be rejected.
10	The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the Company) and (b) the nominee/guardian.
11	Whenever the Shares in the given folio are entirely transferred or dematerialised, then this nomination will stand rescinded.
12	The intimation regarding nomination / nomination form shall be filled in duplicate with the Registrars & Transfer Agents of the Company who will return one copy thereof to the Shareholders.
13	Upon receipt of a duly executed nomination form, the Registrars & Transfer Agent of the Company will register the form and allot a registration number. The registration number and folio no. should be quoted by the nominee in all future correspondence.
14	The Company will not entertain any claims other than those of a registered nominee.
15	The nomination can be varied or cancelled by executing fresh nomination form.
16	For shares held in dematerialised form nomination is required to be filled with the Depository Participant.

<b><u>FOR OFFICE USE ONLY</u></b>	
Nomination Registration Number	
Date of Registration	
Checked By (Name and Signature)	

**--:: E-MAIL ADDRESS REGISTRATION FORM ::--**

(In term of Circular Nos. 17/2011 and 18/2011 dated 21.04.2011 and 29.04.2011  
Respectively Issued by Ministry of Corporate Affairs, Government of India)

(For shares held in Physical Form)

**Niche Technologies Pvt. Ltd**

D-511, Bagree Market,  
71, B. R. B. Road, 5<sup>th</sup> Floor,  
Kolkata - 700 001

I/We, Member(s) of **Shree Securities Limited**, hereby give my/our consent to receive electronically Annual Report(s) of General Meeting(s) and other document(s) that the Ministry of Corporate Affairs may allow to be sent in electronic mode.

I/We request you to note my/our e-mail address as mention below. If there is any change in the e-mail address, I/We will promptly communicate to you.

Folio No.	
Name of the first/sole Member	
E-mail address (to be registered)	

Place :

Date :

\_\_\_\_\_  
(Signature of first/sole Member)



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CIN : L65929WB1994PLC061930

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Kolkata-700001, Phone: +91 33 2231 3366-67 E-mail: [ssl\\_1994@yahoo.co.in](mailto:ssl_1994@yahoo.co.in),

Website : [www.shresecindia.com](http://www.shresecindia.com)

