



# LOHIA SECURITIES LTD.

■ MEMBER : NSE, BSE, MCX-SX, CSE

■ DEPOSITORY PARTICIPANT : NSDL, CDSL



Regd. Office : 4, Biplabi Trailokya Maharaj Sarani, (Brabourne Road), 5th Floor, Kolkata - 700 001  
Phone : +91 4002 6600 / 6700, Fax : +91-4002 6800 Website : [www.lohiasecurities.com](http://www.lohiasecurities.com)  
Email : [info@lohiasecurities.com](mailto:info@lohiasecurities.com) Complaint : [grievance@lohiasecurities.com](mailto:grievance@lohiasecurities.com)

CIN No. L67120WB1995PLC067195

October 7, 2016

The Secretary  
The Calcutta Stock Exchange Ltd.  
7, Lyons Range  
Kolkata- 700 001

The Listing Department (Corporate Relations)  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai 400 001

Scrip Code: 590082

Dear Sirs,

Sub: Submission of Annual Report 2015-16 under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to above, please find Annual Report 2015-16 of Lohia Securities Ltd. The same was adopted by the members of the Company at the 22<sup>nd</sup> Annual General Meeting held on Saturday, 24<sup>th</sup> September, 2016 at 10.30 A.M. at the Registered Office 4 Biplabi Trailokya Maharaj Sarani (Brabourne Road), Kolkata 700 001.

Please acknowledge receipt of the same.

Thanking you,

Yours faithfully  
For Lohia Securities Ltd.

Company Secretary

Encl: As stated above

**Institutional Dealing Office :**

1602-B, Lady Ratan Tower, 72, Dainik Shivner Marg, Gandhinagar, Worli, Mumbai - 400 018  
Phone : +91 22 2261 0552/0562, 2492 4449/4462, 2490 1308, Fax : +91 22 2490 1310

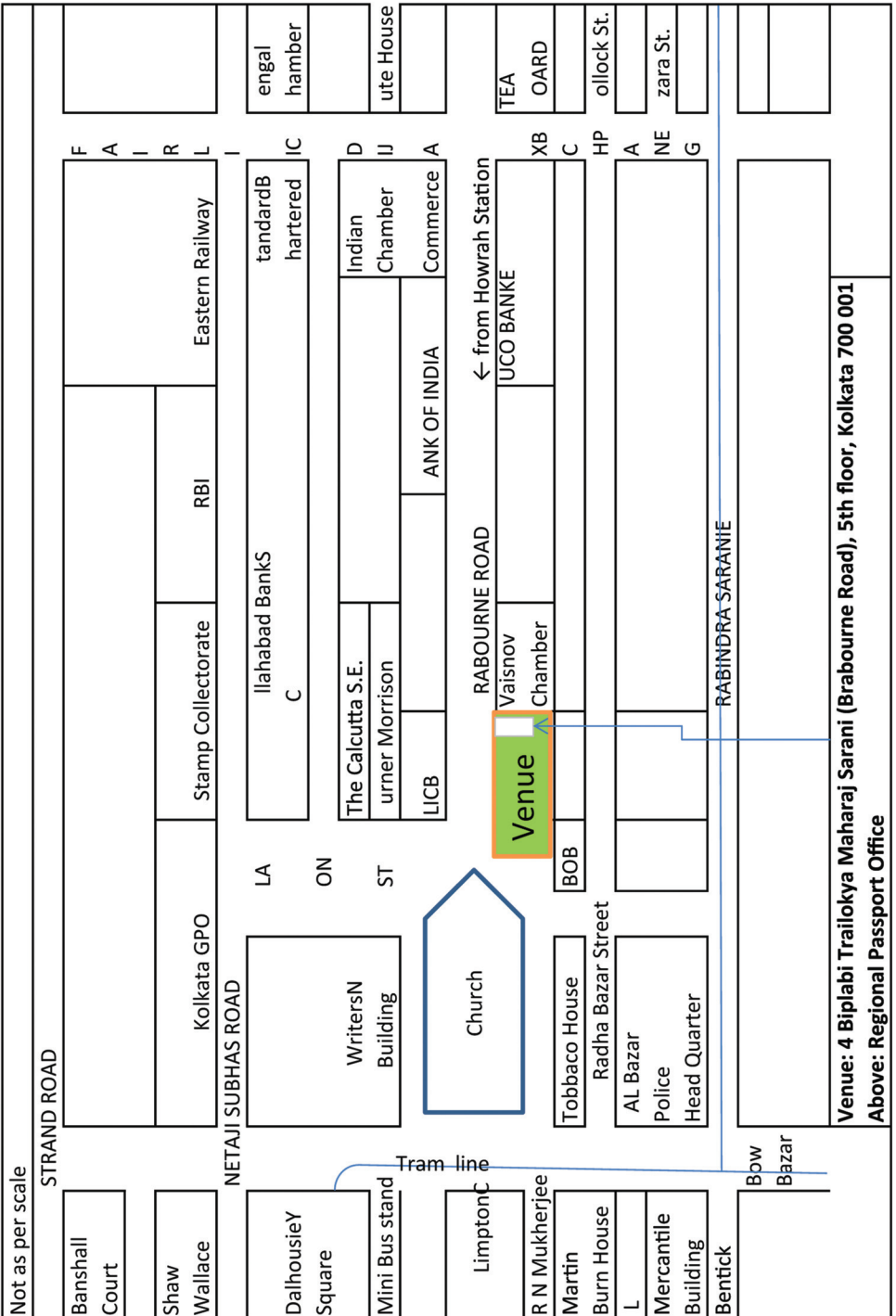
**Annual Report**  
**2015-16**



**Lohia Securities Ltd.**

CM • F&O • CD • MF • DEBT  
DP • ALGO • NOW • CTCL •  
RETAIL & INSTITUTIONAL





## Corporate Information



### LOHIA SECURITIES LIMITED

CIN : L67120WB1995PLC067195

#### REGISTERED OFFICE

4, Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5th Floor, Kolkata - 700 001

Tel. : +91 33 4002 6600 / 6700, Fax : +91 33 4002 6800

Email : info@lohiasecurities.com ; grievance@lohiasecurities.com

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

#### BOARD OF DIRECTORS & KMP

Mr. Hari Kishan Lohia

Mr. Mahesh Kumar Bajaj

Mr. Rajesh Kumar Bajaj

Mr. Sudheer Kumar Jain - Whole-time Director

Mr. Vineet Goenka

Mr. Sameer Bajaj - Chairman

Ms. Sarita Ojha

Mr. Sujit Kumar Sharma - CFO

Mr. Narendra Kumar Rai - Company Secretary

#### BANKERS

Allahabad Bank

Axis Bank Ltd.

Federal Bank

HDFC Bank Ltd.

Punjab National Bank

Yes Bank

#### AUDITORS

Patni & Co.

Chartered Accountants

1, India Exchange Place

2nd Floor, Room No. 219

Kolkata - 700 001

#### REGISTRAR & SHARE TRANSFER AGENT

M/s. Niche Technologies Pvt. Ltd.

D-511, Bagree Market

71, B. R. B. Road, 5th Floor

Kolkata - 700 001

Phone : 033-2235 7270 / 71, 2234 3576

Fax : 033-2215 6823

Email : nichetechpl@nichetechpl.com

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## Notice

### NOTICE

NOTICE is hereby given that the Twenty-second Annual General Meeting of the Members of Lohia Securities Limited (CIN : L67120WB1995PLC067195) will be held on Saturday, the 24th day of September, 2016 at 10.30 a.m. at 4, Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5th floor, Kolkata - 700 001, to transact the following business:-

#### ORDINARY BUSINESS:

- 1 To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Audited Balance Sheet as at 31st March, 2016 and the Profit and Loss Statement, Cash Flow Statement for the year ended 31st March, 2016 together with the Reports of the Directors and Auditors thereon, be approved and adopted.”

2. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

To appoint a Director in place of Mr. Hari Kishan Lohia (DIN 00081055), who retires by rotation and, being eligible, offers himself for re-appointment.

3. To consider and if thought fit, to ratify with or without modification the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provision, if any, of the Companies Act, 2013, as amended and the Companies (Audit and Auditors) Rules, 2014, as amended, and further based on the recommendation of the Audit Committee and the Board of Directors, the appointment of M/s. PATNI & Co., (Firm Reg. No. 320304E), Chartered Accountants, the retiring auditors of the Company be and is hereby ratified at such remuneration and reimbursement of out of pocket expenses as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors plus service tax to hold office from the conclusion of 22nd Annual General meeting until the conclusion of the 23rd Annual General Meeting and the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, relevant, usual and/ or expedient for implementing and giving effect to this resolution.

Registered Office:

4, Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5th Floor,  
Kolkata - 700 001

Dated : 13th August, 2016

By Order of the Board  
**Lohia Securities Limited**

Narendra Kumar Rai  
Company Secretary

#### Notes :

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, with respect to the Special Businesses set out in the Notice is annexed hereto. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by Members at the AGM. Relevant documents referred to in the accompanying notice/ explanatory statement including the Register of Contract or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 are open for inspection by the members of the Company on all working days, except Saturday, between 11.00 a.m. and 1.00 p.m. upto the date of ensuing Annual General Meeting. Further the Notice for the 22nd Annual General Meeting alongwith requisite documents and the Annual Report for the financial year 2015-16 shall also be available on the Company's website : [www.lohiasecurities.com](http://www.lohiasecurities.com)

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
4. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send to the Company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Monday, 19th September, 2016 to Saturday 24th September, 2016 (both days inclusive) for annual closure.
6. Details as stipulated under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India in respect of Director seeking re-appointment at the Annual General Meeting are furnished and forms integral parts of Notice. The Director has furnished the requisite consents / declarations for his appointment.
7. Members / Proxies are requested to bring their Attendance Slip alongwith their copies of the Annual Report and Accounts to the Meeting.
8. Members seeking any information as regards the Accounts are requested to write to the Company at least one week in advance so as to enable the management to keep the information ready.
9. Members who are holding Company's shares in dematerialized form are requested to bring details of their Depository Account number for identification.
10. Members holding shares in physical form are requested to notify / send the following to company's Registrar and Share Transfer Agent - **M/s. Niche Technologies Pvt. Ltd., D-511, Bagree Market, 71, B.R.B.B. Road, 5th Floor, Kolkata-700 001:-**
  - i) Any change in their address / mandate / bank details / e-mail address.
  - ii) Particulars of their bank account, in case the same have not been furnished earlier, and
  - iii) Share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into a single account.
11. Shareholders holding shares in electronic form may kindly note that their bank account details as furnished by their depositories to the Company will be printed on their dividend warrants as per the applicable regulations of the depositories. Members are requested to notify any change in their bank account details to their Depository Participants immediately and not to send requests for change in their bank account details directly to the Company or to the Registrar and Share Transfer Agent.
12. Members are informed that dividends remaining unclaimed/ unpaid over a period of seven years shall be transferred to the Investor Education and Protection Fund of the Central Government. Members who have not encashed their dividend warrant(s)/ cheques are requested to make their claims to the Company before the expiry of the statutory period of seven years. Unclaimed Dividend for the financial year ended 31st March, 2009 will be due for transfer to the Investor Education and Protection Fund of the Central Government on 2nd November 2016, pursuant to the provisions of Section 123 of the Companies Act, 2013.
13. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to submit the prescribed Form SH.13 for this purpose to the Registrar and Share Transfer Agent of the Company.

14. Securities and Exchange Board of India vide its circulars dated 27th April, 2007 and 25th June, 2007 has made it mandatory with effect from 2nd July, 2007, for every participant in the securities / capital market to furnish income tax Permanent Account Number (PAN). Accordingly, all the shareholders (including joint holders) holding shares in physical form are requested to submit copy of their PAN Card duly attested by the Notary Public / Gazetted Officer / Bank Manager under their official seal stating their full name and address, registration number to our Registrar & Share Transfer Agent, **M/s. Niche Technologies Pvt. Ltd.**
15. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by companies and has issued circulars stating that a Company would have complied with Section 53 of the Companies Act, 1956 if the service of document has been made through electronic mode. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings through their depository participants. Members who hold shares in physical form are requested to intimate their e-mail addresses to the Company's dedicated e-mail ID, i.e. narendra.rai@lohiasecurities.com, in case the members wish to avail the aforesaid facility.
16. The Consolidated Financial Statements of the Company and its subsidiaries prepared in accordance with 'Accounting Standard - 21' prescribed by The Institute of Chartered Accountants of India, form part of the Annual Report and the Accounts. The Balance Sheet, Statement of Profit and Loss, Reports of the Board of Directors and Auditors of the subsidiaries have not been attached with the Balance Sheet of the Company as per the general exemption provided under Section 212(8) of the Companies Act, 1956 by the Ministry of Corporate Affairs, issued vide General Circular No. 2/2011 dated 8th February, 2011.

#### 17. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Central Depository Services (India) Limited (CDSL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- III. **The process and manner for remote e-voting are as under:**
  - (i) The remote e-voting period commences on 21st September, 2016 (9:00 A.M.) and ends on 23rd September, 2016 (5:00 P.M.). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 17th September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
  - (iii) Click on “Shareholders” tab.



- (iv) Now Enter your User ID
- For CDSL : 16 digits beneficiary ID,
  - For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format</p>
Bank Account Number (DBD)	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none"> <li>Please Enter the DOB or Bank Account Number in order to Login.</li> <li>If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. **Lohia Securities Limited** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders & Custodians :
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at 1800 200 5533.
- (xx) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow instructions as promoted by the mobile app while voting on your mobile.
18. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [nisha.kumari07@gmail.com](mailto:nisha.kumari07@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before 23rd September, 2016 upto 5.00 P.M. without which the vote shall not be treated as valid.
  19. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 17th September, 2016. A person who is not a member as on cut off date should treat this notice for information purpose only.
  20. The notice of the Annual General Meeting will be sent to the members, whose names appear in the register of members / beneficiary owners **position list provide by depositories** as at closing hours of business on 19th August, 2016.
  21. The shareholders shall have one vote per equity share held by them as on the cut-off date of 17th September, 2016. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.

22. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 17th September, 2016 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
23. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
24. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 17th September, 2016 are requested to send the written / email communication to the Company at **info@lohiasecurities.com** by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
25. Ms. Nisha Agarwal, Chartered Accountants, (Certificate of Practice Number 065702) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
26. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website **www.lohiasecurities.com** and on the website of CDSL. The same will be communicated to the listed stock exchanges viz. The Calcutta Stock Exchange Limited and BSE Ltd.

#### ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

#### Item No. 2

##### Reappointment of Directors:

1. a. Mr. Hari Kishan Lohia, Director retires by rotation at the ensuing 22nd Annual General Meeting and being eligible offers himself for reappointment. Mr. Hari Kishan Lohia is part of the Promoter Group and holds 431000 equity shares of the Company aggregating to 8.65% of the total paid-up share capital of the Company. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the information to be provided for the retiring Director are provided elsewhere in the Annual Report.

Place : Kolkata  
Date : 13th August, 2016

By Order of the Board  
for Lohia Securities Limited  
**Narendra Kumar Rai**  
Company Secretary

Additional Information of Directors seeking re-appointment as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India

The information relating to the Director proposed to be re-appointed at the 22nd Annual General Meeting is given hereunder :

Name of the Director(s)	<b>Mr. Hari Kishan Lohia</b>
Director Identification Number	DIN- 00081055
Date of Birth	13th November, 1952
Date of First Appointment	6th January, 1995
Qualification	Bcom
Expertise in specific functional areas	He is a Commerce Graduate from University of Calcutta. He is one of the promoter directors of Lohia Securities Limited. He has more than 35 years experience of Capital Market. He is Executive Director of Trade City Securities Private Limited- 100% subsidiary of the Company. He is also a member of the Calcutta Stock Exchange Ltd.
List of Companies in which outside Directorship held	Public Companies : Nil Private Companies : LUMINANT COMMOTRADE PVT. LTD. - U51109WB1994PTC063196 BAGADA VINIMAY PVT. LTD. - U51109WB1994PTC064983 RIDHI SIDHI DISTRIBUTOR PVT. LTD. - U51109WB1995PTC076222 TRADE CITY REAL ESTATE PRIVATE LIMITED - U51109WB1996PTC078252 LOHIA STOCK BROKING PRIVATE LIMITED - U51109WB1997PTC084072 TRADE CITY BARTER PRIVATE LIMITED - U51909WB1995PTC074970 SHIV LALIT CONSULTANCY PVT. LTD. - U51909WB1995PTC074973 LOHIA FISCAL MARKETS PVT. LTD. - U65999WB1995PTC074599 DAADI STOCK BROKING PRIVATE LIMITED - U67200WB2003PTC095825 H K L PROPERTIES PVT. LTD. - U70102WB1991PTC052688 TRADE CITY COMMODITIES PRIVATE LIMITED - U74999WB2004PTC099912
Chairman / Member of the Committee of the Board of Directors of the Company (Lohia Securities Ltd.)	None
Shareholding as on 31st March, 2016	431000 (8.65%)

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting the 22nd Annual Report and the audited accounts of your Company for the financial year ended 31st March, 2016.

**FINANCIAL RESULTS**

A summary of financial results of the Company and its subsidiaries for the year ended 31st March, 2016 is given below:-

Particulars	Standalone Financial Year		Consolidated Financial Year	
	2015-16 (₹ in lakh)	2014-15 (₹ in lakh)	2015-16 (₹ in lakh)	2014-15 (₹ in lakh)
Total Income	4114.33	3987.50	4296.73	4445.62
Total Expenditure	4003.66	3575.88	4157.77	3928.18
<b>Profit/ (Loss) before Interest, Depreciation &amp; Tax</b>	<b>110.67</b>	<b>411.62</b>	<b>138.96</b>	<b>517.44</b>
Less : Interest and Finance Charges	86.91	91.63	123.54	139.25
Less : Depreciation and Amortisation	31.75	46.14	42.56	53.98
<b>Profit / Loss (-) Before Tax Before Exceptional Item</b>	<b>(7.99)</b>	<b>273.85</b>	<b>(27.14)</b>	<b>324.21</b>
Exceptional Item	-	-	-	-
<b>Profit / Loss (-) Before Tax</b>	<b>(7.99)</b>	<b>273.85</b>	<b>(27.14)</b>	<b>324.21</b>
Less Tax Expenses				
- Current Tax	6.35	17.05	6.65	17.08
- Deferred Tax	(2.36)	66.77	0.27	86.12
<b>Profit/ (Loss) for the year</b>	<b>(11.98)</b>	<b>190.03</b>	<b>(34.06)</b>	<b>221.01</b>
Add : Surplus brought forward from previous year	1343.30	1182.49	1101.60	916.55
<b>Amount Available for Appropriation</b>	<b>1331.32</b>	<b>1372.52</b>	<b>(1067.54)</b>	<b>1137.56</b>
Less : Proposed Dividend on Equity Shares	-	9.97	-	9.97
Less : Corporate Tax on Proposed Dividend	-	2.03	-	2.03
Other Adjustment	-	17.24	-	23.96
<b>Balance to Balance Sheet</b>	<b>1331.32</b>	<b>1343.29</b>	<b>(1067.54)</b>	<b>1101.60</b>

**FINANCIALS OF THE COMPANY ON THE STANDALONE BASIS :**

Our total Income on a standalone basis increase to ₹ 4114.33 lakhs from ₹ 3987.50 lakhs in the previous year, at a growth rate of 3.18%. The Statement of Profit and Loss of your Company on standalone basis shows a loss after tax of ₹ 11.98 lakhs (Previous Year: Profit of ₹ 190.03 lakhs). The disposable profit is ₹ 1331.32 lakhs (₹ 1372.52 lakhs) after taking into account the balance of ₹ 1343.30 lakhs (₹ 1182.49 lakhs) brought forward from the previous year.

**AMOUNT TO BE CARRIED TO RESERVE :**

The Company has not transferred any amount to the reserves (Previous year: Nil) during the current financial year. An amount of ₹ 1331.31 Lakh is proposed to be retained in the statement of profit & Loss against ₹ 1343.29 lakh of last year.

**DIVIDEND :**

The Directors do not recommend payment of any dividend during the financial year 2015-16 in view of losses sustained during the year as against ₹ 0.20 (i.e. 2% on an Equity Share of ₹ 10/- each) for the year ended March 31, 2015 paid last year.

**SHARE CAPITAL :**

The paid up Equity Share Capital as on 31st March, 2016 was ₹ 498.725 lacs. There has not been any change in the Equity Share Capital of the Company during the financial year ended 31st March, 2016. During the year under review, the Company has neither issued shares with differential voting rights nor issued sweat equity or granted stock options.

**OPERATIONS :****Lohia Securities Limited (Standalone)**

The standalone revenue for the year was ₹ 4114.33 lakhs as compared to ₹ 3987.50 lakhs for the year ended 31st March, 2015 resulting in annualized increase of 3.18%. Operating Profit (Earnings before interest, depreciation and Corporate tax) for the period ended 31st March, 2016 was ₹ 110.67 lakhs as against ₹ 411.62 lakhs for the year ended 31st March, 2015 with annualized decrease of 73.11%.

The Company has Loss before Tax of ₹ 7.99 lakhs (as compared to last year's profit of ₹ 273.85 lakhs) after meeting interest expenses of ₹ 86.91 lakhs (last year's ₹ 91.63 lakhs ) and depreciation of ₹ 31.75 lakhs (last year's ₹ 46.14 Lakhs) for the year ended 31st March, 2015. The Net Loss for the year was ₹ 11.98 lakhs (as compared to last year's net profit of ₹ 190.03 lakhs).

**Lohia Securities Limited (Consolidated)**

The consolidated revenue of the Company for the year was ₹ 4296.73, a decrease of 3.35% as compared to previous year. There was decrease in the Brokerage Income, Interest Income, and Receipt of DP division.

The Net Group Loss after tax was ₹ 34.06 lakhs as against profit of ₹ 221.01 lakhs of last year.

Summary of Consolidated Financial Results of the company & its subsidiaries are as below:

**Subsidiary / Joint Venture / Associate Companies**

As on 31st March, 2016, Lohia Securities Limited has four 100% subsidiaries. Details of their business and operations are given below:-

Trade City Securities Private Limited has a Trading Membership of NSE in Capital and F&O Segment and Trading Membership of BSE in Capital and F&O Segment. It reported a net loss of ₹ 12.43 lakhs compared to previous year's net profit of ₹ 17.89 lakhs.

Trade City Commodities Private Limited is a member of NCDEX, MCX, National Spot, NCDEX Spot, and ICEX and is engaged in commodity trading and is registered with SEBI/FMC. The Company had a net loss after tax of ₹ 1.07 lacs against last year's Net Loss of ₹ 4.73 lakhs.

Trade City Real Estate Private Limited is engaged in property and real estate business. It is also investing surplus moneys in shares and securities. The Company has incurred net loss of ₹ 17.89 lakhs compared to net loss of ₹ 8.36 lakhs of last year.

Trade City Barter Private Limited is a non-banking finance company and is engaged in investment and financing activities. The Company has earned a net profit of ₹ 9.32 lakhs compared to last year's net profit of ₹ 26.16 lakhs.

Daadi Stock Broking Private Limited is an Associate Company as per the Companies Act, 2013. The Company does not have any joint venture Company as per the Companies Act, 2013.

In accordance with Section 129(3) of the Companies Act, 2013 and Clause 32 of the Listing Agreement, the consolidated financial statements of the Company and all its subsidiary companies have been prepared and duly audited by the auditors, and form part of the Annual Report. A statement containing salient features of the financial statements of the subsidiary is also included in the Annual Report.

The Company will make available the Annual Accounts of the Subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies. The Consolidated Financial Statements presented by the Company include the financial results of the subsidiary companies.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report forms an integral part of this Report and gives details of the overall industry structure, developments, opportunities, threats performance and state of affairs of the Company's business, internal controls and their adequacy, risk management system and is annexed as **Annexure-A** forming part of the Report.

#### **DIRECTORS RESPONSIBILITY STATEMENT :**

Pursuant to the requirement under Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your directors hereby confirm that:

- i) In the preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the 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, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors have prepared the annual accounts on a going concern basis;
- v) The Directors have laid down an adequate system of Internal financial controls to be followed by the Company and such internal financial controls are adequate and operating efficiently; and
- vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

#### **ADEQUACY OF INTERNAL FINANCIAL CONTROL :**

The Company has designed and implemented a process driven framework for internal financial controls within the meaning of the explanation of Section 134(5)(e) of the Companies Act, 2013. For the year ended 31st March, 2016, the Board is of the opinion that the Company has sound Internal Financial Control commensurate with the nature and size of its business operations and operating efficiently and no material weakness exists. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effects of such gaps would have material effect on the Company's operations.

#### **PUBLIC DEPOSITS :**

During the Financial Year 2015-16, the Company has not accepted any deposit within the meaning of Section 73 and 76 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014

**DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

The terms of appointment of Shri Rajesh Kumar Bajaj as Managing Director of the Company expired on 23rd September, 2015. However, he was re-appointed as a Director of the Company at the last Annual General Meeting of the Company as a retireable director. The Board places on record it's appreciation of the immense contribution by Shri Rajesh Kumar Bajaj as Managing Director of the Company.

Ms. Sarita Ojha was appointed as an Independent Director at the last AGM held on September 26, 2015 for a period of five years with effect from March 30, 2015.

In accordance with the provision of Section 152 of the Companies Act, 2013, Rules framed thereunder and Articles of Association of your Company, Mr. Hari Kishan Lohia, Director is due to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Your Board is of the opinion that continued association of Mr. Hari Kishan Lohia with the Board will be of immense benefit to your Company and therefore, recommends his re-appointment. In terms of Section 102 of the Companies Act, 2013, Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) regulations, 2015 and Secretarial Standards on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, brief profiles of Mr. Hari Kishan Lohia have been annexed to the Notice convening 22nd Annual General Meeting of the members of the Company and the same form an integral part of this Annual Report.

**DECLARATIONS GIVEN BY INDEPENDENT DIRECTORS :**

The Company has received Declaration of Independence as stipulated under Section 149(7) of the Companies Act, 2013 from Independent Directors confirming that he / she is not disqualified from appointing / continuing as independent directors.

**BOARD MEETINGS :**

The Board meets at regular intervals to discuss and decide on the Company's policies and strategy apart from other Board matters. During the financial year 2015-16, seven board meetings were held on May 28, 2015, June 20, 2015, August 14, 2015, September 26, 2015, November 14, 2015, December 19, 2015 and February 14, 2016. The gap between the two board meetings did not exceed 120 days.

**NOMINATION AND REMUNERATION POLICY**

The Board has adopted a Nomination and Remuneration Policy recommended by Nomination and Remuneration Committee in term of provision of Section 178 of the Companies Act, 2013. The Nomination and Remuneration Policy has been annexed to this Report as **Annexure - B**.

**EVALUATION OF THE BOARD OF DIRECTORS**

The Nomination and Remuneration Committee of the Board has formulated and laid down certain criteria for annual evaluation of Directors pursuant to provisions of Section 178 of the Companies Act, 2013 and Listing Regulations and as per requirements of Section 134 of the Act, are disclosed below:-

- A. The Board shall evaluate the roles, functions, duties of the Independent Directors of the Company. Each Independent Directors shall be evaluated by all other Directors but not by the Director being evaluated. The Board shall also review the manner in which Independent Directors follow guidelines of professional conduct as specified in Schedule IV by the Independent Director shall also be reviewed by the Board.
- B. Performance review of all the Non-Independent Directors of the Company on the basis of the activities undertaken by them, expectations of the Board and level of participation.
- C. Performance review of the Chairman of the Company in terms of the level of competence of Chairman in steering the Company.



- D. The review and assessment of the flow of information by the Company to the Board and the manner in which deliberations take place, the manner of placing Agenda and contents therein.
- E. The review of the performance of Directors individually, its own performance as well as evaluation of workings of its Committee shall be carried out by the Board.
- F. On the basis of performance evaluation, it shall be determined by the Nomination and Remuneration Committee and Board whether to extend or continue the terms of appointment of Independent Director subject to all other applicable compliances.

#### **COMMITTEES OF DIRECTORS :**

Your Company has five Committees of the Board, viz.

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee
4. Risk Management Committee
5. Independent Directors Committee

Details of all the Committees alongwith their composition, terms of reference and meetings held during the year are provided in "Report on Corporate Governance" forming part of the Annual Report.

#### **STATUTORY AUDITORS :**

M/s. Patni & Co., Chartered Accountants, who are the Statutory Auditors of the Company, hold office, in accordance with the provisions of the Act, for a period of three years viz., financial years 2014-15, 2015-16 and 2016-17 from the conclusion of 20th Annual General Meeting until the conclusion of the 23rd Annual General Meeting i.e. upto financial year 2016-17. As per Section 139(2) of the Act and the applicable Rules of the Act, the appointment of the Statutory Auditors needs to be ratified by the members at every Annual General Meeting. Accordingly, the members are requested to ratify the appointment of the statutory Auditor at Twenty-second Annual General Meeting.

#### **SECRETARIAL AUDIT :**

In terms of the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a Secretarial Audit Report in the prescribed format, obtained from a Company Secretary in practice, is required to be annexed to the Board's Report. The Secretarial Audit Report issued by Ms. Poonam Mundhra, Company Secretary in Practice, is attached as **Annexure-C** to this Board Report. The Secretarial Auditors' Report to the shareholders does not contain any qualification.

#### **QUALIFICATION, RESERVATION OR ADVERSE REMARK IN STATUTORY AUDIT REPORT AND SECRETARIAL AUDIT REPORT :**

There is no qualification, reservation or adverse remark made by the Statutory Auditors in their Auditors' Report to the Financial Statements or by the Secretarial Auditor in its Secretarial Audit Report for the financial year ended March 31, 2016.

#### **REPORTING OF FRAUD :**

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

#### **DISCLOSURE OF REMUNERATION :**

The details of remuneration as required to be disclosed under the Companies Act, 2013 and the rules made

thereunder, are given in Annexure forming part of the Board Report. None of the employees of the Company is in receipt of remuneration exceeding ₹ 5 lakh per month or ₹ 60 lakh per annum.

#### **COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS :**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meeting and Annual General Meeting.

#### **CORPORATE SOCIAL RESPONSIBILITY :**

The provision of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the Company since it is not fulfilling any of the stipulated requirements of net-worth, turnover and net profits.

#### **RISK MANAGEMENT :**

The Company has a well defined risk management framework in place. Further, it has established procedures to periodically place before the Board, the risk assessment and management measures. The details of the risks faced by the Company and the mitigation thereof are discussed in detail in the Management Discussion and Analysis report that form part of the Annual Report.

#### **REPORT ON CORPORATE GOVERNANCE**

In compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, a Report on Corporate Governance for the year under review together with the Auditors Certificate thereon is annexed as **Annexure - D** forming part of the Report.

#### **PARTICULARS OF EMPLOYEES AND RELATED INFORMATION :**

The particulars of the employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and Rule 5(3) of the Appointment and Remuneration of Managerial Personnel Rules, 2014, are not given since none of the employees are in receipt of a remuneration in excess of the prescribed limit. Disclosure pertaining to remuneration and other details as required under section 197(12) of the Companies Act, 2013 read with Rules 5(1) of the Appointment and Remuneration of Managerial Personnel Rules, 2014 are provided in **Annexure-E**.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :**

A policy on Materiality of Related Party Transactions and dealing with related part has been adopted by the Board of Directors and the said policy is posted at the Company's website at [www.lohiasecurities.com](http://www.lohiasecurities.com).

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

Pursuant to the requirement under section 92(3) and Section 134(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in prescribed Form MGT-9 is given in the Report as **Annexure-F**.

#### **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION FOREIGN EXCHANGE EARNINGS/ OUTGO :**

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

**VIGIL MECHANISM/ WHISTLE BLOWER POLICY :**

As per the provisions of Section 177(9) of the Companies Act, 2013, the Company is required to establish an effective Vigil Mechanism for directors and employees to report genuine concerns.

The Company has a Whistle-blower Policy in place to encourage and facilitate employees to report concerns about unethical behaviour, actual/ suspected frauds and violation of Company's Code of Conduct Policy. The Policy has been suitably modified to meet the requirements of Vigil Mechanism under the Act. The policy provides for adequate safeguards against victimization of persons who avail the same and provides for direct access to the Chairperson of the Audit Committee. The Audit Committee of the Company oversees the implementation of the Whistle Blower Policy.

The Company has disclosed information about the establishment of the Whistle Blower Policy on its website [www.lohiasecurities.com](http://www.lohiasecurities.com). During the year no personal has been declined access to the Audit Committee, wherever desired.

**PROTECTION OF WOMEN AT WORKPLACE :**

The Company has formulated a policy on "Protection of Women's Rights at Workplace" as per the provision of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. This has been widely disseminated. There were no cases of sexual harassment received by the Company in 2015-16.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS :**

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concerns status and the Company's operations in future.

**LISTING AGREEMENT :**

The Securities and Exchange Board of India (SEBI) on September 2, 2015 issued SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 with the aim consolidate and streamline the provisions of the Listing Agreement for different Segments of Capital Markets to ensure better enforceability. The said Regulations were effective from December 1, 2015. Accordingly, all Listed entities were required to enter into the Listing Agreement within 6 months from the effective date. The Company entered into Listing Agreement with The Calcutta Stock Exchange Limited and BSE Limited during February, 2016.

**ACKNOWLEDGEMENTS :**

Your Board acknowledges the support and co-operation received from all its stakeholders as well as regulatory authorities as they endeavour to create an enabling environment for industry and commerce to prosper. The Directors express their sincere gratitude to the cooperation and support received from shareholders, customers, business associates, bankers, SEBI and other regulatory and government authorities.

Your directors thanks all the valued clients, sub-brokers, shareholders, banks, financial institutions, stock exchanges, depositories and other stake holders for their patronage and support and take this opportunity to express their appreciation of the dedicated and committed team of employees of the Company.

For and on behalf of the Board of Directors

Kolkata, 13th August, 2016

**Sameer Bajaj**  
Chairman

**Sudheer Kumar Jain**  
Whole-time Director

## Annexure - A

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****A. Industry Structure and Developments**

Amidst the low global growth environment, the Indian economy grew by 7.6% for the year 2015-16, driven mainly by the service sector. Agriculture, Forestry and Fishing sector, which employs more than 50% of the labour force of the country grew by 1.2%. Despite a muted agricultural growth, occasioned by poor monsoons, India's domestic consumption remains strong on the back of favourable demographics. India has been beneficiary of low oil prices which has helped to improve the Government's fiscal position and has improved the profitability of PSU oil & gas marketing companies. Decline in the oil prices also underpinned lower inflation by offsetting higher food inflation caused by poor monsoon in the previous year. The INR has depreciated against the US dollar by around 6.5% (from a level of ₹ 62 to a level of ₹ 66) during 2015-16. FIIs inflows were net negative in Debt and Equity markets in 2015-16 echoing the anticipation of interest rates hikes by the US fed. China's currency devaluation stance added to weakness of the INR. The fall in commodity prices has also had a negative impact on the Indian economy in terms of reduced profitability of metal and mining companies leading to financial stress of several businesses. This has resulted in a curtailment of fresh capital investments and some defaults in servicing debt obligations. Capital investment spending in India has been muted. There is a strong intent from the Government to push investments and growth. However, policy implementation is progressing at a measured pace. 2016-17 appears more promising mainly due to the expectations of a good monsoon and revival of the investment cycle led by favourable government policies such as increased budgetary allocations on infrastructure projects, pushing investments through cash rich PSUs, thrust on "Make in India", increased drive on building a strong domestic manufacturing base for defence equipment, emphasis on increasing investments in nuclear power, initiatives to revive weak state power distribution utilities through "UDAY Scheme" focus on build out of smart cities, power for all programs and robust plans to increase investments in metro rails and roads.

The National Stock Exchange (NSE) Index (S&P CNX Nifty) which was at 8491 in 31st March 2015, moved down to 7738.4 in March 2016, registering decrease of **8.86%**. The Bombay Stock Exchange (BSE) Sensitive Index (Sensex) also registered decrease of **9.06%** from 27868.21 to 25341.86 during the same period. On 15th April 2015, BSE Sensex reached a high of 29094.61 and NSE S&P CNX Nifty reached 8844.80. The lowest BSE Sensex was 22494.61 and NSE (S&P CNX Nifty) Index 6825.80 on 29th February 2015. The F&O segment of NSE has achieved a trading value of ₹ 44349.295million during the year as compared to ₹ 35809.66 million of the year 2014-15. BSE registered total volume during 2015-16 of ₹ 3106.472 million compared to previous year's ₹ 2307.216 million. The NSE trading value for CM segment during the year was ₹ **4,236,983** crore as compared to previous year ₹ 4,329,655 crore. The F&O segment of NSE has achieved a trading value of ₹ **64,825,834.28** crore during the year as compared to ₹ 55,606,453.47 crore of the year 2014-15. The Currency segment of NSE achieved trading value of ₹ **4,501,886** crore in the year 2015-16 against ₹ 3,023,908 crore in last year. BSE registered total equity turnover during 2015-16 of ₹ **7,40,088.59** crore compared to previous year's ₹ 854,844.29 crore. BSE F&O had a turnover of ₹ **44,75,008.32** crore during the year 2015-16 against previous year's ₹ 20,362,741 crore. BSE Currency Derivative had a Currency derivative turnover of ₹ **2,763,926.13** crore as compared to last year's turnover of ₹ 1,908,543.46 crore. NSE Interest rate future was ₹ 526,425 crore compared to previous year ₹ 421,558 crore.

Your Company has a note-worthy presence in the eastern region of the Indian Capital Market with Trading and Clearing Corporate Membership of the National Stock Exchange (Capital Market Segment as well as Derivative Market Segment), Deposit based membership of Bombay Stock Exchange Limited and Membership of the Calcutta Stock Exchange. Your Company is also a Clearing and Trading Member of F&O Segment of BSE, trading cum clearing

member of Currency Derivative of NSE and BSE and Trading Member of Currency Derivative of Metropolitan Stock Exchange of India Ltd. (formerly : MCX Stock Exchange Ltd.). The Company is also depository participant of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The stock broking and depository services have huge growth opportunities due to existing low penetration levels. However, these businesses are facing tremendous competitive pressures and regulatory compliances. As per SEBI, as on 31st December, 2015 there were 4824 (last year : 7306) brokers (Cash market), 3405 (4196) corporate brokers, 36683 (44540) sub-brokers, 2762 (3008) Derivative Brokers (Trading and Clearing members), 2406 (2382) Brokers for Currency Derivatives and 853 (858) Depository participants. Stockbrokers and Depository Participants have to comply with various laws. The advances in technologies have also affected these businesses. Your Company is gearing up well to face all such developments by increasing its reach across geographical areas and client segments, improving its infrastructure and technological, financial and human resources.

## B. Opportunities and Threats

The long-term economic outlook looks positive and will lead to opportunity for capital market services. The Indian economy is growing at healthy rate leading to more investment and capital requirements. It will ultimately lead to higher share of the financial service industry in the disposable income. With the change in attitude from wealth safeguard to wealth growth, there will be more opportunity for service providers. The scope of diversification of household savings from banks to other channels like mutual funds, equities, bonds and commodities are immense. The implementation of regulatory reforms would win the confidence of public in large and it would help in greater participation of all classes of investors in the capital market.

The increase in the number of large broking houses with their financial muscle power pose a threat to the existence of small and medium broking houses. With the lowering of income from brokerage and fees from DP services and increase of the cost of services, it is posing a great threat for the survival of intermediary business. Retention of skilled manpower especially arbitrageur is also a threat to the Company. The short term economic slowdown may impact investor sentiments and business activity. Your Company has diversified into other businesses by acquiring/ promoting subsidiary companies. The wholly owned subsidiaries are (a) Trade City Commodities Private Limited-engaged in Commodity Trading, (b) Trade City Real Estate Private Limited-Property Dealing (c) Trade City Securities Private Limited-Share broking with Membership of NSE and BSE-Cash and Derivative Segment -especially in retail business, (d) Trade City Barter Private Limited- an NBFC Company. Your Company has started trading activities on Currency Derivative of Metropolitan Stock Exchange of India Ltd. (formerly : MCX Stock Exchange Ltd.) on proprietary basis. The Company is concentrating its activities to a cross section of society across India and has branches in Kolkata, Mumbai, Patna, Giridih, Guwahati and Purulia. It is providing professional, value added, comprehensive and integrated financial and wealth growth solutions across equities, derivatives, currency derivatives segment and depository participant division. This feature helped the Company in generating more business than its competitors.

## C. Activity-wise performance

Your Company has performed satisfactorily despite the stiff competition in broking industry.

Total Turnovers of the Company are as below : (₹ in Lakhs)

Exchange	Segment	2015-16	2014-15	Change	Increase/Decrease (%)
NSE	Capital Market	158,847.53	125,274.28	33573.25	+26.80
	Future & Option	1,622,470.59	1,736,118.42	-113647.83	-6.55
	Currency Derivative	393,243.85	411,674.03	-18,430.18	-4.48

BSE	Capital Market	2,535.00	3,430.40	-895.4	-26.10
	Future & Option	20,520.00	21,348.00	-172.00	-0.81
	Currency Derivatives	5,250.00	13,344.00	-8094.00	-60.66
MCX-SX	Currency Derivative	859.34	19,955.47	-19096.13	-95.69
NSDL & CDSL	Services as Depository Participant	22.00	28.30	-6.30	-22.26

From the sale of products like shares, mutual fund and surplus from the equity and currency derivative transaction and after setting off losses from non delivery transaction your Company has earned ₹ 3847.80 lacs during the year in comparison to ₹ 3,717.57 lacs of last year. (an increase of 3.50%)

During the year, the Broking activities of the Company posted a gross revenue of ₹ 147.42 lacs as compared to ₹ 119.34 lacs for the year ended 31.03.2015 resulting in annualized increase of 23.53%. The Depository managed to bring in revenue of ₹ 22 lacs during the year as compared to ₹ 28.30 lacs of last year, decrease of (22.26%).

#### D. Outlook

The Union Government has a deep focus towards improving the country's infrastructure and has taken measures for improving the country's economy. The Business is upbeat on this scenario and well positioned to capture the momentum.

Investor sentiments seem to be building up in light of the stability in certain macro indicators, as well as the evolving political scenario over the elections. Investor sentiments improved and activity levels increase following the election results. The year marked the return of the retail investors through direct equities and through mutual funds. Cash markets volumes, including delivery, increased significantly this year. However, primary market activity is yet to pick up in big way.

In the given situation, the mantra for this year will be improving operating efficiency and reduction of operating cost of the Company.

We are confident of garnering our share with long term Indian growth story in view of our diversified model. Starting from a single product company in 1995, we now encompass many businesses and have a wide product range. Your Company has an active role in trading in capital as well as derivative market of NSE and BSE. It is also engaged in the Currency Derivative segment of NSE, MCX-SX, and BSE. The Company is concentrating to increase trade in currency options.

All our efforts are being made to keep the expenses under check so that resources would be deployed more gainfully. The Company is encouraging its workforce to acquire more and more knowledge about the market and its intermediation works.

Your Company has invested in new technology for doing algorithm trading in various segment of NSE.

#### E. Risks and Concerns

Your Company recognizes the importance of a comprehensive Risk Management system. The Company believes in a practical, responsible approach to risk. It is our constant effort to ensure that every risk we take has been thoroughly assessed, and that all risks are according to their potential return. Towards this end, we have made significant investments in manpower and technology for risk management during the year under review. This system will help not only to meet and comply with regulatory requirements but also to bring about an

improvement in asset quality and profitability. It will eventually increase the shareholders' value. The Market risk and Operational risk need to be identified, assessed, controlled and managed for effective and efficient operation. Your Company has endeavored to bench-mark its Risk Management System on lines of market best practices and emerging regulatory norms.

A comprehensive risk evaluation methodology and processes for early identification and mitigation of all kinds of risks being in place, except for unforeseen circumstances and marginal exposure to financial risk in retail capital markets division, your Company is quite a risk free business. We have worked to strengthen our enterprise wide risk management process and practices through our risk philosophy, whose core lies in the identification, measurement, monitoring and action.

#### **F. Internal Control System**

The Company has an adequate system of internal control implemented by the management towards achieving efficiency in operations, optimum utilization of resources and effective monitoring thereof and compliance with applicable laws.

The philosophy of the Company with regard to internal control systems and their adequacy has been formulation of effective systems and their implementation to ensure that assets and interests of the Company are safeguarded with required checks and balances in place to determine the accuracy and reliability of accounting data.

The Company has an independent appraisal function to examine and evaluate the adequacy and effectiveness of the Company's internal control system. It appraises periodically about its activities and audit findings to the Audit Committee, Statutory Auditors and top management.

Internal Audit ensures that systems are designed and implemented with adequate internal controls commensurate with the size and operations; transactions are executed in accordance with the Company's policies and authorisation. The internal audit department undertakes extensive programmes of both pre and post audit checks and reviews and also carries out regular follow-up on observations made. The Audit Committee of the Board reviews the internal audit reports and the adequacy of internal control.

#### **G. Discussion on financial performance with respect to operational performance**

During the year, due to active participation of retail investors in Indian Capital Market, the Company could attain expected performance. Clear understanding of business dynamics, emphasis on efficient recovery system alongwith an integrated approach to risk management has enabled the Company to make the best use of the available resources and achieve better results.

The management's relentless focus was on assets productivity, strengthening of internal efficiency, cost consciousness and improved realization on turnovers. Gross revenue from operations was increased by 3.18% to ₹ **4114.33 lakhs** against last year's ₹ **3,987.50 lakhs**. Thus there was a rise in the revenue in business of ₹ **126.83 lakhs**, in the Company, as compared to last year, primarily driven by increase of (a) ₹ **93.86 lakhs** in sale of products, and (b) ₹ **21.78 lakhs** in sale of services; (c) ₹ **8.89 lakhs** from other operating income and (d) of ₹ **2.30 lakhs** from Other Income.

The increase in the total expenses by ₹ **408.68 lakhs** in comparison to last year has impacted the performance of the Company during the year. The increase in total expenses was mainly due to increase in (a) stock in trade by ₹ **303.93 lakhs** and (b) Inventories by ₹ **138.17 lakhs** and corresponding decrease of (a) Employees benefit expenses by ₹ **2.41 lakhs** (b) other expenses by ₹ **11.91 lakhs** (c) depreciation and amortization by ₹ **14.40 lakhs**

and (d) finance cost by ₹ **4.72 lakhs**.

The Loss before tax during the year was ₹ **7.99 lakhs** in comparison to last year's Profit before tax of ₹ 273.86 lakhs (a decrease by ₹ **281.84 lakhs** in comparison to last year) while Net Loss was at ₹ **11.98 lakhs** during the year against last year's Net Profit of ₹ **190.04 lakhs** (a downfall by ₹ **202.02 lakhs** in Net Profit in comparison to last year). Loss per share (EPS) for the year stand at ₹ **0.24** (compared to last year's Earning Per Share of ₹ 3.81). Cash generated from Operations aggregated ₹ **136.12 lakhs** compared to last year's ₹ 140.58 lakhs (decreased by ₹ **276.7 lakhs**).

#### **H. Material developments in human resource, industrial relation including number of people employed**

The Company recognizes that its employees are its biggest source of strength and that highly engaged workforce delivers high performance and improved productivity. The relationship between the Management and the Employees at various levels has been quite cordial. To improve efficiency and for a more effective manpower utilisation, the Company has been constantly providing opportunities for learning and competitive remuneration. A challenging work environment has always been encouraged so as to create awareness amongst the employees for evaluation of their performance against the demanding standards. The employees are encouraged to improve their performance. They are provided training on job as well as outside. Periodic group and individual meetings are conducted with employees and their feedback is taken.

The number of persons employed in the Company as on 31st March, 2016 was **77** (previous year: 73).

For and on behalf of the Board of Directors

Kolkata, 13th August, 2016

**Sameer Bajaj**  
Chairman

**Sudheer Kumar Jain**  
Whole-time Director



**Annexure-B****REMUNERATION POLICY FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT AND OTHER EMPLOYEES****1. Preamble**

The primary objective of this Remuneration Policy is to provide a framework for the remuneration of the Directors, Key Managerial Personnel (KMP), Members of Senior Management and other employees of the Corporation.

The primary objectives of this Policy are as under:

- a) To ensure that the level and composition of remuneration is in line with other companies in the industry, sufficient to attract and retain right talent, at all levels and keep them motivated enough to meet the organizational objectives.
- b) To ensure that a reasonable balance is maintained in terms of composition of remuneration (fixed and variable component).
- c) To have performance measurement parameters in place to assess the overall performance of Directors, KMPs, Members of Senior Management and other employees.

Based on the above objectives and broad parameters set herein, the Board of Directors of the Company at its meeting held on December 17, 2014, approved this Policy.

**2. Applicability**

This Policy shall be applicable and act as a guiding principle with regard to remuneration payable by the Company to all Directors, KMPs, Senior Management and other employees of the Corporation.

**3. Remuneration of Non-executive / Independent Directors**

- The key elements of remuneration of Non-executive/ Independent Directors are sitting fees, subject to overall limit as prescribed in the Companies Act, 2013 and Rules made there under and the approval of the shareholders, as applicable. They shall be covered under the Directors and Officers Liability Insurance (D&O) Policy. The Independent Directors shall not be eligible for stock options. However Non Executive Directors are not eligible for stock options.
- Since, the Non-executive/ Independent Directors collectively endeavour to ensure that the Company performs well and is compliant with applicable laws, rules, regulations and guidelines, the sitting fees paid to them, except the Chairman of the Company, shall be subject to the approval of the Board.
- Since the Non-executive Chairman continues to play a key role at the Board, is a member of key committees and represents the business interest of the Company at various forums, he would be paid sitting fees higher than the other Non-executive/ Independent Directors, subject to the approval of the Board.

**4. Remuneration of Whole-time Directors**

- The Whole-time Directors are appointed on a contractual basis for a fixed tenure as approved by the shareholders and such contracts are renewable upon expiry of the tenure subject to recommendation by the Nomination and Remuneration Committee/ Board and approval of the shareholders.
- The remuneration paid to Whole-time Directors is within the limits approved by the shareholders of the Company, which includes fixed salary, perquisites, variable pay in the form of commission, other benefits and allowances and certain retiral benefits, within the overall limit under Section 197 of the Companies Act, 2013. They are not eligible for stock options.

- The Whole-time Directors shall be covered under the Directors and Officers Liability Insurance (D&O) Policy.
- Their annual increments shall be linked to their overall performance and as decided by the Nomination and Remuneration Committee, from time to time.

**5. Remuneration of Senior Management, KMP (other than whole-time directors) and other employees**

- Senior Management shall mean and include the following:
  - Members of Executive Management; and
  - KMPs (other than whole-time director).
- The key components of remuneration package of the Senior Management and other employees of the Company shall comprise of basic salary, dearness allowance, house rent allowance, transport allowance, ex-gratia, performance bonus, contribution to provident fund and superannuation fund, premium on medical insurance and personal accident insurance, child scholarship, gratuity, leave travel allowance, leave encashment, housing/ other loans at concessional rate etc, as applicable and linked to their grade.
- The remuneration, performance appraisal and rewards to Senior Management and other employees, shall be in line with the stated objectives.
- The annual increments for the Senior Management and KMP (other than Whole Time Directors) and other employees shall be linked to their overall performance and as decided by the Whole-time Director in consultation with their reporting managers and Human Resources Department.
- Employees must conduct themselves to ensure that no breach of Code of Conduct, Lohia's Share Dealing Code, Standard Operating Procedures (SOPs) and all other relevant and applicable Codes is committed. Any such breach will have a direct bearing on their performance appraisal and rewards and shall also attract appropriate disciplinary action.

**6. Disclosures in the Board's Report**

- The disclosures as required under the relevant provisions of the Companies Act, 2013, the rules made there under and the revised Clause 49 of the Listing Agreements shall be made with regard to the remuneration details of the Directors, KMPs, Senior Management and other employees.

**7. Policy review**

- This Policy may be amended, modified or supplemented from time to time to ensure compliance with any modification, amendment or supplementation to the Companies Act, 2013 and rules made there under, the Listing Agreements, the Securities and Exchange Board of India Act, 1992 and rules/ regulations/ guidelines made there under, the Memorandum and Articles of Association of the Company or as may be otherwise prescribed by the Board from time to time.
- The Nomination and Remuneration Committee may issue/implement such guidelines, procedures, formats and/or reporting mechanisms to enforce this Policy as it may deem fit.

**Form No. MR-3****SECRETARIAL AUDIT REPORT**

For the Financial Year Ended 31st March, 2016

[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,  
**Lohia Securities Limited**  
CIN : L67120WB1995PLC067195  
4, Biplabi Trailokya Maharaj Sarani  
(Brabourne Road), 5th floor,  
Kolkata 700 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Lohia Securities Limited having CIN L67120WB1995PLC067195 (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 my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2016 ("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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Lohia Securities Limited ("the Company") for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - Not Applicable to the Company during the Audit Period
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;- Not Applicable to the Company during the Audit Period
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May, 2015) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (w.e.f. 14th May, 2015) ;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - Not Applicable to the Company during the Audit Period

- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - Not Applicable to the Company during the Audit Period
- 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; and – Not Applicable to the Company during the Audit Period
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable to the Company during the Audit Period
- (vi) Other Applicable Acts,
  - a. Employees' State Insurance Act, 1948, and rules made thereunder;
  - b. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder;
  - c. The Payment of Bonus Act, 1965, and rules made thereunder;
  - d. Payment of Gratuity Act, 1972, and rules made thereunder;
  - e. The Minimum Wages Act, 1948, and rules made thereunder;
  - f. The Competition Act, 2002, and rules made thereunder;
  - g. Prevention of Money Laundering Act, 2002, and rules made thereunder;
  - h. Consumer Protection Act, 1986, and rules made thereunder;
  - i. The Trademark Act, 1999, and rules made thereunder;
  - j. The Indian Stamp Act, 1899;
  - k. Guideline with respect to SEBI KYC Registration Agency Regulation , 2011 and
  - l. Credit Information Companies (Regulation) Act, 2005 and rules made thereunder;
  - m. Foreign Accounts Tax Compliance Act (FATCA).

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India under the provision of Companies Act, 2013 w.e.f 1st July, 2015 in respect of board and general meetings.
- (ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited and The Calcutta Stock Exchange Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

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

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above except to the extent as mentioned below:

1. Non Filing of e-form for approval of the Standalone Financial Statement, Consolidated Financial Statement and the Board Report.

I further report that :

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. 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.
- The decisions at the Board Meetings, as represented by the management, were taken unanimously and recorded in minutes.

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

I further report that during the audit period the Company has no events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Place : Howrah

Date 13th August, 2016

**Poonam Mundhra**

*Company Secretary*

Membership No. A33638

C.P. No. 12552

Note : This report is to be read along with or letter of even date which is annexed as Annexure - C1 forms an integral part of this report.

## “ANNEXURE - C1”

To  
The Members,  
Lohia Securities Limited  
CIN : L67120WB1995PLC067195  
4, Biplabi Trailokya Maharaj Sarani  
(Brabourne Road), 5th floor,  
Kolkata 700 001

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Where ever required obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Howrah  
Date 13th August, 2016

**Poonam Mundhra**  
*Company Secretary*  
Membership No. A33638  
C.P. No. 12552

**REPORT ON CORPORATE GOVERNANCE OF THE COMPANY**

For the year ended 31st March, 2016

[As required under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**1. THE COMPANY'S GOVERNANCE PHILOSOPHY**

Lohia Securities is committed to maintaining high standards of Corporate Governance, protecting Customers', Shareholders' and other Stakeholders' interest. In line with this philosophy, Lohia Securities Limited endeavors to maintain transparency at all levels through adoption of best Corporate Governance Practices. The basic governance frameworks reflecting the values of the entity are ingrained in the functions. The Company has adopted various codes, policies and programs to carry out its operations in a transparent and ethical manner. Some of the important codes, policies and programs adopted in this regard are -

- Code of Conduct for Directors and Senior Management
- Code of Conduct for regulating, monitoring and reporting trading by insiders
- Related Party Transaction Policy
- Nomination and Remuneration Policy
- Policy on Material Subsidiaries
- Policy for determination of Materiality of Events/ Information for disclosures
- Familiarization Programme

**2. BOARD OF DIRECTORS**

In terms of the Company's Corporate Governance policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company and as trustees of stakeholders. The basic responsibility of the Board is to provide effective governance over the Company's affairs exercising its reasonable business judgement on behalf of the Company.

**a) Composition and Category of Directors**

The Board of Directors of the Company consists of 7 (seven) members which comprise of:

- Three Independent Non-Executive Directors inclusive of one woman director
- Three Promoter Non-Executive Director
- One Promoter Executive Director

The Chairman of the Company is an independent Non-Executive Director.

The Composition of the Board as on 31st March, 2016 was pursuant to the provisions of the Companies Act, 2013 (the Act) and the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Name of the Directors	Category of Directors	Number of outside Directorship(s) held			Committee Position(s) held	
		Public Companies	Private Companies	Foreign Companies	As Member	As Chairman
Mr. Hari Kishan Lohia	Non-Executive Director, Promoter	-	12	-	-	-
Mr. Mahesh Kumar Bajaj	Non-Executive Director, Promoter	-	11	-	2	-

Name of the Directors	Category of Directors	Number of outside Directorship(s) held			Committee Position(s) held	
		Public Companies	Private Companies	Foreign Companies	As Member	As Chairman
Mr. Rajesh Kumar Bajaj	Non-Executive Director, Promoter	-	14	-	-	-
Mr. Sudheer Kumar Jain	Executive Director, Promoter	-	10	-	-	-
Mr. Vineet Goenka	Non-Executive Independent Director	-	-	-	2	-
Mr. Sameer Bajaj	Non-Executive Independent Director, Chairman	-	1	-	2	2
Ms. Sarita Ojha	Non-Executive Independent Women Director	-	-	-	2	-

**Notes:**

- For this purpose, only two Committees viz. the Audit Committee and the Stakeholders Relationship Committee have been considered. This excludes Committee positions held in private limited companies, foreign companies and companies under Section 8 of the Act.
- Mr. Rajesh Kumar Bajaj's term of appointment as Managing Director of the Company expired on 23<sup>rd</sup> September, 2015. He continues to act as a Non-Executive Director with effect from 24<sup>th</sup> September, 2015.
- None of the Directors on the Board hold directorships in more than ten public companies. Further, none of them is member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding Committee positions in other public companies as on 31<sup>st</sup> March, 2016 have been made by the Directors.
- None of the Directors are related to each other.

**b) Attendance of Directors at the Board Meeting during the Financial Year ended 31<sup>st</sup> March, 2016 and at the last Annual General Meeting**

During the Financial Year ended 31<sup>st</sup> March, 2016, 7 (seven) Board meeting were held and the gap between any two consecutive meetings held during the year did not exceed 120 days. The attendance details of each director at the Board meetings and at the last Annual General Meeting (AGM) is given below:

Name of the Directors	No of Board Meeting		Whether attended the last AGM
	Held	Attendance	
Mr. Hari Kishan Lohia	7	7	Yes
Mr. Mahesh Kumar Bajaj	7	7	Yes
Mr. Rajesh Kumar Bajaj	7	5	No
Mr. Sudheer Kumar Jain	7	7	Yes
Mr. Vineet Goenka	7	1	No
Mr. Sameer Bajaj	7	7	Yes
Ms. Sarita Ojha	7	6	Yes

**c) Information placed before the Board**

The notice and detailed agenda alongwith the relevant notes and other material information are sent in advance separately to each director and in exceptional cases tabled at the meeting with the approval of the Board. This ensures timely and informed decision by the Board.



During the year 2015-16, information as mentioned in Schedule II part A of the Listing Regulations, has been placed before the Board for its considerations, to the extent it is applicable and relevant.

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

**d) Details of Meeting wise attendance of Board Members**

Date of Board Meeting	Board Strength	No. of Directors Present
28th May, 2015	7	5
20th June, 2015	7	5
14th August, 2015	7	7
26th September, 2015	7	6
14th November, 2015	7	6
19th December, 2015	7	5
14th February, 2016	7	5

**e) Statement showing number of shares/ convertible Instruments held by the Non-Executive Directors or Independent Director as on 31st March, 2016**

Name of the Non-Executive Director	No. of shares held
Mr. Hari Kishan Lohia	431000
Mr. Mahesh Kumar Bajaj	390400*
Mr. Rajesh Kumar Bajaj@	419800
Mr. Vineet Goenka	-
Mr. Sameer Bajaj	-
Ms. Sarita Ojha	-

None of the Non-Executive or Independent Directors hold any convertible instruments and/ or stock options of the Company as on 31st March, 2016.

\*Excludes his holding of 35000 shares as Karta of M/s. Satyanarain Bajaj, HUF.

@ is a Non-Executive Director for part of year.

**f) Details of Familiarization programme imparted to the Independent Directors:**

The details of the familiarization programme imparted to the Independent Directors is hosted on the website of the Company under the web-link <http://www.lohiasecurities.com>. Further at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his roles, functions and responsibilities etc. The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.

**3. AUDIT COMMITTEE**

**Composition**

The composition, quorum and terms of reference of the Committee is in accordance with the provisions of Section 177 of the Act and Regulation 18 read with Schedule II part C of the Listing Regulations. The Audit Committee comprises of four Non Executive Directors (three of them independent). All of them financially literate and most of them have accounting or related financial management expertise. The Chairman of the Committee is an independent Director.

Mr. Sameer Bajaj, Chairman- Independent Director

Mr. Mahesh Kumar Bajaj-Non Executive, Non-Independent Director

Mr. Vineet Goenka-Independent Director

Ms. Sarita Ojha- Independent Director

The Senior Management team of the Company comprising of the Chief Operating officer, Head of Finance Department, the Statutory Auditor and the Internal Auditor are invited to attend the Meeting of the Committee as Invitee. The Company Secretary is the Secretary to the Committee.

### Terms of Reference

The broad terms of reference of the Audit Committee, inter alia, include:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. 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 Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Evaluation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is

suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Review the management discussion and analysis of financial condition and results of operation
22. Review the statement of significant related party transaction (as defined by the audit Committee), submitted by the management
23. Review of management letters/ letters of internal control weaknesses issued by statutory auditors
24. Review of internal audit reports relating to internal control weaknesses and
25. Review of the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by audit committee
26. Review of (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange (s) in terms of Regulation 32(1), and (b) annual statement of funds utilized for purposes other than those stated in the offer documents/ prospectus/ notice in terms of Regulation 32(7).

#### Attendance

During the financial year 2015-16, meetings of the Audit Committee were held on 11<sup>th</sup> April, 2015, 28<sup>th</sup> May, 2015, 14<sup>th</sup> August, 2015, 14<sup>th</sup> November, 2015 and 13<sup>th</sup> February, 2016 at the registered office of the Company. The gap between two meetings never exceeded four months. The details of attendance of the members at the said meetings are as below:

Name of the Member	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. Mahesh Kumar Bajaj	Non-Executive & Promoter Director	Member	5	5
Mr. Sameer Bajaj	Non-Executive & Independent Director	Chairman	5	5
Mr. Vineet Goenka	Non- Executive & Independent Director	Member	5	1
Ms. Sarita Ojha	Non-Executive & Independent Director	Member	5	5

#### 4. NOMINATION AND REMUNERATION COMMITTEE

There is a Nomination and Remuneration Committee in place with roles, powers and duties to be determined by the Board from time to time. Its terms of reference is in accordance with the provisions of Section 178 of the Act and Regulation 19(4) read with Schedule II Part D of the Listing Regulations.

#### Composition

The Nomination and Remuneration Committee comprises of four Non-Executive Directors, three of whom are independent. The Chairman of the Remuneration Committee is Mr. Sameer Bajaj. Mr. Mahesh Kumar Bajaj, Ms.

Sarita Ojha and Mr. Vineet Goenka are the other members of this Committee.

### Terms of Reference

The broad terms of reference of the Nomination and Remuneration Committee are:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board of Directors;
3. Devising a policy on diversity of Board of Directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. Whether to extend or continue the terms of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

### Meetings and Attendance

The Nomination and Remuneration Committee met three times during the financial year 2015-16 on 9<sup>th</sup> May, 2015, 14<sup>th</sup> August, 2015, and 5<sup>th</sup> November, 2015, inter alia, to approve and recommend to the Board the policy for selection and appointment of directors, to identify and recommend the appointment of a women director on the board of the company, policy for remuneration of directors and Key Management Personnel and Policy for Performance Evaluation of Individual Directors, the Board as a whole and the Committee thereof. The necessary quorum was present for all the Nomination and Remuneration Committee meetings. The details of attendance of the members at the said meetings are as below:

Name of the Member	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. Mahesh Kumar Bajaj	Non-Executive & Promoter Director	Member	3	3
Mr. Sameer Bajaj	Non-Executive & Independent Director	Chairman	3	3
Mr. Vineet Goenka	Non-Executive & Independent Director	Member	3	2
Ms. Sarita Ojha	Non-Executive & Independent Director	Member	3	3

### Board Membership Criteria

While screening, selecting and recommending to the Board new members, the Nomination and Remuneration Committee ensures that the Board is objective, there is absence of conflict of interest, ensures availability of diverse perspectives, business experience, legal, financial & other expertise, integrity, managerial qualities, practical wisdom, ability to read & understand financial statements, commitment to ethical standards and values of the Company and ensures healthy debates and sound decisions.

While evaluating the suitability of a Director for re-appointment, besides the above criteria, the Nomination and Remuneration Committee considers the past performance, attendance & participation in and contribution to the activities of the Board by the Directors.

The Independent Directors comply with the definition of Independent Directors as given under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. While appointing/ re-appointing any Independent Directors/ Non Executive Directors on the Board the Nomination and Remuneration Committee considers the criteria as laid down in the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

All the Independent Directors give a certificate confirming that they meet the “independence criteria” as mentioned in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

#### **Remuneration Policy**

The key elements of remuneration of Non-executive Directors/ Independent directors are sitting fees subject to overall limit as prescribed in the Companies Act, 2013 and Rules made thereunder and the approval of the shareholders, as applicable.

The whole-time directors are appointed on a contractual basis for a fixed tenure as approved by the shareholders and such contracts are renewable upon expiry of the tenure subject to the recommendation by the Nomination and Remuneration Committee and Board of Directors and approval of shareholders.

The remuneration paid to Whole-time Director is within the limits approved by the shareholders of the Company which includes fixed salary, within the overall limit under section 197 of the Companies Act, 2013. Their annual increments shall be linked to their overall performance and as decided by the Nomination and Remuneration Committee.

#### **Performance Evaluation Criteria**

The performance evaluation questionnaire covers specific criteria with respect to the Board & Committee composition, structure, culture, effectiveness of the Board and Committees, information availability, etc. It also contains specific criteria for evaluating the Chairman and individual directors

### **5. STAKEHOLDERS RELATIONSHIP COMMITTEE**

#### **Composition**

The Shareholders/ Investors Grievance Committee presently consist of four Non –Executive Directors, three of whom are independent. The Chairman of the Shareholders/ Investors Grievance Committee is Mr. Sameer Bajaj. The other members of the Committee are Mr. Mahesh Kumar Bajaj Mr. Vineet Goenka and Ms. Sarita Ojha. Company Secretary is the Compliance Officer of the Committee.

#### **Terms of Reference**

The role of the Stakeholders Relationship Committee is to consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends. The Committee meets on a periodic basis to address the investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc.

Details of grievances of the shareholders as on 31<sup>st</sup> March, 2016 is as below:

Number of Shareholder Complaints received during the year.	Nil
Number not solved to the satisfaction of the shareholders till 31 <sup>st</sup> March, 2016	Nil
Number of Complaints pending as at 31 <sup>st</sup> March, 2016	Nil

#### **Meetings and Attendance**

During the financial year ended 31<sup>st</sup> March, 2016, only one meeting of the Shareholders/ Investors Grievance Committee was held on 19.03.2016 for consideration of the future policies of the Company in relation to handling of investor grievances.

### **6. REMUNERATION OF DIRECTORS**

The Non-Executive directors did not have any pecuniary relationship or transactions (except receipt of sitting fees) with the Company during the year under review.

The criteria for making payments to Non-Executive Directors is laid down in the Nomination and Remuneration Policy of the Company, which is forming a part of the Annual Report.

### Remuneration Paid to Directors

The Remuneration Committee, comprising only of Non-Executive Directors, determines remuneration of Executive Directors and Senior Executive. The aggregate amount of salary paid for the year ended 31<sup>st</sup> March, 2016, to Mr. Rajesh Kumar Bajaj, Managing Director of the Company, was ₹ 7,50,000/- for part of the year. Mr. Sudheer Kumar Jain Whole-time Director was paid a gross salary of ₹ 9,00,000/- during the financial year 2015-16. Mr. Sameer Bajaj and Mrs. Sarita Ojha, Independent Directors, were paid a sitting fees of ₹ 60,000/- each during the financial year 2015-16.

The above mentioned remuneration is within the limits prescribed under the provision of the Act. No stock options have been granted to any directors of the Company.

## 7. RISK MANAGEMENT COMMITTEE

### Composition

The Risk Management Committee is presently consists of

Mr. Sameer Bajaj, Independent Director

Mr. Sudheer Kumar Jain, Whole-time Director

Mr. Sujit Kumar Sharma, Chief Financial Officer

Mr. Arun Shah, DP Manager

The Risk Management Committee was constituted by the Board on 27<sup>th</sup> September, 2014 adhering to the requirements of the Companies Act, 2013 and Regulation 21 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Committee's prime responsibility is to implement and monitor the risk management plan and policy of the Company. The Committee's constitution meets with the requirements of Regulation 21 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

### Terms of Reference

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk Minimisation
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.
- Performing such other functions as may be necessary or appropriate for the performance of its oversight function.

### Meetings and Attendance

One meeting of the Committee was held during the year on 30<sup>th</sup> March, 2016 and all the members participated in the meeting.

## 8. INDEPENDENT DIRECTORS COMMITTEE

The Company's independent Directors met on 19<sup>th</sup> March, 2016 without the presence of the non-independent directors and the senior management team. The meeting was attended by all the Independent directors and was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to other independent directors.

**Composition**

The Committee comprises of all independent directors of the Company. As on 31<sup>st</sup> March, 2016 the Committee comprises of (a) Mr. Sameer Bajaj (b) Mr. Vineet Goenka and (c) Ms. Sarita Ojha.

**Terms of Reference**

- Evaluation of the performance of Independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

**9. SUBSIDIARY COMPANIES:**

The Company has the following 100% subsidiary companies as on March 31, 2016.

- Trade City Securities Private Limited
- Trade City Commodities Private Limited
- Trade City Barter Private Limited
- Trade City Real Estate Private Limited

All the subsidiaries are incorporated in India. All subsidiary companies are Board managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. Regulation 16(1)(c) of SEBI (LODR) Regulation 2015 defines “material subsidiary” as a subsidiary, whose income or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in immediately preceding accounting year. None of the above subsidiaries are satisfying above the definition of material subsidiaries. Hence, the Company is not required to nominate an Independent director of the Company on the Board of any subsidiary. The Company monitors performance of subsidiary companies, inter alia, by the following means:

- The financial statements, in particular investments made by unlisted subsidiary companies, are reviewed by the Company’s Audit Committee on annual basis.
- Minutes of Board Meetings of unlisted subsidiary companies are placed before the Company’s Board of Directors.
- A statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company’s Board.

**10. GENERAL BODY MEETINGS****a) Annual General Meetings**

During the preceding three years, the Company’s Annual General Meetings were held at the Registered Office: 4 Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5<sup>th</sup> floor, Kolkata 700 001. The date and time of Annual General Meeting held during last three years are as follows:

Financial Year	Date	Time
2014-15	Saturday, 26 <sup>th</sup> September, 2015	10.30 a.m.
2013-14	Saturday, 27 <sup>th</sup> September, 2014	10.30 a.m.
2012-13	Saturday, 21 <sup>st</sup> September, 2013	10.30 a.m.

**b) Special Resolutions passed at the last 3 (three) AGM held**

<b>Date of AGM</b>	<b>Details of Special Resolution Passed</b>
26 <sup>th</sup> September, 2015	a) A Special Resolution was passed at the 21 <sup>st</sup> Annual General Meeting of the Company for adoption of new set of Articles of Association bearing Article 1 to Article 135 in substitution and to entire exclusion of the Company's existing Articles of Association b) Special Resolution was also passed at the 21 <sup>st</sup> Annual General Meeting according permission to the Board, pursuant to Section 188 of the Companies Act, 2013, to enter into related party transactions.
27 <sup>th</sup> September, 2014	Nil
21 <sup>st</sup> September, 2013	Nil

No Extraordinary General Meetings were held during the last three years.

a) Special Resolution passed last year through Postal Ballot- Details of Voting Pattern-

*No Special Resolution was passed through Postal Ballot.*

b) Person who conducted the postal ballot exercise: *Not Applicable*

c) Whether any special resolution is proposed to be conducted through postal ballot: *Nil*

d) Procedure for Postal Ballot: *N.A.*

Resume and other information of the Directors proposed to be re-appointed (including those retiring by rotation) at the ensuing Annual General Meeting are given in the Notice relating thereto to the shareholders as required under Regulation 36 of SEBI (LODR) Regulation 2015.

**11. MEANS OF COMMUNICATION**

Effective communication of information is an essential component of Corporate Governance. It is the process of sharing information, ideas, thoughts, opinions and plans to all stakeholders, which promotes management-shareholder relations. The Company regularly interacts with its members through multiple channels of communications such as results announcements, annual reports, media releases and company's websites and through green initiatives.

<b>Subject</b>	<b>Details</b>
Quarterly Results	Quarterly, half yearly and Annual Results are published in the newspapers viz. Business Standard/ Financial Express (English) and Arthik Lipi (Bangla) . The results are also posted on the company's website: <a href="http://www.lohiasecurities.com">www.lohiasecurities.com</a>
News Releases	Official news releases are sent to BSE stock exchanges as well as displayed on the Company's website: <a href="http://www.lohiasecurities.com">www.lohiasecurities.com</a>
Any website, where displayed	The Company's website <a href="http://www.lohiasecurities.com">www.lohiasecurities.com</a> provides comprehensive information about the business of the Company. Section on Investor Information serves to inform and service the shareholders allowing them to access information at their convenience. The quarterly shareholding pattern of the Company is available on the website of the Company as well as the BSE stock exchange. The entire Annual Report and Accounts of the Company and its subsidiaries are available in the downloadable formats. The entire Annual Reports and Accounts of the Company will also be made available on the website of the BSE Stock Exchange.
E-mail for Investor Complaints	The Company has created an exclusive e-mail id: <a href="mailto:grievance@lohiasecurities.com">grievance@lohiasecurities.com</a>



Whether it also displays official news released and presentations made to institutional Investors/ Analysis	No
Whether MD&A is a part of Annual Report	Yes, the same is part of Directors' Report

In compliance with the requirements of the Listing Agreements, the Company regularly intimates unaudited as well as audited financial results to the Calcutta Stock Exchange as well as BSE immediately after the Board takes them on record. Further coverage is given for the benefit of the shareholders and investors by publication of the financial results in English and Bengali newspaper circulating in the state of West Bengal. The same is also posted on the Website of the Company.

## 12. SEBI Complaints Redress System (Scores)

Securities and Exchange Board of India (SEBI) administers a centralized web based complaints redress system (SCORES). It enables investors to lodge and follow up complaints and track the status of redressal online on the website [www.scores.gov.in](http://www.scores.gov.in). It also enables the market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report redressal. All the activities starting from lodging of a complaint till its disposal are carried online in an automated environment and the status of every complaint can be viewed online at any time. The Company has registered itself on SCORES and endeavors to resolve all investor complaints received through SCORES.

## 12. GENERAL SHAREHOLDER INFORMATION

- a. Annual General Meeting: : The Annual General Meeting of the Company has been convened on Saturday, 24<sup>th</sup> September, 2016, 10.30 a.m. at the Registered Office of the Company at 4 Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5<sup>th</sup> floor, Kolkata 700 001
- b. Financial Year : 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016
- . Book Closure Date : The Register of Members will be closed from Monday, 19<sup>th</sup> September, 2016 to Saturday 24<sup>th</sup> September, 2016 (both dates inclusive) as annual closure for the Annual General Meeting.
- c. Dividend Payment Date : The Board has not recommended a dividend for the year ended 31<sup>st</sup> March, 2016.
- d. Listing at Stock Exchanges :
  - The Calcutta Stock Exchange Limited  
7 Lyons Range, Kolkata 700 001
  - BSE Limited (under permitted category)  
P.J.Towers, Dalal Street, Mumbai 400 001
 All listing and custodial fees to the stock exchange and depositories have been paid to the respective institutions.
- e. Stock code and Stock ID :
  - a) The Calcutta Stock Exchange Limited - 22123-LOHIASEC
  - b) BSE-590082-LOHIASEC
 ISIN in National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited-INE803B01017.

## f. Market Price Data:

Monthly high and low quotes and volume of shares traded on Calcutta Stock Exchange (CSE): There were no trading of the equity shares of Lohia Securities Limited for the period from 01/04/2015 to 31/03/2016 at the

Calcutta Stock Exchange. The close price as on 31<sup>st</sup> March 2016 is ₹ 6.00. The shares of the Company were permitted for trading on BSE platform with effect from 06.05.2008 and the closing price as on 31<sup>st</sup> March, 2016 was ₹ 75.00

The market price data i.e. monthly high and low prices of the Company's shares on BSE are given below: (in ₹)

Month	Open Price	High Price	Low Price	Close Price	No. of Shares
Jun 15	93.45	93.45	93.45	93.45	1
Jul 15	98.00	98.00	95.00	95.00	238
Aug 15	95.00	95.00	95.00	95.00	1
Sep 15	95.00	97.00	94.00	96.50	11
Oct 15	98.00	107.50	98.00	107.50	17
Nov 15	102.20	102.20	97.10	97.10	5
Dec 15	92.25	92.25	87.65	87.65	5
Jan 16	83.30	83.30	83.30	83.30	2
Feb 16	79.15	79.15	79.15	79.15	6
Mar-16	75.20	75.20	75.00	75.00	16005

- g. Performance in comparison to broad-based indices such as BSE sensex, CRISIL index etc. : The Company's share does not form a part of the CSE-40 or CSE-50 index. Similarly it is not form a part of BSE Sensex.
- h. In case the securities are uspendd from trading, the directors report shall explain the reason thereof : Not applicable as none of the securities of the Company are suspended from trading.
- i. Registrars and Transfer Agents (for Share transfer and communication regarding share certificates, dividend and change of address) : M/s. Niche Technologies Pvt. Ltd.  
D-511, Bagree Market, 5<sup>th</sup> floor,  
71, B.R.B. Road, Kolkata- 700 001
- j. Share Transfer System : Share transfers are registered and returned within a period of 15 days from the date of receipt, in case documents are complete in all respects. All share transfers are approved by the whole-time Director under the authority delegated to him by the shareholders/ investors Grievance Committee. During the year ended 31<sup>st</sup> March, 2016, no shares in physical form were transferred.

k. i) Distribution of Shareholding as at the year ended 31.3.2016:

No. of Shares	No. of Shareholders	% of Total	No. of Shares	% of Total
Upto- 500	365	84.4907	14,232	0.2856
501-1,000	4	0.9259	2,949	0.0592
1001-5000	4	0.9259	11,693	0.2347
5001-10,000	7	1.6204	55,231	1.1084
10,001-50,000	26	6.0185	7,11,371	14.2760
50,001-1,00,000	14	3.2407	12,13,404	24.3509
1,00,001- & above	12	2.778	29,74,120	59.6853
<b>Total</b>	<b>432</b>	<b>100.0000</b>	<b>49,83,000</b>	<b>100.0000</b>

## ii) Categories of Shareholders as at the year ended 31.03.2016

Category	No. of Shareholders	% of Total	No. of Shares	% of Total
<b>Bodies Corporate:</b>				
Promoters	7	1.620	937448	18.813
Others	29	6.713	1278868	25.665
Clearing Member	1	0.231	5	0.000
<b>Total Bodies Corporate</b>	<b>37</b>	<b>8.564</b>	<b>2,216,924</b>	<b>44.490</b>
<b>Resident Individuals</b>				
Promoters (Directors & Relatives)	15	3.472	2,383,931	47.841
Others	380	87.963	382,748	7.681
<b>Total Individuals</b>	<b>395</b>	<b>91.435</b>	<b>27,66,076</b>	<b>55.510</b>
<b>TOTAL</b>	<b>432</b>	<b>100.000</b>	<b>49,83,000</b>	<b>100.000</b>

iii) Top Ten Shareholders as on 31<sup>st</sup> March, 2016

Sr. No.	Name of shareholders	Number of Shares	% of total
1	Hari Kishan Lohia	431,000	8.65
2	Rajesh Kumar Bajaj	419,800	8.42
3	Mahesh Kumar Bajaj	390,400	7.83
4	Sudheer Kumar Jain	312,000	6.26
5	Shiv Lalit Consultancy Pvt. Ltd.	265,000	5.32
6	Ridhi Sidhi Distributor Pvt. Ltd.	252,881	5.07
7	Sarla Lohia	205,100	4.12
8	Trade City Barter Pvt. Ltd.	205,000	4.11
9	Sunita Bajaj	140,700	2.82
10	Hallmark Merchants Pvt. Ltd.	132,021	2.65
	<b>Total</b>	<b>2,753,902</b>	<b>55.27</b>

## I. Dematerialisation of Shares and Liquidity:

Trading in the Company's shares is permitted only in dematerialized form. The Company has established connectivity with both the depositories viz. NSDL and CDSL through the Registrar M/s. Niche Technologies Pvt. Ltd., whereby the investors have the option to dematerialize their shares with either of the depositories. As on 31<sup>st</sup> March, 2016, about 49,74,670 (99.833% of the Company's) shares were held in dematerialized form.

None of the Company's shares are under lock-in period for any purpose.

Company obtains a certificate from practicing Company Secretaries every quarter, which confirms that total issued capital of the Company is in agreement with total number of shares in dematerialized form with NSDL and CDSL and shares in physical form. All the share-holding of the promoters group is in electronic form.

Shares held in dematerialized and physical mode as on March 31, 2016

Category		Shareholders		Shares	
		Number	Percentage	Number	Percentage
<b>Dematerialised</b>	NSDL	235	54.398	45,75,496	91.822
	CDSL	116	26.852	3,99,174	8.011
	<b>Subtotal</b>	<b>351</b>	<b>81.250</b>	<b>49,74,670</b>	<b>99.833</b>
<b>Physical Mode</b>		81	18.750	8,330	0.167
	<b>Grand Total</b>	<b>432</b>	<b>100.00</b>	<b>49,83,000</b>	<b>100.00</b>

m. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments and their likely impact on equity : The Company has not issued GDR/ ADR/ Warrants or any Convertible Instruments

n. Commodity price risk or foreign exchange risk and hedging activities

The Company is not exposed to foreign exchange risks as it mainly deals in Indian currency. Also it is not a sizable user of various commodities and as such it is not exposed to the price risk on account of procurement of commodities.

o. Plant Locations:

The branches of the Company have been established at Kolkata, Mumbai, Patna, Giridih, Gauwahati and Purulia.

p. Address for Correspondence:

- For matters related to shares, transfer/ transmission requests:  
M/s. Niche Technologies Pvt. Ltd.  
D-511, Bagree Market, 71, B.R.B.B. Road  
Kolkata- 700 001  
Phone no.-033-2235 7270/ 71.
- For queries/ assistance on issues other than shares (including those related to financial statements)  
Mr. Narendra Kumar Rai  
Company Secretary  
Lohia Securities Ltd.  
4 Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5<sup>th</sup> floor, Kolkata 700 001  
Phone no. 033-4002 6600/6700, Fax-4002 6800.,  
Email:narendra.raai@lohiasecurities.com

The Company can be visited at its website at <http://www.lohiasecurities.com>

### 13. OTHER DISCLOSURES

a. Material significant related party transactions having potential conflict with interest of the Company at large There were no materially significant related party transactions which may have potential conflict with the interest of the Company at large. Details of materially significant related party transactions are presented in the Notes to the Financial Statements.

b. Penalties/ Strictures imposed by Stock Exchanges/ SEBI during last 3 years

No penalties/ strictures were imposed by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any statutory authority, on any matter related to capital markets during the last three years.

c. Vigil Mechanism/ Whistle Blower Policy

The Vigil Mechanism/ Whistle Blower Policy has been adopted to provide appropriate avenues to the employees to bring to the attention of the management, the concerns about any unethical behavior, by using the mechanism provided in the Policy. In cases related to financial irregularities, including fraud or suspected fraud, the employees may directly approach the Chairman of the Audit Committee of the Company. We affirm that no director or employee has been denied access to the Audit Committee during financial year 2015-16. The Policy provides that no adverse action shall be taken or recommended against an employee in retaliation to his/ her disclosure in good faith of any unethical and improper practices or alleged wrongful conduct. This Policy protects such employees from unfair or prejudicial treatment by anyone in the Group.

d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the mandatory requirements as stipulated in the listing Regulations. The Company has adopted C,D & E of the Non- mandatory requirements as provided in Part E of Schedule II to the Listing Regulations and not adopted A and B since they are discretionary requirements.

e. Weblink where policy for determining 'material' subsidiaries is disclosed

Pursuant to requirements of Regulation 16(2)(C) of SEBI (LODR) Regulation 2015, the Company has adopted the policy determining material subsidiaries and the said policies are available on the Company's website at [www.lohiasecurities.com](http://www.lohiasecurities.com)

f. Weblink where policy on dealing with related party transactions

The Board has approved a policy for Related Party Transactions which has been posted on the website of the Company. The weblink for the same is <http://www.lohiasecurities.com>

14. The Company has complied with all the requirements as stated in para C(2) to para C(10) of Schedule V of the Listing Regulations.

15. The Company has adopted the following discretionary requirements as stated in Part E of Schedule II of the Listing Regulations:

A. Modified Opinion in Audit Report

It has always been the Company's endeavour to present unqualified Financial statements. This year there is no qualification in the Auditors' Report as well as Secretarial Audit Report

B. Separate Posts of Chairperson and Chief Executive Officer

The position of the Chairman and Whole-time Director are separate. Mr. Sameer Bajaj is the Chairman and Mr. Sudheer Kumar Jain is the Whole-time Director of the Company.

C. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

16. Code of Conduct

A code of conduct has been laid down for all Board Members and Senior Management of the Company, which suitable incorporates the duties of independent directors as laid down in the Act. The Board Members and Senior Management of the Company has affirmed compliance with the code of conduct of the Company. A declaration signed by the Whole-time Director to this effect is annexed hereto. The Code of Conduct is available on the Company's website viz. [www.lohiasecurities.com](http://www.lohiasecurities.com)

17. Prevention of Insider Trading & Code of Conduct for fair disclosure

The Company has adopted a Code of Conduct for regulating, monitoring and reporting by Insiders in securities of the Company. The code requires pre-clearance for dealing in the Company's securities and prohibits the purchase or sale of securities of the Company 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 Company has also adopted a Code of Practices and Procedures for Fair Disclosures and conduct of Unpublished Price Sensitive Information to formulate a stated framework and policy for prompt and fair disclosure of events and occurrences that could impact price discovery in the market for securities of the Company.

## 18. Disclosure with respect to demat suspense account/ unclaimed suspense account

As on 31st March, 2016, there are no shares lying in the demat suspense account/ unclaimed suspense account.

## 19. Compliance Certificate of the Auditors

Certificate from the Company's Auditors, M/s. Patni & Co., confirming compliance with conditions of Corporate Governance as stipulated in SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015, is attached to this Report.

## 20. Secretarial Audit as per SEBI Requirements:

As stipulated by SEBI, a qualified Practicing Company Secretary carry out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and physical form.

For and on behalf of the Board of Directors

Place: Kolkata  
Date: 13th August, 2016

<b>Sameer Bajaj</b> <i>Chairman</i> DIN: 00078805	<b>Sudheer Kumar Jain</b> <i>Whole-time Director</i> DIN: 00075103
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### DECLARATION OF CODE OF CONDUCT

We confirm that the Company has obtained the confirmation from all directors and senior management personnel that they have complied with the provisions of the Code of Conduct for the financial year 2014-15.

Kolkata, the 13th day of August, 2016

<b>Sameer Bajaj</b> <i>Chairman</i>	<b>Sudheer Kumar Jain</b> <i>Whole-time Director</i>
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**CEO/ CFO Certificate**

**[Issued in accordance with the provisions of Regulation 17(8) of SEBI  
(Listing Obligations & Disclosure Requirements) Regulations, 2015]**

To  
The Board of Directors,  
Lohia Securities Limited  
4 Biplabi Trailokya Maharaj Sarani (Brabourne Road)  
5<sup>th</sup> floor, Kolkata 700 001

**Certification to the Board pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015**

- A.** We have reviewed financial statements and the cash flow statement for the financial year 2015-16 and that to the best of our knowledge and belief:
- 1.** These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading
  - 2.** These statements together present a true and fair view of the Company's affairs and we are in compliance with existing accounting standards, applicable laws and regulations.
- B.** There are, to the best of our knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.
- C.** We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and there have been no deficiencies in the design or operation of such internal controls of which we are aware.
- D.** We have indicated to the auditors and the Audit Committee that they were:
- a.** no significant changes in internal control over the financial reporting during the year.
  - b.** No significant changes in accounting policies during the year and the same has been disclosed in the notes to the financial statements; and
  - c.** There have been no instances of significant fraud which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Kolkata, the 13<sup>th</sup> August, 2016

**Sudheer Kumar Jain**  
*Whole-time Director*

**Sujit Kumar Sharma**  
*Chief Financial Officer*

**AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

The Board of Directors  
 Lohia Securities Limited  
 4 Biplabi Trailokya Maharaj Sarani (Brabourne Road)  
 5<sup>th</sup> floor, Kolkata 700 001

We have examined the compliance of conditions of Corporate Governance by M/s. Lohia Securities Limited, for the year ended 31<sup>st</sup> March, 2016 as stipulated in Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations 2015 ("The Regulations") .

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the Regulations.

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

For **PATNI & Co.**  
*Chartered Accountants*  
 Firm Regn. No. 320304E

**Sashi Sureka**  
*Partner*  
 Membership No. 57918

Place: 1 India Exchange Place, 2<sup>nd</sup> floor, Kolkata 700 001  
 Date: the 13th day of August, 2016



## Annexure - E

Disclosure pursuant to rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

Sr. No.	Disclosure Requirement	Disclosure Details															
1.	Ratio of Remuneration of each Director to the median remuneration of the employees for the financial year	a) Mr. Rajesh Kumar Bajaj, Managing Director (for part of year), Ratio: 6.3 times b) Mr. Sudheer Kumar Jain, Whole-time Director, Ratio: 3.77 times															
2.	Percentage Increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<table><tr><th>Director/ KMP</th><th>Designation</th><th>% Increase / (decrease) in Remuneration</th></tr><tr><td>Mr. Rajesh Kumar Bajaj</td><td>Managing Director (Part of the year)</td><td>Nil</td></tr><tr><td>Mr. Sudheer Kumar Jain</td><td>Whole-time Director</td><td>Nil</td></tr><tr><td>Mr. Narendra Kumar Rai</td><td>Company Secretary</td><td>4 %</td></tr><tr><td>Mr. Sujit Kumar Sharma</td><td>Chief Financial Officer</td><td>6%</td></tr></table>	Director/ KMP	Designation	% Increase / (decrease) in Remuneration	Mr. Rajesh Kumar Bajaj	Managing Director (Part of the year)	Nil	Mr. Sudheer Kumar Jain	Whole-time Director	Nil	Mr. Narendra Kumar Rai	Company Secretary	4 %	Mr. Sujit Kumar Sharma	Chief Financial Officer	6%
Director/ KMP	Designation	% Increase / (decrease) in Remuneration															
Mr. Rajesh Kumar Bajaj	Managing Director (Part of the year)	Nil															
Mr. Sudheer Kumar Jain	Whole-time Director	Nil															
Mr. Narendra Kumar Rai	Company Secretary	4 %															
Mr. Sujit Kumar Sharma	Chief Financial Officer	6%															
3.	Percentage increase in the median remuneration of employees in the financial year	4%															
4.	Number of permanent employees on the rolls of Company at the end of the year	The number of permanent employees on the rolls of the Company as on 31st March, 2016 were 75 (Seventy-five)															
5.	The explanation on the relationship between average increase in remuneration and Company performance	The increase in revenue from operation was ₹ 124.53 lakh as compared to last year. Thus, there was an increase in the revenue by 3.22%. The average increase in remuneration was 4%															
6.	Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the Company																
	Remuneration of Key Managerial Personnel (KMP) during the Financial Year 2015-16 (aggregated)	₹ 25.46 lakh															
	Revenue from Operation	₹ 3990.54 lakh															
	Remuneration of KMP as a % of Revenue from operations	0.64%															
	Profit before Tax (PBT) in 2015-16	(₹ 7.99 lakh)															
	Remuneration of KMP as a % of PBT	318.65%															
7.	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.	<p>The market capitalization of the Company as on 31st March, 2016 was ₹ 37.37 crore as against ₹ 44.35 crore as on 31<sup>st</sup> March, 2015.</p> <p>The price earnings ratio of the Company on standalone basis was (312.50) as on 31st March, 2016 and was 23.36 as at 31st March, 2015.</p> <p>The market price of the share of the Company on BSE as on 31st March, 2015 and as on 31st March, 2014</p> <table><tr><th>Particulars</th><th>March 31, 2016</th><th>March 31, 2015</th><th>Variation (%)</th></tr><tr><td>Share Prices (₹)</td><td>75.00</td><td>89.00</td><td>(15.73%)</td></tr></table>	Particulars	March 31, 2016	March 31, 2015	Variation (%)	Share Prices (₹)	75.00	89.00	(15.73%)							
Particulars	March 31, 2016	March 31, 2015	Variation (%)														
Share Prices (₹)	75.00	89.00	(15.73%)														

8.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average Salary increase of non-managerial employee is 5%.  Average Increase in the salary of the managerial employees is 6.08 % as there has been no increase in the remuneration of Managing Director and Whole-time Director.  There are no exceptional circumstances for increase in the managerial remuneration.					
9.	Comparison of each remuneration of the key managerial Personnel against the performance of the Company						
	Name of the KMP	Remuneration in FY 2015-16 (₹)	Revenue from Operation (₹)	Remuneration as a % of Revenue	Profit (Loss) before tax (PBT) (₹)	Remuneration as a % of PBT	
	Rajesh Kumar Bajaj	750000	399053759	0.19	-798800	93.89	
	Sudheer Kumar Jain	900000		0.22		112.67	
	Sujit Kumar Sharma	284671		0.07		35.64	
	Narendra Kumar Rai	611800		0.15		76.59	
10.	Key parameters for any variable component of remuneration availed by the directors.		The directors have not availed any variable component of remuneration.				
11.	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year		The Whole time Director has received a remuneration of ₹ 9,00,000/- during the financial year 2015-16. Mr. Pawan Kumar Bothra has received a salary of ₹ 13,50,000 during the financial year which is 1.5 times of the remuneration of highest paid director.				
12.	Affirmation that the remuneration is as per the remuneration policy of the Company.		Remuneration paid to the employees including KMPs is as per the Remuneration Policy of the Company				

**Note:**

The Independent Directors of the Company are entitled for sitting fees as per statutory provisions. The details of remuneration of Non-Executive and Independent Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non-Executive and Independent Directors Remuneration is therefore not considered for the above purpose. Mr. Rajesh Kumar Bajaj retired from office of Managing Director with effect from 23rd September, 2015 and continues to act as a Non Executive Director with effect from that date and therefore his remuneration for the current year is not comparable with the previous year.

On behalf of the Board of Directors

Place : Kolkata  
Date : August 13, 2016

**Sameer Bajaj**  
Chairman

**Sudheer Kumar Jain**  
Whole-time Director

## Annexure - F

FORM NO. MGT - 9  
EXTRACT OF ANNUAL RETURN  
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2016  
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies  
(Management and Administration) Rules 2014]

**I. REGISTRATION & OTHER DETAILS :**

1.	CIN	L67120WB1995PLC067195
2.	Registration Date	January 6, 1995
3.	Name of the Company	Lohia Securities Ltd.
4.	Category/Sub-category of the Company	Public Limited Company, Limited By Shares
5.	Address of the Registered office & contact details	4, Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5th Floor, Kolkata - 700 001 Telephone No. 033-4002 6600 / 6700, Fax No. 033-4002 6800, Email : info@lohiasecurities.com Website : www.lohiasecurities.com
6.	Whether listed company	Yes, LISTED
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Niche Technologies Pvt. Ltd. D-511, Bagree Market, 71, B. R. B. Road, 5th Floor, Kolkata - 700 001 Phone No. : 033-2235 7270 / 71, 2234 3576 Fax No. : 033-2215 6823 Email ID : nichetechpl@nichetechpl.com

**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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Securities Brokerage Services	99715210	100.00%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :**

Sl. No.	Name of The Company	Address of The Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
1	Trade City Securities Private Limited	1602-B, Lady Ratan Tower, 72 Dainik Shivner Marg, Gandhinagar, Worli, Mumbai-400 018	U67120MH2007PTC175326	Subsidiary	100	2(87)(ii)
2.	Trade City Commodities Private Limited	4, Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5Th Floor, Kolkata-700 001	U74999WB2004PTC099912	Subsidiary	100	2(87)(ii)
3.	Trade City Barter Private Limited	4, Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5Th Floor, Kolkata-700 001	U51909WB1995PTC074970	Subsidiary	100	2(87)(ii)

Sl. No.	Name of The Company	Address of The Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
4.	Trade City Real Estate Private Limited	4, Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5Th Floor, Kolkata-700 001	U51109WB1996PTC078252	Subsidiary	100	2(87)(ii)
5.	Daadi Stock Broking Private Limited	4, Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5Th Floor, Kolkata-700 001	U67200WB2003PTC095825	Associates	-	2(6)

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

##### Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-04-2015]				No. of Shares held at the end of the year [As on 31-03-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
(1) Indian									
a) Individual/ HUF	2383931	-	2383931	47.841	2383931	-	2383931	47.841	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	937448	-	937448	18.813	937448	-	937448	18.813	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	3321379	-	3321379	66.654	3321379	-	3321379	66.654	-
(2) Foreign									
a) NRIs-Individual	-	-	-	-	-	-	-	-	-
Other-Individuals	-	-	-	-	-	-	-	-	-
b) Bodies Corporate	-	-	-	-	-	-	-	-	-
c) Bank/ Financial Institutions	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	3321379	-	3321379	66.654	3321379	-	3321379	66.654	-
<b>B. Public Shareholding</b>									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-04-2015]				No. of Shares held at the end of the year [As on 31-03-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	1279131	-	1279131	25.670	1278868	-	1278868	25.665	-0.005
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	41832	8330	50162	1.007	143735	8330	152065	3.052	2.045
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	331983	-	331983	6.662	230683	-	230683	4.629	-2.033
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	345	-	345	0.007	5	-	5	-	-0.007
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	1653291	8330	1661621	33.346	1653291	8330	1661621	33.346	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1653291	8330	1661621	33.346	1653291	8330	1661621	33.346	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	4974670	8330	4983000	100.00	4974670	8330	4983000	100.00	-

**B) Shareholding of Promoter-**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Abhishek Lohia	6500	0.130	-	6500	0.130	-	-
2	Ankit Lohia	8431	0.169	-	8431	0.169	-	-
3	Daadi Stock Broking Private Limited	49498	0.993	-	49498	0.993	-	-
4	Hari Kishan Lohia	431000	8.649	-	431000	8.649	-	-
5	Kusum Poddar	15000	0.301	-	15000	0.301	-	-
6	Lohia Fiscal Markets Private Limited	45069	0.904	-	45069	0.904	-	-
7	Madhusudhan Enclave Pvt. Ltd.	60000	1.204	-	60000	1.204	-	-
8	Mahesh Kumar Bajaj	390400	7.835	-	390400	7.835	-	-
9	Mahesh Kumar Bajaj	35000	0.702	-	35000	0.702	-	-
10	Mayank Bajaj	10000	0.201	-	10000	0.201	-	-
11	Murari Lal Bajaj	100000	2.007	-	100000	2.007	-	-
12	Neena Jain	120000	2.408	-	120000	2.408	-	-
13	Rajdulari Devi Bajaj	100000	2.007	-	100000	2.007	-	-
14	Rajesh Kumar Bajaj	419800	8.425	-	419800	8.425	-	-
15	Ridhi Sidhi Distributor (P) Ltd.	252881	5.075	-	252881	5.075	-	-
16	Sanjay Kumar Jain.	90000	1.806	-	90000	1.806	-	-
17	Sarla Lohia	205100	4.116	-	205100	4.116	-	-
18	Shiv Lalit Consultancy Private Limited	265000	5.318	-	265000	5.318	-	-
19	Snehdeep Commerce Pvt. Ltd.	60000	1.204	-	60000	1.204	-	-
20	Sudheer Kumar Jain	312000	6.261	-	312000	6.261	-	-
21	Sunita Bajaj	140700	2.824	-	140700	2.824	-	-
22	Trade City Barter Private Limited	205000	4.114	-	205000	4.114	-	-
	<b>T O T A L</b>	<b>3321379</b>	<b>66.654</b>	<b>-</b>	<b>3321379</b>	<b>66.654</b>	<b>-</b>	<b>-</b>

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3321379	66.654	3321379	66.654
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	NO CHANGES DURING THE YEAR			
	At the end of the year	3321379	66.654	3321379	66.654

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ABHISHEK LOHIA				
	a) At the Beginning of the Year	6500	0.130		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			6500	0.130
2	ANKIT LOHIA				
	a) At the Beginning of the Year	8431	0.169		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			8431	0.169
3	DAADI STOCK BROKING PVT. LTD.				
	a) At the Beginning of the Year	49498	0.993		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			49498	0.993
4	HARI KISHAN LOHIA				
	a) At the Beginning of the Year	431000	8.649		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			431000	8.649
5	KUSUM PODDAR				
	a) At the Beginning of the Year	15000	0.301		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			15000	0.301
6	LOHIA FISCAL MARKETS PRIVATE LIMITED				
	a) At the Beginning of the Year	45069	0.904		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			45069	0.904

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	MADHUSUDHAN ENCLAVE PVT. LTD.				
	a) At the Beginning of the Year	60000	1.204		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			60000	1.204
8	MAHESH KUMAR BAJAJ				
	a) At the Beginning of the Year	390400	7.835		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			390400	7.835
9	MAHESH KUMAR BAJAJ				
	a) At the Beginning of the Year	35000	0.702		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			35000	0.702
10	MAYANK BAJAJ				
	a) At the Beginning of the Year	10000	0.201		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			10000	0.201
11	MURARI LAL BAJAJ				
	a) At the Beginning of the Year	100000	2.007		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			100000	2.007
12	NEENA JAIN				
	a) At the Beginning of the Year	120000	2.408		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			120000	2.408
13	RAJDULARI DEVI BAJAJ				
	a) At the Beginning of the Year	100000	2.007		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			100000	2.007
14	RAJESH KUMAR BAJAJ				
	a) At the Beginning of the Year	419800	8.425		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			419800	8.425
15	RIDHI SIDHI DISTRIBUTOR (P) LTD.				
	a) At the Beginning of the Year	252881	5.075		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			252881	5.075



Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
16	SANJAY KUMAR JAIN.				
	a) At the Beginning of the Year	90000	1.806		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			90000	1.806
17	SARLA LOHIA				
	a) At the Beginning of the Year	205100	4.116		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			205100	4.116
18	SHIV LALIT CONSULTANCY PRIVATE LIMITED				
	a) At the Beginning of the Year	265000	5.318		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			265000	5.318
19	SNEHDEEP COMMERCE PVT. LTD.				
	a) At the Beginning of the Year	60000	1.204		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			60000	1.204
20	SUDHEER KUMAR JAIN				
	a) At the Beginning of the Year	312000	6.261		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			312000	6.261
21	SUNITA BAJAJ				
	a) At the Beginning of the Year	140700	2.824		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			140700	2.824
22	TRADE CITY BARTER PRIVATE LIMITED				
	a) At the Beginning of the Year	205000	4.114		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			205000	4.114
	<b>TOTAL</b>	<b>3321379</b>	<b>66.654</b>	<b>3321379</b>	<b>66.654</b>

**D) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder 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 shares of the company	No. of shares	% of total shares of the company
1	ANJANIPUTRA TRADECOM PRIVATE LIMITED.				
	a) At the Beginning of the Year	98799	1.983		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			98799	1.983
2	GANGA NIKETAN PRIVATE LTD.				
	a) At the Beginning of the Year	97247	1.952		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			97247	1.952
3	HALLMARK MERCHANTS PVT. LTD.				
	a) At the Beginning of the Year	132021	2.649		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			132021	2.649
4	PANCHMUKHI INFRASTRUCTURE PRIVATE LIMITE				
	a) At the Beginning of the Year	99493	1.997		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			99493	1.997
5	PUSHTI DISTRIBUTORS PVT. LTD.				
	a) At the Beginning of the Year	83800	1.682		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			83800	1.682
6	SANJAY KUMAR BIYALA				
	a) At the Beginning of the Year	75000	1.505		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			75000	1.505
7	SANJAY M CREDIT (P) LTD.				
	a) At the Beginning of the Year	98801	1.983		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			98801	1.983
8	SAPTARSHI VANIJYA PVT. LTD.				
	a) At the Beginning of the Year	98943	1.986		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			98943	1.986

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 shares of the company	No. of shares	% of total shares of the company
9	SUKHJIT TIEUP PVT. LTD.				
	a) At the Beginning of the Year	100218	2.011		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			100218	2.011
10	WISDOM DISTRIBUTORS PRIVATE LIMITED				
	a) At the Beginning of the Year	98321	1.973		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			98321	1.973
	<b>TOTAL</b>	<b>982643</b>	<b>19.720</b>	<b>982643</b>	<b>19.720</b>

## E) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	HARI KISHAN LOHIA				
	a) At the Beginning of the Year	431000	8.649		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			431000	8.649
2	MAHESH KUMAR BAJAJ				
	a) At the Beginning of the Year	390400	7.835		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			390400	7.835
3	RAJESH KUMAR BAJAJ				
	a) At the Beginning of the Year	419800	8.425		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			419800	8.425
4	SUDHEER KUMAR JAIN				
	a) At the Beginning of the Year	312000	6.261		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			312000	6.261
	<b>TOTAL</b>	<b>1553200</b>	<b>31.170</b>	<b>1553200</b>	<b>31.170</b>

V) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	20438360	2000000	-	22438360
ii) Interest due but not paid	84932	-	-	84932
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>20523292</b>	<b>2000000</b>	<b>-</b>	<b>22523292</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition			-	
i) Principal Amount	22907621	184900000	-	207807621
ii) Interest due but not paid	178675	-	-	178675
iii) Interest accrued but not due	-	-	-	-
	23086296	184900000	-	207986296
* Reduction				
i) Principal Amount	450234	184900000	-	185350234
ii) Interest due but not paid	84932	-	-	84932
iii) Interest accrued but not due	-	-	-	-
	535166	184900000	-	185435166
<b>Net Change</b>	<b>22551130</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	42895747	2000000	-	44895747
ii) Interest due but not paid	178675	-	-	178675
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>43074422</b>	<b>2000000</b>	<b>-</b>	<b>45074422</b>

## VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

## A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

SN.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (₹)
		Rajesh Kumar Bajaj*	Sudheer Kumar Jain	--
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	750000	900000	1650000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total (A)	750000	900000	1650000
	Ceiling as per the Act	N.A. (being 10% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013)		

\*Ceased to be Managing Director on 23/09/2015

**B. REMUNERATION TO OTHER DIRECTORS**

SN.	Particulars of Remuneration	Name of Directors					Total Amount (₹)
		Hari Kishan Lohia	Mahesh Kumar Bajaj	Vineet Goenka	Sameer Bajaj	Sarita Ojha	
1	<b>Independent Directors</b>						
	Fee for attending board committee meetings	-	-	-	60000	60000	120000
	Commission	-	-	-	-	-	-
	Others, please specify			-	-	-	-
	Total (1)	-	-	-	60000	60000	120000
2	<b>Other Non-Executive Directors</b>						
	Fee for attending board committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	60000	60000	120000
	Overall Ceiling as per the Act	N.A. (being 1% of net profits of the Company calculated as per section 198 of the Companies Act, 2013)					

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

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total (₹)
			Narendra Kumar Rai	Sujit Kumar Sharma	
1	Gross salary	Not Applicable			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		611800	284671	896471
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-	-
2	Stock Option		-	-	-
3	Sweat Equity		-	-	-
4	Commission		-	-	-
	- as % of profit		-	-	-
	others, specify...		-	-	-
5	Others, please specify		-	-	-
	Total		611800	284671	896471

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			None		
Punishment			None		
Compounding			None		
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment			None		
Compounding			None		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment			None		
Compounding			None		

On behalf of the Board of Directors

Place: Kolkata  
Date: August 13, 2016

**Sameer Bajaj**  
*Chairman*

**Sudheer Kumar Jain**  
*Whole-time Director*

## Annexure-G

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO****Section 134 of the Companies Act, 2013 read with Companies Accounts) Rules, 2014****DISCLOSURES****A. CONSERVATION OF ENERGY**

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

- Power shutdown of idle monitors
- Minimising air-conditioning usage
- Shutting off all the lights when not in use.
- Educating and making employees aware to save power.

**B. TECHNOLOGY ABSORPTION**

Form B for disclosure of particulars with respect to absorption.

<b>Research and Development (R&amp;D):</b>		
1.	Specific areas in which R&D carried out by the Company.	The Company is engaged in providing securities trading and financial services and so there were no activities in the nature of research and development
2.	Benefits derived as a result of the above R&D	Nil
3.	Future Plan of action	Nil
4.	Expenditure on R&D:	
	(a) Capital	Nil
	(b) Recurring	Nil
	(c) Total	Nil
	(d) Total R&D expenditure as a percentage of total turnovers	N.A.
<b>Technology Absorption, Adaptation and Innovation:</b>		
1.	Efforts, in brief, made towards technology absorption, adaptation and innovation	The management keeps itself abreast of the technological advancements in the industry and ensures continues and sustained efforts towards absorption as well as development of the same to meet business needs and objectives
2.	Benefits derived as a result of the above efforts, e.g. Product improvement, cost reduction, product development, product substitution	The technological absorption has resulted in improvement in services. However, the benefits derived from the technological advancements are not quantifiable.



3.	In case of imported technology (imported during the last 5 years, reckoned from the beginning of the financial year) following information may be furnished.	
a)	Technology imported	Nil
b)	Year of Import	Not Applicable
c)	Has technology been fully utilized	Not Applicable
d)	If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.	Not Applicable

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

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

## INDEPENDENT AUDITOR'S REPORT

TO  
THE MEMBERS OF  
**LOHIA SECURITIES LIMITED**

### Report on the Standalone Financial Statements

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

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

An audit involves performing procedures 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 risks 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- (b) in the case of Statement of Profit and Loss, of the Loss for the year ended on that date; and;
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the said Order.

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 and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with books of account
- d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "B"; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34(ii) to the financial statements.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

1, India Exchange Place  
Kolkata - 700 001

Dated: The 30th day of May, 2016

For **PATNI & CO.**  
**CHARTERED ACCOUNTANTS**  
(Firm Reg. No. 320304E)  
**S. SUREKA**  
(Partner)  
Membership No. 057918

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

The Annexure referred to in our report to the members of the Company on the standalone financial statements for the year ended on March 31, 2016. In term of the information and explanations given to us and books of account examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

- 1) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. A major portion of fixed assets has been physical verified by the management in accordance with a phased programme of verification adopted by the company. In our opinion, the frequency of verification is reasonable. To the best of our knowledge, no material discrepancies have been noticed on such verification.

According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the Company except a office situated at 6 Lyons Range, Kolkata of which company has binding agreement with the vendor but the property is yet to be conveyance.

- 2) The company does not have any inventories as defined in AS-2 Valuation of Inventories and hence in our opinion Para 3(ii) of the Order does not apply to the company.
- 3) The company has not granted any loans or advances in the nature of loans to parties covered in the registered maintained under section 189 of the Companies Act, 2013. Hence, the question of reporting whether the terms and conditions of loans are prejudicial to the interests of the company and whether reasonable steps for recovery of overdues of such loans are taken does not arise.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- 5) Based on our scrutiny of the company records and according to the information and explanations provided by the management, in our opinion, the company has not accepted any deposits so far upto 31st March 2016.
- 6) According to the information & explanations provided by the management, the company is not engaged in production of any such goods or provisions of any such services for which the central government has prescribed particulars relating to utilization of material or labour or other items of cost. Hence the provisions of section 148(1) of the Act do not apply to the company. In our opinion, no comment on maintenance of cost records under section 148(1) of the Act is required.
- 7) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it.

According to the information and explanations given, no undisputed amounts payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax were outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable.

According to the records of the company, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute except the following:

Name of the Statute	Nature of the Dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	1,05,35,490/-	A.Y. 2010-11	CIT (Appeals), Kolkata	Refer Note 34(ii) of the financial statements
		43,74,200/-	A.Y. 2011-12	CIT (Appeals), Kolkata	

- 8) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowing to a financial institutions, bank, government or dues to debenture holders.
- 9) According to the records of the company, the company has not raised any moneys by way of Initial Public Officer or Further Public Offer.  
  
According to the information and explanations received by us, moneys raised by way of Term Loan have been applied for the purpose for which they were raised.
- 10) Based upon the audit procedures performed and information and explanations given by the management, we report that neither fraud on the company by its officers or employees nor any fraud by the company has been noticed or reported during the course of our audit.
- 11) 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 to the Act.
- 12) In our opinion, and to the best of our information & explanations provided by the management, the company is not a nidhi company. Accordingly the requirement of clause 3(xii) of the order do not apply to the company
- 13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- 16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

1, India Exchange Place  
Kolkata - 700 001

Dated: The 30th day of May, 2016

For **PATNI & CO.**  
**CHARTERED ACCOUNTANTS**  
(Firm Reg. No. 320304E)  
**S. SUREKA**  
(Partner)  
Membership No. 057918

## **Annexure “B” to the Standalone Independent Auditor’s Report**

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

We have audited the internal financial controls over financial reporting of Lohia Securities Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

### **Auditors’ Responsibility**

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

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

**Opinion**

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

1, India Exchange Place  
Kolkata - 700 001

Dated: The 30th day of May, 2016

For **PATNI & CO.**  
**CHARTERED ACCOUNTANTS**  
(Firm Reg. No. 320304E)  
**S. SUREKA**  
(Partner)  
Membership No. 057918

**Balance Sheet as at 31st March, 2016**

Amount in ₹			
Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) SHAREHOLDER'S FUND</b>			
(a) Share Capital	3	49,872,500	49,872,500
(b) Reserves and Surplus	4	247,503,825	248,702,038
<b>(2) NON CURRENT LIABILITIES</b>			
(a) Long Term Borrowings	5	954,444	-
<b>(3) CURRENT LIABILITIES</b>			
(a) Short - Term Borrowings	6	45,039,979	22,517,398
(b) Trade Payables	7	1,308,379	2,524,221
(c) Other Current Liabilities	8	16,316,983	32,995,737
(d) Short - Term Provisions	9	-	5,474,180
<b>TOTAL</b>		<b>360,996,110</b>	<b>362,086,074</b>
<b>II. ASSETS</b>			
<b>(1) NON CURRENT ASSETS</b>			
(a) <b>Fixed Assets</b>			
(i) Tangible Assets	10	7,343,287	8,293,095
(ii) Intangible Assets	10	461,814	654,132
(b) Non Current Investment	11	115,566,800	115,566,800
(c) Deferred Tax Assets	12	1,810,338	1,574,642
(d) Long Term Loan & Advances	13	28,767,760	37,839,280
<b>(2) CURRENT ASSETS</b>			
(a) Inventories	14	22,005,265	26,168,807
(b) Trade Receivables	15	11,100,928	2,425,018
(c) Cash and Bank Balances	16	140,754,272	133,810,232
(d) Short Term Loans & Advances	17	31,445,746	33,702,585
(e) Other Current Assets	18	1,739,900	2,051,483
<b>TOTAL</b>		<b>360,996,110</b>	<b>362,086,074</b>
Corporate Information	1		
Significant Accounting Policies	2		
The notes form an integral part of these financial statements	3 to 36		

As per our attached report of even date

For **Patni & Co.**

Chartered Accountants

(Firm Registration No. 320304E)

**Sashi Sureka**

(Partner)

Membership No. 057918

Place : Kolkata

Dated: 30.05.2016

For and on behalf of Board

**Narendra Kumar Rai**  
(Company Secretary)**Sujit Kumar Sharma**  
(CFO)**Hari Kishan Lohia**  
Director  
(DIN: 00081055)**Sudheer Kumar Jain**  
Whole-time Director  
(DIN: 00075103)



**Profit and Loss Statement for the year ended 31st March, 2016**

Amount in ₹

Particulars		Note No.	Figures for the year ended 31.03.2016	Figures for the year ended 31.03.2015
I	Revenue from Operation	19	399,053,759	386,600,986
II.	Other Income	20	12,378,976	12,148,633
III.	<b>Total Revenue (I+II)</b>		<b>411,432,735</b>	<b>398,749,619</b>
IV	<b>Expenses</b>			
(a)	Purchases of Stock In Trade	21	260,796,078	230,402,751
(b)	(Increase)/Decrease in Inventories	22	4,163,542	(9,653,997)
(c)	Employee Benefit Expenses	23	29,094,181	29,335,074
(d)	Finance Cost	24	8,691,087	9,163,109
(e)	Depreciation & Amortization Expenses	10	3,174,562	4,614,186
(f)	Other Expenses	25	106,312,085	107,502,824
	<b>Total Expenses (a to f)</b>		<b>412,231,535</b>	<b>371,363,947</b>
V	<b>Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)</b>		<b>(798,800)</b>	<b>27,385,672</b>
VI	Exceptional Items		-	-
VII	<b>Profit / (Loss) before extraordinary items and tax (V-VI)</b>		<b>(798,800)</b>	<b>27,385,672</b>
VIII	Extraordinary Items		-	-
IX	<b>Profit / (Loss) before Tax (VII-VIII)</b>		<b>(798,800)</b>	<b>27,385,672</b>
X	<b>Tax Expenses</b>			
	- Current Tax	26	635,109	1,705,012
	- Deferred Tax		(235,696)	6,676,773
XI	<b>Profit / (Loss) for the period (IX-X)</b>		<b>(1,198,213)</b>	<b>19,003,887</b>
XII	<b>Earning per Equity Share</b>	27		
	(1) Basic (Equity Share Face Value ₹ 10/- each)		(0.24)	3.81
	(2) Diluted (Equity Share Face Value ₹ 10/- each)		(0.24)	3.81
	Corporate Information	1		
	Significant Accounting Policies	2		
	The notes form an integral part of these financial statements	3 to 36		

As per our attached report of even date

For **Patni & Co.**

Chartered Accountants

(Firm Registration No. 320304E)

**Sashi Sureka**

(Partner)

Membership No. 057918

Place : Kolkata

Dated: 30.05.2016

For and on behalf of Board

**Narendra Kumar Rai**  
(Company Secretary)**Sujit Kumar Sharma**  
(CFO)**Hari Kishan Lohia**  
Director  
(DIN: 00081055)**Sudheer Kumar Jain**  
Whole-time Director  
(DIN: 00075103)

**Cash Flow Statement for the year ended 31st March, 2016**

		Amount (₹)	
		2015-16	2014-15
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	<b>Net Profit Before Tax &amp; Extraordinary Items</b>	(798,800)	27,385,672
	Adjustment for :		
	Depreciation	3,174,562	4,614,186
	Interest Expenses on Loan	5,869,884	5,600,586
	Interest Expenses on Margin Deposits from Clients & Trading Member	787,885	1,579,034
	Miscellaneous Balance Written Off	-	(600)
	Interest Received on Bank Deposits & Deposits with Clearing Member	(11,105,407)	(11,949,638)
	Loss/(Profit) on sale of Fixed Assets	(206,443)	415,915
	Provision for Bad & Doubtful Debts / (W/back)	(44,199)	234,786
	Bad Debts	556,124	2,157
	Dividend Income from Non current Investment	(5,000)	(8,332)
	<b>Operating Profit before Working Capital Adjustment</b>	<b>(1,771,394)</b>	<b>27,873,766</b>
	Changes in Working Capital		
	(Increase)/Decrease in Inventories	4,163,542	(9,653,997)
	(Increase)/Decrease in Trade Receivables	(9,187,835)	1,505,101
	(Increase)/Decrease in Deposits & Other Advances	11,328,359	469,432
	(Increase)/Decrease in Other Current Assets	(36,529)	63,004
	Increase/(Decrease) in Trade Payables	(1,215,842)	46,032
	Increase/(Decrease) in Other Current Liabilities	(16,892,244)	(6,244,810)
	<b>Cash Generated from Operation</b>	<b>(13,611,943)</b>	<b>14,058,528</b>
	Less: Payment of Taxes	4,909,804	1,335,237
	<b>Net cash flow from operating activities (A)</b>	<b>(18,521,747)</b>	<b>12,723,291</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Tangible Fixed Assets	(1,761,534)	(689,647)
	Purchase of Intangible Fixed Assets	(441,959)	(270,000)
	Sales Proceeds of Tangible Fixed Assets	377,500	-
	Dividend Income from Non current Investment	5,000	8,332
	Interest Received on Bank Deposits & Deposits with Clearing Member net off interest paid on Margin Deposits from Clients & Trading Member	10,317,522	10,370,604
	(Increase)/Decrease in Bank Deposits (incl. accrued interest)	(6,551,888)	2,949,073
	<b>Net cash realised from Investing Activities (B)</b>	<b>1,944,641</b>	<b>12,368,362</b>

**Cash Flow Statement for the year ended 31st March, 2016 (Contd.)**

		Amount (₹)	
		<b>2015-16</b>	<b>2014-15</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Increase/(Decrease) in Long Term Borrowings	1,167,934	-
	Increase/(Decrease) in Short Term Borrowings	22,522,581	(12,574,949)
	Interest Expenses on Loan	(5,869,884)	(5,600,586)
	Payment of Dividend	(996,600)	(996,600)
	Payment of Dividend Tax	(202,885)	(169,372)
	<b>Net cash realised from financing activities (C)</b>	<b>16,621,146</b>	<b>(19,341,507)</b>
	<b>Net increase/(Decrease) in cash and cash equivalent</b>	<b>44,040</b>	<b>5,750,146</b>
	Opening Cash & Cash Equivalent	8,350,232	2,600,086
	Closing Cash & Cash Equivalent	<b>8,394,272</b>	<b>8,350,232</b>
	<b>CLOSING CASH &amp; CASH EQUIVALENT</b>		
	Cash at Bank	8,064,864	8,166,868
	Cash in Hand	329,408	183,364
		<b>8,394,272</b>	<b>8,350,232</b>

As per our attached report of even date

For **Patni & Co.**

*Chartered Accountants*

(Firm Registration No. 320304E)

**Sashi Sureka**

*(Partner)*

Membership No. 057918

Place : Kolkata

Dated: 30.05.2016

For and on behalf of Board

**Narendra Kumar Rai**  
*(Company Secretary)*

**Sujit Kumar Sharma**  
*(CFO)*

**Hari Kishan Lohia**  
*Director*  
(DIN: 00081055)

**Sudheer Kumar Jain**  
*Whole-time Director*  
(DIN: 00075103)

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

### **NOTE 1**

#### **CORPORATE INFORMATION**

Lohia Securities Limited ("the company") is engaged in the business of share trading and share broking and its related services in India for the last 20 years. The company offers financial services such as broking for equity, derivatives and currency future, custody accounts, financial product distribution etc. The shares of the company are listed in Calcutta Stock Exchange and Bombay Stock Exchange (under permitted category).

### **NOTE 2**

#### **Significant Accounting Policies**

##### **(a) Basis of Preparation**

The Financial Statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (GAAP) to comply with the Accounting Standard notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

##### **(b) Use of Estimates**

The preparation of the financial statements in conformity with the accounting standards generally accepted in India requires the management to make estimates that affect the reported amount of assets & liabilities disclosure of contingent liabilities as at the date of the financial statement and reported amounts of revenue and expenses for the year. Actual results could differ from these estimates.

##### **(c) Fixed Assets & Depreciation**

- (i) Fixed Assets are stated at their original cost of acquisition less accumulated depreciation.
- (ii) Depreciation on Tangible Fixed Assets has been provided on written down value method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on Tangible Fixed Assets added / disposed off during the year is provided on prorata basis with reference to the date of addition / disposal.

The unamortised carrying value is being depreciated over the revised / remaining useful lives. The written down value of Tangible Fixed Assets whose lives have expired as at 1<sup>st</sup> April 2014 have been adjusted in the opening balance of Profit & Loss Statement.

- (iii) Intangible assets (except Membership Fees) have been amortized over the period of four financial years. Membership fees have been amortized over the period of ten financial years.

##### **(d) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions on non-cash nature and any deferrals or accrual of past or future cash receipts or payments.

##### **(e) Cash and Cash Equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amount of cash which are subject to insignificant risk of changes in value.

##### **(f) Inventories**

Inventories are valued at lower of cost or market price. The costs of the shares are determined on First in & First out Basis. Inventories of unquoted shares are valued at cost as market value is not available for the same.

##### **(g) Investments**

Long term Investments are stated at cost less provision for diminution, other than temporary, in the value of Investments.

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****(h) Revenue Recognition:**

- (i) Brokerage income is recognized on the trade date of transaction upon confirmation of transactions by the stock exchanges and clients. Income from depository services and late payment charges are recognized on the basis of agreement entered into with clients and when right to receive the income is established. Commission income from financial products distribution is recognized on the basis of agreement entered with principal and when the right to receive the income is established.
- (ii) Dividend income is accounted for when the right to receive the income is established.
- (iii) Interest Income is accounted on accrual basis.

**(i) Retirement Benefit****(i) Defined Contribution Plan:**

Company's contribution paid/payable during the year to the Provident Fund is charged to Statement of Profit and Loss. The Company's contribution to Employee's State Insurance Scheme is also charged to Statement of Profit & Loss of the year to which the contributions relate.

**(ii) Defined Benefit Plan:**

The Company has opted for a Group Gratuity-cum Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and contribution towards gratuity liability as determined by LIC as required under AS-15 (Revised) i.e under Projected Unit Credit method is charged to the Statement of Profit & Loss.

As far as company's liabilities towards leave encashment, company has the policy of paying the leave encashment at the end of the financial year.

**(j) Derivative Market Trading**

- (i) In respect of Option Contract, premium for contract expiring beyond the Balance Sheet date has been treated as current asset / current liabilities.
- (ii) In respect of Futures Contract for contract expiring beyond the Balance Sheet date, net of Mark to Market Debit balance and Mark to Market Credit balance has been treated as current assets / current liabilities.

**(k) Earnings Per Share**

Basic and diluted earnings per share are computed in accordance with Accounting Standard 20 "Earnings per Share".

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

Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

**(l) Taxation**

Provision of current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rates as applicable. The deferred tax charge is recognized using the enacted tax rate. Deferred Tax Assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each balance sheet date the Company re- assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred Tax Assets/Liabilities are reviewed as at balance sheet date based on the developments during the year and reassess assets/liabilities in terms of AS-22 issued by ICAI.

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 3****SHARE CAPITAL**

Particulars	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
<b>a) Authorised Capital</b>				
Equity Share Capital of ₹ 10 each with voting right	7500000	75,000,000	7500000	75,000,000
<b>b) Issued, Subscribed and Fully Paid up Capital</b>				
Equity Share Capital of ₹ 10 each with voting right	4983000	49,830,000	4983000	49,830,000
<b>c) Par Value per Share</b>		₹ 10		₹ 10

**d) Reconciliation of Number of Shares and amount outstanding at the beginning and at the end of the year**

Particulars	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
No. and amount of the share at the beginning of the year	4983000	49,830,000	4983000	49,830,000
Adjustment (If any)	-	-	-	-
No. and amount of the share at the end of the year	4983000	49,830,000	4983000	49,830,000

**e) Rights Attached to the Shares**

Each Share confers the right to one vote. Shareholders have the right to receive the dividend.

**f) Shares held by the Subsidiary Company**

Name of the Company	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	% of holding	No. of Shares	% of holding
Trade City Barter (P) Ltd	205000	4.11	205000	4.11

**g) Details of the Shareholder holding shares more than 5 %**

Name of the Shareholders	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	% of holding	No. of Shares	% of holding
Hari Kishan Lohia	431000	8.65	431000	8.65
Mahesh Kumar Bajaj	390400	7.83	390400	7.83
Rajesh Kumar Bajaj	419800	8.42	419800	8.42
Sudheer Kumar Jain	312000	6.26	312000	6.26
Ridhi Sidhi Distributor (P) Ltd	252881	5.07	252881	5.07
Shiv Lalit Consultancy (P) Ltd	265000	5.32	265000	5.32

**h) Details of Forfeited Shares**

Class of Share	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	Amount originally paid up ₹	No. of Shares	Amount originally paid up ₹
Equity Share with voting rights	17000	42,500	17000	42,500

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 4****RESERVES AND SURPLUS**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
<b>Securities Premium Reserve</b>		
Balance as per the last financial statements	19,372,500	19,372,500
<b>General Reserves</b>		
Balance as per the last financial statements	95,000,000	95,000,000
<b>Surplus / (Deficit) in the statement of Profit and Loss</b>		
Balance as per the last financial statements	134,329,538	118,248,890
Profit/(Loss) during the year	(1,198,213)	19,003,887
Proposed Dividend	-	(996,600)
Provision for Dividend Tax	-	(202,885)
Adjustment of Retained Earnings in accordance with Companies Act, 2013	-	(1,723,754)
Closing Balance	<b>133,131,325</b>	<b>134,329,538</b>
<b>Total of Reserve &amp; Surplus</b>	<b>247,503,825</b>	<b>248,702,038</b>

**NOTE 5****LONG TERM BORROWINGS**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
<b>Term Loans (Secured)</b>		
From HDFC Bank Ltd. #	954,444	-
	<b>954,444</b>	<b>-</b>

**# Nature of Security and terms of repayment for Long Term secured borrowings**

Nature of Security: Loan amounting ₹ 9,54,444/- (P.Y. ₹ Nil) from HDFC Bank Ltd. is secured against hypothecation of Motor Vehicle.

Terms of Repayment: Repayable in 60 monthly installments commencing from November, 2015. Last installment due on 05.10.2020.

Installments falling due in respect of all the above loans upto 31.03.2017 have been grouped under "Current Maturities of Long Term Debt" (Refer Note 8)

**NOTE 6****SHORT TERM BORROWINGS**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
<b>Secured Loan</b>		
Loan from HDFC Bank Ltd. #	22,500,000	10,000,000
Bank Overdraft with HDFC Bank Ltd. ##	20,539,979	10,517,398
Loan repayable on demand (Unsecured)		
From Others	2,000,000	2,000,000
	<b>45,039,979</b>	<b>22,517,398</b>

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

# Loan from HDFC Bank Ltd. is secured against pledge of Fixed Deposits amounting to ₹ 1,12,50,000/- (P. Y. ₹ 50,00,000/-).

## Bank overdraft with HDFC Bank Ltd. is secured against personal guarantee of Directors and corporate guarantee & office premises of M/s. Trade City Real Estate Pvt. Ltd., a wholly owned subsidiary company and pledge of shares (Refer Note No. 14) as on 31.03.2016.

**NOTE 7****TRADE PAYABLES**

	2015-16 Amount (₹)	2014-15 Amount (₹)
<b>Trade Payable for Goods and Services</b>		
Payable to Exchanges & Clearing Member	893,217	1,042,934
Payable to Clients - Subsidiary Company	96,797	-
Payable to Clients - Others	318,365	1,481,287
	<b>1,308,379</b>	<b>2,524,221</b>

**NOTE 8****OTHER CURRENT LIABILITIES**

Current Maturities of Long Term Debts	213,490	-
<b>Interest accrued but not due</b>		
Payable to Bank on Term Loan	7,754	-
Payable to Subsidiary Company on Margin Deposit	143,360	301,675
Payable to Others on Margin Deposit	239,842	215,311
Interest accrued and due on Borrowings from Bank	178,674	154,932
<b>Margin Deposits from Clients</b>		
From Subsidiary Company	5,897,953	7,732,350
From Related Party	-	500,000
From Others	4,307,941	18,725,000
Liabilities for Fixed Assets	-	373,728
<b>Liabilities for Expenses</b>		
Payable to Subsidiary Company	19,076	355,820
Payable to Others	3,966,739	2,541,625
Statutory Dues Payable	1,254,673	1,336,630
Mark to Mark Profit for Unexpired Future & Currency Contracts	87,481	-
Option Premium Received for Unexpired Future & Currency Contracts	-	758,666
	<b>16,316,983</b>	<b>32,995,737</b>

**NOTE 9****SHORT TERM PROVISIONS**

Provision for Dividend	-	996,600
Provision for Dividend Tax	-	202,885
Provision for Income Tax (Net of T.D.S ₹ Nil, P.Y. ₹ 13,35,237/-)	-	4,274,695
	-	<b>5,474,180</b>



## Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)

**NOTE 10****TANGIBLE ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01.04.2015	Addition	Disposal/ Deduction	As at 31.03.2016	As at 01.04.2015	For the Year	Adjustment for Disposal	Retained Earnings	As at 31.03.2016	As at 31.03.2015
Office	4,893,081	-	-	4,893,081	3,010,443	81,316	-	-	3,091,759	1,801,322
Furniture & Fixtures	11,846,103	-	-	11,846,103	10,192,792	590,497	-	-	10,783,289	1,062,814
Vehicles	5,422,332	1,521,306	1,587,874	5,355,764	4,506,332	466,181	1,416,817	-	3,555,696	1,800,068
Office Equipment	3,861,724	57,970	-	3,919,694	3,601,969	50,822	-	-	3,652,791	266,903
Computer & Accessories	37,903,254	182,258	-	38,085,512	36,392,534	487,276	-	-	36,879,810	1,205,702
Air Conditioner	3,905,462	-	-	3,905,462	3,271,879	255,363	-	-	3,527,242	378,220
Electrical Installation	4,825,685	-	-	4,825,685	3,837,423	430,836	-	-	4,268,259	557,426
Generator	1,773,454	-	-	1,773,454	1,324,628	177,994	-	-	1,502,622	270,832
<b>Total</b>	<b>74,431,095</b>	<b>1,761,534</b>	<b>1,587,874</b>	<b>74,604,755</b>	<b>66,138,000</b>	<b>2,540,285</b>	<b>1,416,817</b>	<b>-</b>	<b>67,261,468</b>	<b>7,343,287</b>
<b>Previous Year</b>	<b>99,449,452</b>	<b>689,647</b>	<b>25,708,004</b>	<b>74,431,095</b>	<b>85,740,109</b>	<b>3,966,226</b>	<b>25,292,089</b>	<b>1,723,754</b>	<b>66,138,000</b>	<b>8,293,095</b>

**INTANGIBLE ASSETS**

PARTICULARS	GROSS BLOCK			AMORTISATION				NET BLOCK		
	As at 01.04.2015	Addition	Disposal/ Deduction	As at 31.03.2016	As at 01.04.2015	For the Year	Adjustment for Disposal	Retained Earnings	As at 31.03.2016	As at 31.03.2015
Computer Software	8,154,004	41,959	-	8,195,963	7,499,872	594,277	-	-	8,094,149	101,814
Membership Fees	700,000	400,000	-	1,100,000	700,000	40,000	-	-	740,000	-
<b>Total</b>	<b>8,854,004</b>	<b>441,959</b>	<b>-</b>	<b>9,295,963</b>	<b>8,199,872</b>	<b>634,277</b>	<b>-</b>	<b>-</b>	<b>8,834,149</b>	<b>654,132</b>
<b>Previous Year</b>	<b>8,584,004</b>	<b>270,000</b>	<b>-</b>	<b>8,854,004</b>	<b>7,551,912</b>	<b>647,960</b>	<b>-</b>	<b>-</b>	<b>8,199,872</b>	<b>654,132</b>

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 11****NON CURRENT INVESTMENTS**

	2015-16		2014-15	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
<b>Investments in Equity Instruments (At cost)</b>				
<b>(Quoted, Non-Trade Investments)</b>				
Face Value of ₹ 10/- each fully paid up				
Siddheshwari Garments Ltd.	8700	87,000	8700	87,000
<b>Investment in Quoted Equity Instruments (I)</b>		<b>87,000</b>		<b>87,000</b>
<b>(Unquoted, Trade Investments)</b>				
In Wholly Owned Subsidiaries				
Face Value of ₹ 10/- each fully paid up				
Trade City Securities Pvt. Ltd.	3250000	32,500,000	3250000	32,500,000
Trade City Real Estate Pvt. Ltd.	1450000	50,750,000	1450000	50,750,000
Trade City Commodities Pvt. Ltd.	1555000	20,825,000	1555000	20,825,000
Trade City Barter Pvt. Ltd.	425200	9,779,800	425200	9,779,800
<b>In Others</b>				
Face Value of ₹ 1/- each fully paid up				
The Calcutta Stock Exchange Ltd.	250	500,000	250	500,000
<b>(Unquoted, Non-Trade Investments)</b>				
<b>Face Value of ₹ 5/- each fully paid up</b>				
Nimbus Communication Ltd.	5000	1,125,000	5,000	1,125,000
<b>Investment in Unquoted Equity Instruments (II)</b>		<b>115,479,800</b>		<b>115,479,800</b>
<b>Total Non Current Investment (I+II)</b>		<b>115,566,800</b>		<b>115,566,800</b>
<b>Aggregate market value of Quoted Shares</b>		<b>26,535</b>		<b>26,535</b>

**NOTE 12****DEFERRED TAX ASSETS**

	2015-16 Amount (₹)	2014-15 Amount (₹)
On account of Depreciation	1,810,338	1,574,642
	<b>1,810,338</b>	<b>1,574,642</b>

**NOTE 13****LONG TERM LOANS AND ADVANCES**

<b>(Unsecured considered good)</b>		
Security Deposits for Office on Rent		
To Subsidiary Company	1,250,000	1,250,000
To Associate Company	3,050,000	3,050,000
To Others	3,500,000	3,500,000
Security Deposits with Exchanges & Clearing Members	18,900,000	26,450,000
Security Deposits with Others	2,067,760	3,589,280
	<b>28,767,760</b>	<b>37,839,280</b>

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 14****INVENTORIES**

	Face Value	2015-2016		2014-2015	
		Qty.	Amount (₹)	Qty.	Amount (₹)
Shares (Non Trade, Quoted) Fully Paid up					
Aban Offshore Ltd.	2	0	-	150	63,960
Aditya Birla Retail and Fashion Ltd.	10	4000	565,428	0	-
Aksh Optifibre Ltd.	5	10000	130,500	10000	143,000
Alok Industries Ltd.	10	500	2,250	0	-
Alps Industries Ltd.	10	0	-	1500	2,985
Amtek Auto Ltd.	2	100	3,030	0	-
Ankit Metal & Power Ltd.	10	5000	8,000	0	-
Archidply Industries Ltd.	10	250	10,450	250	8,050
Archies Ltd.	2	5000	102,500	12000	227,662
Arshiya International Ltd.	2	0	-	35584	961,343
Arvind Remedies Ltd.	1	10000	40,100	10000	147,000
Bajaj Hindustan Sugar Ltd.	1	27500	528,125	0	-
Baroda Rayon Corporation Ltd	10	485	-	485	1,431
Bharat Gears Ltd.	10	12611	803,951	5073	366,959
Bhoruka Aluminum Ltd.	2	8000	4,000	8000	4,960
Bhushan Steel Ltd.	2	0	-	1000	65,200
Birla Power Solution Ltd.	1	30000	2,700	30000	2,700
Blue Star Infotech Ltd.	10	1535	349,115	0	-
Bodal Chemicals Ltd.	10	2300	17,066	2500	18,550
Bodhtree Consulting Ltd.	10	500	15,025	0	-
Brushman (India) Ltd.	10	9800	6,762	0	-
Cadila Health Care Ltd.	1	150	47,535	0	-
CESC Ltd.	10	200	94,540	0	-
Cochin Minerals & Rutiles Ltd.	10	1000	67,950	1050	81,060
CORE Education & Technologies Ltd	2	0	-	700	5,495
DCB Bank Ltd.	10	500	36,100	0	-
Deepak Nitrite Ltd.	2	0	-	113	7,741
Dish TV India Ltd.	1	0	-	400	32,579
DLF Ltd.	2	400	39,692	0	-
Dolat Investments Ltd.	1	50000	87,500	50000	87,500
Dredging Corporation of India Ltd.	10	0	-	3500	1,279,136
Easun Reyrolle Ltd.	2	0	-	9500	347,875
Edelwiess Financial Services Ltd.	1	0	-	1000	60,623
Eimcon Elecon (India) Ltd.	10	0	-	2776	1,076,960
Elecon Engineering Co Ltd.	2	11000	570,468	0	-
Electrosteel Castings Ltd.	1	24808	470,112	0	-
Eros International Media Ltd.	10	50	8,433	0	-
Foundry Fuel Products Ltd.	10	6998	41,988	6998	61,233

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

	Face Value	2015-2016		2014-2015	
		Qty.	Amount (₹)	Qty.	Amount (₹)
G V Films Ltd.	10	15000	5,700	15000	5,700
GEI Industrial Systems Ltd.	10	28409	214,981	82844	979,829
GMR Infrastructure Ltd.	1	1000	11,600	4999	82,983
Godrej Consumer Products Ltd.	1	1	1,381	0	-
Gokaldas Exports Ltd.	5	0	-	24568	1,018,444
Gradiente Infotainment Ltd.	10	123082	108,312	123082	204,316
Greenlam Industries Ltd.	5	2600	1,273,000	0	-
GTL Infrastructure Ltd.	10	0	-	1700	3,315
Gujarat Apollo Industries Ltd.	10	0	-	4769	585,036
Gulf Oil Corporation Ltd.	2	0	-	1599	218,861
HBL Power Systems Ltd.	1	30066	1,077,353	0	-
Hercules Hoists Ltd.	1	0	-	2250	388,347
Himachal Futuristic Communication Ltd	1	7000	93,450	7050	94,118
Hinduja Foundries Ltd.	10	0	-	24987	824,540
Hindustan Construction Company Ltd.	1	2000	39,000	70500	2,239,384
Hindustan Motors Ltd.	5	0	-	1000	6,250
Hindustan National Gas and Industries Ltd.	2	40500	3,145,175	0	-
Hindustan Tin Works Ltd.	10	0	-	3992	251,696
IDFC Bank Ltd.	10	4098	79,069	0	-
IDFC Ltd.	10	500	20,225	0	-
IFCI Ltd.	10	254	6,274	255	8,504
IFGL Refractories Ltd.	10	1000	84,000	0	-
IG Petrochemicals Ltd.	10	3651	377,068	6035	312,621
IKF Technologies Ltd.	1	0	-	14900	8,642
IL & FS Transportation Networks Ltd.	10	9813	698,104	2883	560,311
Intradeco Ltd.	1	8333	2,167	0	-
Indage Restaurants & Leisure Ltd.	3	85500	691,695	85500	692,550
Indiabulls Real Estate Ltd.	2	0	-	400	26,140
Information Technologies India Ltd	5	100	105	100	105
Infrastructure Development Finance Company Ltd.	10	0	-	3500	495,741
Innovassynth Investments Ltd.	10	227	1,489	0	-
Integra Garments and Textiles Ltd	10	1265	1,404	1265	1,404
Intra Décor Ltd.	1	0	-	8333	2,167
ISMT Ltd.	5	0	-	258615	2,314,604
Jai Mata Glass Ltd.	1	5000	550	8299	913
Jain Irrigation Systems Ltd.	2	6000	345,451	0	-
Jaiprakash Associates Ltd.	2	11147	83,045	2150	53,320
Jaiprakash Power Ventures Ltd.	10	4000	18,600	5000	51,250
Jaykay Enterprises Ltd.	10	21386	68,221	21485	68,537
Jaysynth Dyestuff (India) Ltd.	1	4800	37,920	5000	39,500

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

	Face Value	2015-2016		2014-2015	
		Qty.	Amount (₹)	Qty.	Amount (₹)
JCT Electronics Ltd.	2.50	1000	4,870	1000	758
Jhagadia Copper Ltd.	10	7866	9,833	7866	9,833
K S Oils Ltd.	1	0	-	500	425
Kaashyap Technologies Ltd.	1	43721	7,433	43721	7,433
Kalindee Rail Nirman (Engineers) Ltd.	10	0	-	500	47,621
Kernex Microsystems (India) Ltd.	10	0	-	14678	488,044
Kinetic Engineering Ltd.	10	18438	1,447,383	19921	875,632
Kingfishers Airlines Ltd.	10	1300	1,768	1300	2,119
Kirloskar Brothers Ltd.	2	12439	1,435,461	0	-
Kirloskar Ferrous Industries Ltd.	5	0	-	1500	79,200
Kolte- Patil Developers Ltd.	10	0	-	1500	329,584
KPIT Technologies Ltd.	2	0	-	2500	471,250
Kulkarni Power Tools Ltd.	5	0	-	22707	1,014,135
Lakshmi Precision Screws Ltd.	10	18511	578,932	0	-
Lumax Industries Ltd.	10	0	-	700	232,470
Magnum Ventures Ltd.	10	1000	2,950	1000	3,350
Mahanagar Telephone Nigam Ltd.	10	0	-	500	9,100
Mahindra CIE Automotive Ltd.	10	300	58,170	0	-
Mahindra Holidays & Resorts India Ltd.	10	2288	836,125	1500	385,488
Max Financial Services Ltd.	2	1084	348,277	0	-
Max India Ltd.	2	0	-	1057	453,560
Modison Metals Ltd.	1	0	-	1000	41,650
Morarjee Textiles Ltd.	10	0	-	1265	8,855
Motilal Oswal Mutual Fund - Motilal Oswal MOST Shares M100 ETF GO	10	0	-	50	560
MPHASIS Ltd.	10	100	48,294	0	-
Nextgen Animation Media Ltd.	10	80	136	80	136
Nocil Ltd.	10	2800	75,163	3050	81,825
Orient Cement Ltd.	1	6110	253,565	6110	253,565
Orient Paper & Industries Ltd.	1	5210	178,451	6110	116,575
Orient Refractories Ltd.	1	0	-	1000	10,160
Paramount Communication Ltd.	2	2000	5,200	2000	5,600
Peninsula Land Ltd.	2	0	-	6742	187,091
Pennar Aluminum Company Ltd.	10	3500	840	3500	840
Petronet LNG Ltd.	10	0	-	55	9,435
Pix Transmissions Ltd.	10	300	14,850	0	-
Porwal Auto Components Ltd.	10	2200	18,568	3000	25,320
Prism Cement Ltd.	10	2000	123,129	1000	93,735
Prudential Sugar Corporation Ltd.	10	200	274	200	274
Quadrant Televentures Ltd.	10	0	-	2000	6,680
Ramsarup Industries Ltd.	10	0	-	590	1,061

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

	Face Value	2015-2016		2014-2015	
		Qty.	Amount (₹)	Qty.	Amount (₹)
Rana Sugars Ltd.	10	20000	45,000	20000	45,000
Rashtriya Chemicals And Fertilizers Ltd.	10	10000	386,500	0	-
Raymond Ltd.	10	0	-	1500	653,409
Reliance Industries Ltd.	10	0	-	250	206,500
Reliance Power Ltd.	10	0	-	100	5,650
S Kumars Nationwide Ltd.	10	9000	21,150	9000	25,920
Sahara One Media & Entertainment Ltd	10	95	6,826	95	7,149
Sanraa Media Ltd.	1	50000	3,000	50000	3,500
Schneider Electric Infrastructure Ltd.	2	6949	1,009,280	0	-
Shanti Gears Ltd.	1	0	-	1500	157,355
Shivalik Bimetal Controls Ltd.	2	4990	102,295	0	-
Shoppers Stop Ltd.	5	211	76,460	0	-
Shree Mahaganga Sugar Ltd.	1	2000	-	2000	440
Shree Renuka Sugars Ltd.	1	1000	12,850	1000	12,850
Shree Synthetics Ltd.	10	20	-	20	19
Shristi Infrastructure Development Corporation Ltd.	10	100	10,900	100	11,400
Sical Logistics Ltd.	10	5400	709,830	0	-
Simbhaoli Sugars Ltd.	10	5850	121,250	0	-
SML Isuzu Ltd.	10	175	136,536	0	-
SREI Infrastructure Finance Ltd.	10	0	-	3499	149,232
State Bank of India	1	901	149,308	0	-
Steel Authority of India Ltd.	10	0	-	497	33,498
Sujan Towers Ltd.	5	0	-	300	3,690
Supertex Industries Ltd.	1	0	-	400	820
Surat Textiles Mills Ltd.	1	10000	14,400	10000	14,400
Suryachakra Power Corporation Ltd.	10	0	-	128	147
Suzlon Energy Ltd.	2	2000	28,400	5745	145,351
Syncom Formulations (India) Ltd.	1	3000	6,690	0	-
Take Solutions Ltd.	1	0	-	100	12,860
Taneja Aerospace & Aviation Ltd.	5	0	-	24732	1,192,955
Tanla Solutions Ltd.	1	0	-	500	8,225
Tayo Rolls Ltd.	10	999	37,962	0	-
Techtran Polylenses Ltd.	10	1650	16,038	0	-
TeleData Info Marin Ltd.	2	1000	-	1000	290
TexMaco Rail Engineering Ltd.	1	4000	372,753	0	-
Tirumalai Chemicals Ltd.	10	0	-	4590	379,823
TRF Ltd.	10	0	-	1000	323,370
Trigyn Technologies Ltd.	10	1900	40,660	2500	53,500
Unitech Ltd.	2	22298	110,375	2794	45,123
Upper Ganges Sugar & Industries Ltd.	10	2816	207,902	0	-

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

	Face Value	2015-2016		2014-2015	
		Qty.	Amount (₹)	Qty.	Amount (₹)
Valiant Communications Ltd.	10	13900	325,260	34600	809,640
Vinyl Chemicals (India) Ltd.	1	0	-	200	12,950
Wabco India Ltd.	5	10	60,208	0	-
Welspun Enterprises Ltd.	10	100	3,115	0	-
Welspun Global Brands Ltd.	10	0	-	100	-
Welspun India Ltd.	1	1000	-	0	-
Welspun Investments & Commercial Ltd	10	0	-	50	-
Welspun Projects Ltd.	10	0	-	100	3,115
Zee Entertainment Enterprises Ltd.	1	84	-	84	-
<b>Aggregate amount of quoted Investments (A)</b>		<b>953314</b>	<b>22,003,276</b>	<b>1323325</b>	<b>26,164,668</b>
<b>Shares (Non Trade, Unquoted) Fully Paid up)</b>					
Anco Communications Ltd.	10	1000	-	1000	2,150
Bharat Starch Product Ltd.	10	11	1,989	11	1,989
Nagarjuna Fertilizer & Chemicals Ltd	1	7040	-	7040	-
<b>Aggregate amount of unquoted Investments (B)</b>		<b>8051</b>	<b>1,989</b>	<b>8051</b>	<b>4,139</b>
<b>Total (A+B)</b>		<b>961365</b>	<b>22,005,265</b>	<b>1331376</b>	<b>26,168,807</b>

The Company has pledged the following equity shares with HDFC Bank Ltd. as a security against bank over draft facility as mentioned below:

Name of the Scripts	2015-16	2014-15
	No. of Shares	No. of Shares
IDFC Ltd.	0	3000
Nocil Ltd.	2500	3000
Orient Cement Ltd.	5000	5000
Orient Paper & Industries Ltd.	0	5000

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 15****TRADE RECEIVABLES**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
<b>Unsecured Considered doubtful</b>		
Outstanding for a period exceeding six months from the date they are due for payment	1,110,458	1,154,657
<b>Unsecured Considered good</b>		
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
From Directors	7,330	1,673
From Related Parties #	13,627	5,930
From Others	235,622	392,651
<b>Other Receivables</b>		
From Directors	759	4,708
From Subsidiary Companies	14,033	40,827
From Related Parties #	3,321	9,388
From Others	10,826,236	1,969,840
	12,211,386	3,579,674
Less: Provision for Bad & Doubtful Debts	1,110,458	1,154,657
	<b>11,100,928</b>	<b>2,425,018</b>

# Trade Receivables due from related parties includes relatives of Key Managerial Personnel (KMP) and enterprises over which KMP or relatives of KMP exercises significant influence.

**NOTE 16****CASH AND BANK BALANCES**

<b>a) Cash &amp; Cash Equivalent</b>		
Balances with Banks on Current Accounts	8,064,864	8,166,868
Cash in Hand (As certified by Management)	329,408	183,364
<b>Cash &amp; Cash Equivalents (a)</b>	<b>8,394,272</b>	<b>8,350,232</b>
<b>b) Other Bank Balances *</b>		
Deposit with original maturity for more than 12 months #	132,360,000	125,460,000
<b>Other Bank Balances (b)</b>	<b>132,360,000</b>	<b>125,460,000</b>
<b>Total Cash &amp; Bank Balances (a+b)</b>	<b>140,754,272</b>	<b>133,810,232</b>

**# Deposit with original maturity for more than 12 months represents**

- Fixed Deposit Receipts of ₹ 330 Lacs (P.Y. ₹ 261 Lacs) has been pledged with National Securities Clearing Corporation Ltd. towards Margin Money.
- Fixed Deposit Receipts of ₹ 8 Lacs (P.Y. ₹ 8 Lacs) has been pledged with MCX Stock Exchange Ltd. towards Margin Money.
- Fixed Deposit Receipts of ₹ 0.60 Lacs has been pledged with Federal Bank for overdraft facility.
- Bank Guarantee of ₹ 1627.50 Lacs (P.Y. ₹ 1727.50 Lacs) from HDFC Bank Ltd. against pledge of Fixed Deposit receipts of ₹ 813.75 Lacs (P.Y. ₹ 863.75 Lacs). The Bank Guarantees has been given as Margin Money in favour of National Securities Clearing Corporation Ltd.
- Bank Guarantee of ₹ Nil (P.Y. ₹ 50 Lacs) from Federal Bank Ltd. against pledge of Fixed Deposit receipts of



**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

₹ Nil (P.Y. ₹ 25 Lacs). The Bank Guarantees has been given as Margin Money in favour of National Securities Clearing Corporation Ltd.

- f) Bank Guarantee of ₹ 117.50 Lacs (P.Y. ₹ 92.5 Lacs) from HDFC Bank Ltd. against pledge of Fixed Deposit receipts of ₹ 58.75 Lacs (P.Y. ₹ 46.25 Lacs). The Bank Guarantees has been given as Margin Money and Trade Guarantee Fund in favour of Bombay Stock Exchange Ltd.
- g) Fixed Deposit Receipts of ₹ 112.50 Lacs (P.Y. ₹ 50 Lacs) has been pledged with HDFC Bank Ltd. For obtaining loan of ₹ 225 Lacs (P.Y. ₹ 100 Lacs) as refer in Note 6.

**NOTE 17****SHORT TERM LOANS AND ADVANCES**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
<b>(Unsecured Considered Good)</b>		
Deposit with Exchange & Clearing Member	-	13,500,000
Balance with Revenue Authorities (Net of Provision for Income Tax ₹ 6,94,671/-, (P.Y. ₹ 6,94,671/-)	17,978,892	9,855,734
MAT Credit Entitlement	3,964,482	4,599,591
Prepaid Expenses	2,816,869	3,271,956
Mark to Mark Loss for Unexpired Future & Currency Contracts	-	428,309
Net Option Premium Paid Carried Forward	3,884,109	-
Other Advances	2,801,394	2,046,995
	<b>31,445,746</b>	<b>33,702,585</b>

**NOTE 18****OTHER CURRENT ASSETS**

Accrued Interest on Fixed Deposits	1,655,056	2,003,167
Stamp In Hand	84,844	48,316
	<b>1,739,900</b>	<b>2,051,483</b>

**NOTE 19****REVENUE FROM OPERATIONS**

<b>From Sales of Product</b>		
Sales of Shares	266,717,559	213,177,581
Sales of Mutual Funds / Government Securities	696,415	17,038,704
Profit/(Loss) from Equity Derivative Transactions	118,184,833	136,574,773
Profit/(Loss) from Currency Derivative Transactions	3,637,738	4,953,697
Profit/(Loss) from Non Delivery Transactions	(8,093,454)	12,678
<b>From Sale of Services</b>		
Brokerage Income	14,741,997	11,934,385
Depository Income	2,200,335	2,829,771
<b>Other Operating Revenue</b>		
Demat Charges Recovered	24,539	1,140
Other Charges Recovered from clients	752,886	14,051
Incentive / Passive Transaction Charges on Trading	190,911	64,206
	<b>399,053,759</b>	<b>386,600,986</b>

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 20****OTHER INCOME**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
Interest Income		
on Fixed Deposits	11,089,578	11,872,946
on Deposits with Clearing Member	15,829	76,692
on Other Deposits	36,595	36,616
on Income Tax Refund	849,839	-
Dividend from Non Current Investments	5,000	8,332
Dividend from Shares lying at Inventories	131,079	151,754
Profit on Sale of Fixed Assets	206,443	-
Provision for Bad & Doubtful debts W/Back	44,199	-
Other Miscellaneous Income	414	2,293
	<b>12,378,976</b>	<b>12,148,633</b>

**NOTE 21****PURCHASE OF STOCK IN TRADE**

Purchases of Shares	260,101,223	213,402,751
Purchases of Mutual Funds / Government Securities	694,855	17,000,000
	<b>260,796,078</b>	<b>230,402,751</b>

**NOTE 22****(INCREASE)/DECREASE IN STOCK IN TRADE**

Opening Stock in trade	26,168,807	16,514,810
Less: Closing Stock in trade	22,005,265	26,168,807
	<b>4,163,542</b>	<b>(9,653,997)</b>

**NOTE 23****EMPLOYEE BENEFIT EXPENSES**

Salary & Bonus	26,094,309	25,899,363
Contribution to Provident and Other Funds	812,378	1,272,688
Staff Welfare Expenses	2,187,494	2,163,023
	<b>29,094,181</b>	<b>29,335,074</b>

# Salary & Bonus include ₹ 16,50,000/- (P.Y. ₹ 24,00,000/-) paid to Directors towards managerial remuneration.

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 24****FINANCE COST**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
<b>Interest Expenses</b>		
on Loan from Banks	4,765,629	3,812,955
on Loan from Others	1,104,255	1,787,631
on Others	1,096,949	1,579,657
<b>Other Borrowings Cost</b>		
Bank Guarantee Commission	1,724,254	1,982,866
	<b>8,691,087</b>	<b>9,163,109</b>

**NOTE 25****OTHER EXPENSES**

Rent	4,173,067	3,472,759
Rates & Taxes	16,528,680	16,573,244
Repair & Maintenance	5,108,587	4,088,742
Insurance Charges	123,020	125,389
SEBI & Exchanges Transaction Charges	12,618,611	14,124,675
SEBI & Exchanges Other Charges	355,434	746,883
Communication & Connectivity Expenses	2,589,613	2,526,109
Electricity Charges	4,436,825	3,192,994
Legal & Professional Charges	52,672,716	56,187,939
Broker Note Stamp Expenses	1,107,694	963,983
Donation	30,100	40,000
Loss on Sale of Fixed Assets	-	415,915
Provision for Bad & Doubtful debts	-	234,786
Bad Debts	556,124	2,157
Miscellaneous Expenses	5,360,114	4,626,749
<b>Payment to Auditors</b>		
For Statutory Audit	80,000	60,000
For Tax Audit	20,000	15,000
For Others	551,500	105,500
	<b>106,312,085</b>	<b>107,502,824</b>

**NOTE 26****TAX EXPENSE**

Current Tax	635,109	5,609,932
Less: MAT Credit Entitlement	-	3,904,920
	<b>635,109</b>	<b>1,705,012</b>

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 27****EARNING PER EQUITY SHARE**

	2015-16 Amount (₹)	2014-15 Amount (₹)
a) Profit / (Loss) for the period	(1,198,213)	19,003,887
b) Weighted Average Number of Equity Shares	4983000	4983000
Basic EPS (a/b)	(0.24)	3.81
c) Weighted Average Number of Equity Shares	4983000	4983000
Diluted EPS (a/c)	(0.24)	3.81

**NOTE 28****Quantitative details of item traded during the year ended 31st March, 2016**

Particulars	2015-16		2014-15	
	Qty.	Amount (₹)	Qty.	Amount (₹)
<b>Equity Shares</b>				
Opening Stock	1331376	26,168,807	888488	16,514,810
Purchases	3752980	260,101,223	3748050	213,402,751
Sales	4122991	266,717,559	3305162	213,177,581
Closing Stock	961365	22,005,265	1331376	26,168,807
<b>Mutual Funds/Governemnt Securities</b>				
Opening Stock	0	-	0	-
Purchases	1	694,855	5253.58	17,000,000
Sales	1	696,415	5253.58	17,038,704
Closing Stock	0	-	0	-

**NOTE 29****DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES**

Based on the information available with the company, the balance due to Micro and Small enterprises, as defined under the Micro, Small, and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) is ₹ Nil (P.Y. ₹ Nil). Further, no interest during the year has been paid or payable under the terms of the MSMED Act, 2006. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

**NOTE 30****Outstanding Contracts**

Outstanding Contracts of the clients for the settlement period for which settlement has not taken place has not been considered for the purpose of financial statement made upto 31st March 2016. However brokerage and other charges receivables on such contracts have been accounted for.

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 31****EMPLOYEE BENEFIT****A. Defined Contribution Plan**

Sl. No.	Particulars	2015-16 Amount (₹)	2014-15 Amount (₹)
1.	Contribution to Provident Fund	362,231	246,364
2.	Contribution to Employee State Insurance	87,390	82,983

- B.** The company has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets Gratuity on terms not lower than the amount payable under the Payment of Gratuity Act, 1972. The aforesaid scheme is funded with LIC. The following table summarizes the components of net benefit expenses recognized in profit & loss statement.

**I. Net Employee Expenses/(benefit)**

Sl. No.	Particulars	2015-16 Amount (₹)	2014-15 Amount (₹)
1	Current Service Cost	533,212	529,497
2	Interest cost on benefit obligation	390,701	333,704
3	Expected Return on plan assets	(477,239)	(425,431)
4	Net Actuarial (gain)/Loss recognised in the year	(83,917)	505,571
5	Total employee expenses recognised in Profit & Loss Statement	362,757	943,341

**II. Actual Return on Plan Assets**

1	Actual Return on Plan Assets	477,239	425,431
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**III Benefit Assets/(Liability)**

Sl. No	Particulars	2015-16	Amount in ₹ 2014-15
1	Defined Benefit Obligation	5,524,372	4,883,761
2	Fair Value of Plan Assets	5,620,498	5,125,916
3	Benefit Assets/(Liability)	96,126	242,155

**IV Movement in benefit/Liability**

Sl. No	Particulars	2015-16	Amount in ₹ 2014-15
1	Opening defined Benefit Obligation	4,883,761	4,171,296
2	Interest Cost	390,701	333,704
3	Current Service Cost	533,212	529,497
4	Benefits Paid	(199,385)	(656,307)
5	Actuarial (gains)/Loss on obligation	(83,917)	505,571
6	Closing Benefit Obligation	5,524,372	4,883,761

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****V Movement in fair value of plan assets**

Sl. No	Particulars	2015-16	Amount in ₹
			2014-15
1	Opening fair value of Plan Assets	5,125,916	5,158,566
2	Return on Plan Assets (Actual)	477,239	425,431
3	Contribution by Employer	216,729	198,226
4	Benefits Paid	(199,385)	(656,307)
5	Closing Fair Value of Plan Assets	5,620,499	5,125,916

**VI The Principal actuarial assumptions are as follow**

Sl. No	Particulars	2015-16	2014-15
1	Discount Rate	8%	8%
2	Salary Escalation	6.70%	6.50%
3	Withdrawal Rate	1%-3% depending on age	1%-3% depending on age
4	Expected Rate of Return on Plan Assets	8.75%	8.75%

**VII The major categories of Plan Assets as a percentage of fair value of the total plan assets**

Sl. No	Particulars	2015-16	2014-15
1	Investments with Insurer	100%	100%

Note: The company contributes ₹ 2,92,135/- (P.Y. ₹ 2,56,491/-) to Gratuity Fund in F.Y. 2015-16.

**NOTE 32****Segment Reporting**

The company's operation predominantly comprises of only one segment "Activity relating to Capital Market" and therefore segment reporting is not applicable to the company.

**NOTE 33****RELATED PARTY DISCLOSURE**

Related party disclosure as identified by the management in accordance with the Accounting Standard (AS) 18 on "Related Party Disclosures" and as per Section 188 of the Companies Act' 2013 are as follows:

**A) Name of the related parties & their relationship****i) Key Managerial Personnel (KMP):**

- |                           |                      |
|---------------------------|----------------------|
| a) Mr. Hari Kishan Lohia  | e) Mr. Sameer Bajaj  |
| b) Mr. Mahesh Kumar Bajaj | f) Mr. Vineet Goenka |
| c) Mr. Rajesh Kumar Bajaj | g) Mrs. Sarita Ojha  |
| d) Mr. Sudheer Kumar Jain |                      |

**ii) Wholly Owned Subsidiary Companies:**

- |                                   |                                   |
|-----------------------------------|-----------------------------------|
| a) Trade City Barter (P) Ltd      | c) Trade City Real Estate (P) Ltd |
| b) Trade City Commodities (P) Ltd | d) Trade City Securities (P) Ltd  |

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**iii) Associate Company:

- a) Daadi Stock Broking (P) Ltd

iv) Relatives of Key Managerial Personnel (KMP):

- |                      |                         |
|----------------------|-------------------------|
| a) Abhishek Lohia    | h) Neena Jain           |
| b) Ankit Lohia       | i) Poonam Bajaj         |
| c) Ayushi Jain       | j) Prerna Bajaj         |
| d) Bhawari Devi Jain | k) Rajdulari Devi Bajaj |
| e) Mayank Bajaj      | l) Sanjay Kumar Jain    |
| f) Megha Bajaj       | m) Sunita Bajaj         |
| g) Murarilal Bajaj   |                         |

v) Enterprises over which KMP or relatives of KMP exercises significant influence:

- |                                       |   |
|---------------------------------------|---|
| a) Analysis Software (P) Ltd          | j) Narayani Infrastructure & Logistics (P) Ltd. |
| b) Bajaj Overseas and Finance (P) Ltd | k) Narayani Publishers & Media Support (P) Ltd. |
| c) Bajaj Portfolio Services (P) Ltd   | l) Rajesh Kumar Bajaj (HUF)                     |
| d) Hari Kishan Lohia (HUF)            | m) Ridhi Sidhi Distributors (P) Ltd             |
| e) Lohia Fiscal Markets (P) Ltd       | n) Satya Narayan Bajaj (HUF)                    |
| f) Madhusudan Enclave (P) Ltd         | o) Shiv Lalit Consultancy (P) Ltd               |
| g) Mahesh Kumar Bajaj (HUF)           | p) SNB Share Broking (P) Ltd                    |
| h) Narayani Commodities (P) Ltd       | q) Snehdeep Commerce (P) Ltd                    |
| i) Padam Chand Jain (HUF)             | r) Sudheer Kumar Jain (HUF)                     |

**B) Transactions with Related Parties:**

Name of the Related Parties	Nature of Transaction	Amount (₹)	
		2015-16 Amount (₹)	2014-15 Amount (₹)
Rajesh Kumar Bajaj	Director Remuneration	750,000	1,500,000
	Brokerage Income	-	-
	Depository Charges Income	674	650
Sudheer Kumar Jain	Director Remuneration	900,000	900,000
	Brokerage Income	174	-
	Depository Charges Income	1,753	2,119
Mahesh Kumar Bajaj	Depository Charges Income	638	371
Hari Kishan Lohia	Depository Charges Income	561	416
	Brokerage Income	1,718	-
Sameer Bajaj	Depository Charges Income	453	329
	Director Sitting Fees	60,000	-
Vineet Goenka	Depository Charges Income	337	518
Sarita Ojha	Director Sitting Fees	60,000	-
Trade City Barter (P) Ltd.	Cash Margin Deposit taken for trading	-	2,500,000
	Refund of Cash Margin Deposit taken for trading	-	2,500,000
	Loan Taken	-	121,950,000
	Refund of Loan Taken	-	131,340,099
	Interest paid on Loan	-	83,746
	Depository Charges Income	1,659	-

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

Name of the Related Parties	Nature of Transaction	Amount (₹)	
		2015-16 Amount (₹)	2014-15 Amount (₹)
	Brokerage Income	207	11,070
Trade City Commodities (P) Ltd.	Brokerage Income	515	11,563
	Cash Margin Deposit taken for trading	525,000	500,000
	Refund of Cash Margin Deposit taken for trading	525,000	500,000
Trade City Securities (P) Ltd.	Depository Charges Income	303,087	484,176
	Margin Deposit taken (Cash & Fixed Deposit) for trading	37,444,500	37,583,250
	Refund of Margin Deposit taken (Cash & Fixed Deposit) for trading	40,278,898	44,753,700
	Interest paid on Margin Deposit taken as Fixed Deposit	327,644	836,208
Trade City Real Estate (P) Ltd.	Depository Charges Income	899	-
	Rent Paid	864,000	486,000
Daadi Stock Broking (P) Ltd.	Rent Paid	600,000	600,000
	Brokerage Income	7,690	32,728
	Depository Charges Income	899	900
	Cash Margin Deposit taken for trading	-	11,500,000
	Refund of Cash Margin Deposit taken for trading	-	11,500,000
Analysis Software Pvt Ltd	Brokerage Income	491	-
	Depository Charges Income	1,913	-
	Cash Margin Deposit taken for trading	200,000	-
	Refund of Cash Margin Deposit taken for trading	200,000	-
Bajaj Overseas and Finance (P) Ltd	Brokerage Income	-	125
	Depository Charges Income	1,148	1,574
	Cash Margin Deposit taken for trading	-	10,000
	Refund of Cash Margin Deposit taken for trading	-	10,000
Bajaj Portfolio Services (P) Ltd	Brokerage Income	-	376
	Depository Charges Income	899	814
	Cash Margin Deposit taken for trading	-	60,000
	Refund of Cash Margin Deposit taken for trading	-	60,000
Lohia Fiscal Markets (P) Ltd.	Depository Charges Income	899	800
Madhusudan Enclave (P) Ltd	Brokerage Income	983	1,108
	Depository Charges Income	1,094	1,509
	Cash Margin Deposit taken for trading	600,000	-
	Refund of Cash Margin Deposit taken for trading	600,000	-
Narayani Commodities (P) Ltd	Brokerage Income	-	27
	Depository Charges Income	899	829
Narayani Infrastructure & Logistics (P) Ltd	Depository Charges Income	899	800



**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

Name of the Related Parties	Nature of Transaction	Amount (₹)	
		2015-16 Amount (₹)	2014-15 Amount (₹)
Narayani Publishers & Media Support (P) Ltd	Depository Charges Income	899	800
Ridhi Sidhi Distributor (P) Ltd	Brokerage Income	771	759
	Cash Margin Deposit taken for trading	-	300,000
	Refund of Cash Margin Deposit taken for trading	-	300,000
	Rent Paid	250,000	-
	Depository Charges Income	1,106	800
Shiv Lalit Consultancy (P) Ltd.	Brokerage Income	19	-
	Depository Charges Income	913	500
SNB Share Broking (P) Ltd	Depository Charges Income	972	838
Snehdeep Commerce (P) Ltd.	Brokerage Income	168	-
	Depository Charges Income	16,409	15,209
	Cash Margin Deposit taken for trading	-	2,300,000
	Refund of Cash Margin Deposit taken for trading	-	5,700,000
Hari Kishan Lohia (HUF)	Brokerage Income	400	-
	Depository Charges Income	443	300
Mahesh Kumar Bajaj (HUF)	Brokerage Income	-	761
	Depository Charges Income	620	378
	Cash Margin Deposit taken for trading	-	25,000
	Refund of Cash Margin Deposit taken for trading	-	25,000
Padam Chand Jain (HUF)	Depository Charges Income	1,465	1,126
	Brokerage Income	400	-
Rajesh Kumar Bajaj (HUF)	Depository Charges Income	337	350
Satya Narayan Bajaj (HUF)	Brokerage Income	-	734
	Depository Charges Income	337	323
	Cash Margin Deposit taken for trading	-	25,000
	Refund of Cash Margin Deposit taken for trading	-	25,000
Sudheer Kumar Jain (HUF)	Depository Charges Income	1,368	1,123
Abhishek Lohia	Depository Charges Income	492	610
Ankit Iohia	Brokerage Income	1,312	-
	Depository Charges Income	809	-
Ayushi Jain	Brokerage Income	400	200
	Depository Charges Income	1,198	546
	Cash Margin Deposit taken for trading	-	40,000
	Refund of Cash Margin Deposit taken for trading	-	40,000
Bhawari Devi Jain	Depository Charges Income	1,736	1,859
	Cash Margin Deposit taken for trading	-	1,500,000
	Refund of Cash Margin Deposit taken for trading	-	1,500,000

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

Name of the Related Parties	Nature of Transaction	Amount (₹)	
		2015-16 Amount (₹)	2014-15 Amount (₹)
Mayank Bajaj	Depository Charges Income	415	-
Megha Bajaj	Brokerage Income	-	624
	Depository Charges Income	405	600
	Cash Margin Deposit taken for trading	-	50,000
	Refund of Cash Margin Deposit taken for trading	-	50,000
Murarilal Bajaj	Brokerage Income	-	630
	Depository Charges Income	420	673
	Cash Margin Deposit taken for trading	-	25,000
	Refund of Cash Margin Deposit taken for trading	-	25,000
Neena Jain	Depository Charges Income	2,778	2,994
	Brokerage Income	5,093	-
Poonam Bajaj	Brokerage Income	-	1,268
	Depository Charges Income	843	629
	Cash Margin Deposit taken for trading	-	50,000
	Refund of Cash Margin Deposit taken for trading	-	50,000
Prerna Bajaj	Brokerage Income	-	1,034
	Depository Charges Income	404	344
	Cash Margin Deposit taken for trading	-	50,000
	Refund of Cash Margin Deposit taken for trading	-	50,000
Rajdulari Devi Bajaj	Brokerage Income	-	1,229
	Depository Charges Income	337	300
	Cash Margin Deposit taken for trading	-	50,000
	Refund of Cash Margin Deposit taken for trading	-	50,000
Sanjay Kumar Jain	Depository Charges Income	1,069	989
Sunita Bajaj	Depository Charges Income	337	350

**C. i) Amount due from Key Managerial Personnel:**

Name of the Related Party	Amount (₹)
Rajesh Kumar Bajaj	6,384
Sudheer Kumar Jain	669
Mahesh Kumar Bajaj	40
Sameer Bajaj	82
Vineet Goenka	915

**ii) Amount due from Subsidiary Company:**

Trade City Securities (P) Ltd.	14,010
Trade City Barter (P) Ltd.	23
Trade City Real Estate (P) Ltd.	12,50,000

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****iii) Amount due to Subsidiary Company:**

<b>Name of the Related Party</b>	<b>Amount (₹)</b>
Trade City Securities (P) Ltd.	6,041,313
Trade City Commodities Pvt Ltd	96,797
Trade City Real Estate Pvt Ltd	19,076

**iv) Amount due to Associate Company:**

Daadi Stock Broking (P) Ltd.	30,50,000
------------------------------	-----------

**v) Amount due from enterprises over which KMP or relatives of KMP exercises significant influence:**

Analysys Software Pvt Ltd	193
Madhusudan Enclave (P) Ltd	33
Narayani Commodities (P) Ltd	3,116
Narayani Infrastructure & Logistics (P) Ltd	3,084
Narayani Publishers & Media Support (P) Ltd	3,746
Padam Chand Jain (HUF)	447
Ridhi Sidhi Distributor Pvt Ltd	14
Rajesh Kumar Bajaj (HUF)	1,785
Shiv Lalit Consultancy Pvt Ltd	14
Snehdeep Commerce (P) Ltd	428
Sudheer Kumar Jain (HUF)	333

**vi) Amount due from Relatives of Key Managerial Personnel:**

Abhishek Lohia	155
Ayushi Jain	407
Bhawari Devi Jain	506
Murarilal Bajaj	83
Mayank Bajaj	28
Neena Jain	275
Sanjay Kumar Jain	455
Sunit Bajaj	1,847

D. Provision to be made with regard to Outstanding Amount : ₹ Nil

**NOTE 34****Contingent Liabilities****i) Bank Guarantee:**

- The Company has taken Bank Guarantee of ₹ 1627.50 Lacs from HDFC Bank Ltd. against pledge of Fixed Deposit receipts of ₹ 813.75 Lacs which has been given as margin money in favour of National Securities Clearing Corporation Ltd.
- Bank Guarantee of ₹ 117.50 Lacs from HDFC Bank Ltd. against pledge of Fixed Deposit receipts of ₹ 58.75 Lacs which has been given as margin money and Trade Guarantee Fund in favour of Bombay Stock Exchange Ltd.

**ii) Income Tax:**

- The Company has received demand amounting to ₹ 1,09,766/- from Income Tax Department relating to assessment of T.D.S from the F.Y. 2007-2008 to F.Y. 2013-2014 against which Company will file necessary rectification within appropriate time.
- The company has received demand amounting to ₹ 1,05,35,490/- (including Interest of ₹ 17,55,900/- u/s 220(2) of the Income Tax Act, 1961) from Income Tax Department relating to A.Y. 2010-11 u/s 143(3) of the Income Tax Act, 1961 against which Company has filed an appeal with CIT (Appeals), Kolkata.

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

However, Income Tax Refund of A.Y. 2012-13 amounting to ₹ 30,07,030/- has been already adjusted by Department and ₹ 58,25,000/- has been paid by the company against the said demand.

- c) The company has received demand amounting to ₹ 43,74,200/- from Income Tax Department relating to A.Y. 2011-12 u/s 143(3) of the Income Tax Act, 1961 against which Company has filed an appeal with CIT (Appeals) - VI, Kolkata. However, Income Tax Refund of A.Y. 2012-13 amounting to ₹ 26,99,010/- has been already adjusted by Department and ₹ 10,00,000/- has been paid by the company against the said demand.

**NOTE 35**

In respect of Option Contract, position of open interest as on the Balance Sheet date is as under:-

**Option Contract in respect of which premium is received as on 31.03.2016:**

<b>Particulars of Stock &amp; Index Option</b>	<b>Net Premium Received (₹)</b>
OPTIDX NIFTY 28Apr16 7000.00 PE	6,480
OPTIDX NIFTY 28Apr16 7400.00 PE	135,491
OPTIDX NIFTY 29Dec16 5500.00 PE	8,393
OPTSTK ADANIENT 28Apr16 60.00 PE	6,000
OPTSTK ADANIENT 28Apr16 65.00 PE	17,700
OPTSTK ADANIPOWER 28Apr16 35.00 CE	53,000
OPTSTK COALINDIA 28Apr16 320.00 CE	9,240
OPTSTK CROMPGREAV 28Apr16 45.00 PE	2,850
OPTSTK CROMPGREAV 28Apr16 60.00 CE	15,150
OPTSTK CROMPGREAV 28Apr16 65.00 CE	18,000
OPTSTK GMRINFRA 28Apr16 15.00 CE	7,800
OPTSTK INFY 28Apr16 1100.00 PE	4,750
OPTSTK IOB 28Apr16 22.50 PE	4,200
OPTSTK JINDALSTEL 28Apr16 30.00 PE	700
OPTSTK LT 28Apr16 1100.00 PE	1,800
OPTSTK LUPIN 28Apr16 1900.00 CE	9,450
OPTSTK LUPIN 28Apr16 2000.00 CE	8,250
OPTSTK MARUTI 28Apr16 3100.00 PE	831
OPTSTK MARUTI 28Apr16 4000.00 CE	9,750
OPTSTK NHPC 28Apr16 22.50 PE	9,450
OPTSTK NHPC 28Apr16 25.00 CE	203,850
OPTSTK RCOM 28Apr16 60.00 CE	23,200
OPTSTK RELIANCE 28Apr16 900.00 PE	850
OPTSTK SBIN 28Apr16 160.00 PE	8,000
OPTSTK SBIN 28Apr16 170.00 PE	139,900
OPTSTK SBIN 28Apr16 180.00 PE	122,600
OPTSTK SBIN 28Apr16 250.00 CE	4,100
OPTSTK TATASTEEL 28Apr16 340.00 CE	30,000
OPTSTK UNITECH 28Apr16 5.00 CE	80,850
OPTSTK VEDL 28Apr16 105.00 CE	14,000
OPTCUR USDINR 27Apr16 67.00 CE	15,700
OPTCUR USDINR 27Apr16 68.50 CE	56,650

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

<b>Option Contract in respect of which premium is paid as on 31.03.2016:</b>	
<b>Particulars of Stock &amp; Index Option</b>	<b>Net Premium Paid (₹)</b>
OPTIDX NIFTY 28Apr16 6000.00 PE	11,858
OPTIDX NIFTY 28Apr16 6300.00 PE	15,589
OPTIDX NIFTY 28Apr16 6400.00 PE	13,639
OPTIDX NIFTY 28Apr16 7600.00 PE	255,034
OPTIDX NIFTY 28Apr16 7800.00 CE	67,815
OPTIDX NIFTY 28Apr16 7800.00 PE	744,210
OPTIDX NIFTY 28Apr16 7900.00 CE	369,000
OPTIDX NIFTY 28Apr16 8000.00 CE	7,613
OPTIDX NIFTY 28Dec17 8000.00 PE	22,000
OPTIDX NIFTY 29Dec16 6000.00 PE	11,175
OPTIDX NIFTY 30Jun16 8500.00 CE	18,000
OPTSTK ADANIENT 28Apr16 70.00 PE	29,100
OPTSTK ADANIPOWER 28Apr16 30.00 PE	8,000
OPTSTK ADANIPOWER 28Apr16 32.50 CE	40,000
OPTSTK ADANIPOWER 28Apr16 37.50 CE	11,000
OPTSTK COALINDIA 28Apr16 340.00 CE	720
OPTSTK COALINDIA 28Apr16 350.00 CE	3,600
OPTSTK CROMPGREAV 28Apr16 40.00 PE	10,050
OPTSTK CROMPGREAV 28Apr16 45.00 CE	199,200
OPTSTK CROMPGREAV 28Apr16 50.00 CE	9,600
OPTSTK CROMPGREAV 28Apr16 55.00 CE	39,300
OPTSTK GMRINFRA 28Apr16 10.00 PE	42,900
OPTSTK GMRINFRA 28Apr16 12.50 CE	17,550
OPTSTK GODREJCP 28Apr16 1350.00 CE	19,200
OPTSTK HAVELLS 28Apr16 320.00 PE	24,000
OPTSTK ICICIBANK 28Apr16 200.00 PE	5,610
OPTSTK INFY 26May16 1100.00 PE	9,000
OPTSTK INFY 26May16 1200.00 CE	166,500
OPTSTK LT 28Apr16 1120.00 PE	1,200
OPTSTK LUPIN 28Apr16 1800.00 CE	13,170
OPTSTK MARUTI 28Apr16 3200.00 PE	450
OPTSTK MARUTI 28Apr16 3800.00 CE	12,438
OPTSTK MCDOWELL-N 28Apr16 2650.00 CE	15,000
OPTSTK NHPC 28Apr16 20.00 CE	171,450
OPTSTK NHPC 28Apr16 20.00 PE	284,850
OPTSTK NHPC 28Apr16 22.50 CE	290,250
OPTSTK NHPC 28Apr16 27.50 CE	47,250
OPTSTK ONGC 28Apr16 250.00 CE	600
OPTSTK RCOM 28Apr16 55.00 CE	24,800
OPTSTK RCOM 28Apr16 65.00 CE	6,400
OPTSTK RECLTD 28Apr16 205.00 CE	200

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

<b>Particulars of Stock &amp; Index Option</b>	<b>Net Premium Paid (₹)</b>
OPTSTK RELIANCE 28Apr16 920.00 PE	3,275
OPTSTK RELIANCE 28Apr16 940.00 PE	1,850
OPTSTK SBIN 26May16 160.00 CE	397,600
OPTSTK SBIN 26May16 170.00 CE	183,400
OPTSTK SBIN 28Apr16 140.00 PE	6,700
OPTSTK SBIN 28Apr16 150.00 PE	7,000
OPTSTK SBIN 28Apr16 170.00 CE	354,200
OPTSTK SBIN 28Apr16 180.00 CE	298,100
OPTSTK SBIN 28Apr16 240.00 CE	6,100
OPTSTK TATAPOWER 28Apr16 60.00 PE	75,600
OPTSTK TATASTEEL 28Apr16 320.00 CE	30,300
OPTSTK UNIONBANK 28Apr16 135.00 CE	36,300
OPTSTK UNITECH 28Apr16 5.00 PE	350,350
OPTSTK VEDL 28Apr16 100.00 CE	10,600
OPTSTK VEDL 28Apr16 110.00 CE	4,200
OPTCUR USDINR 27Apr16 66.50 CE	60,750
OPTCUR USDINR 27Apr16 67.50 CE	47,450

Net Open Position in respect of Future contracts are as follows:

<b>Particulars of Stock &amp; Index Future</b>	<b>Long / (Short)</b>
FUTSTK ARVIND 28Apr16	1,700
FUTSTK ASIANPAINT 28Apr16	600
FUTSTK AXISBANK 28Apr16	(4,000)
FUTSTK BAJAJ-AUTO 28Apr16	1,000
FUTIDX BANKNIFTY 28Apr16	(60)
FUTSTK BHARATFORG 28Apr16	1,000
FUTSTK BHEL 28Apr16	28,000
FUTSTK CANBK 28Apr16	4,000
FUTSTK CROMPGREAV 28Apr16	(30,000)
FUTSTK DLF 28Apr16	50,000
FUTSTK DRREDDY 28Apr16	300
FUTSTK EICHERMOT 28Apr16	25
FUTSTK GMRINFRA 28Apr16	507,000
FUTSTK GODREJCP 28Apr16	(400)
FUTSTK GRASIM 28Apr16	(150)
FUTSTK HINDALCO 28Apr16	25,000
FUTSTK ICICIBANK 28Apr16	3,400
FUTSTK IDFC 28Apr16	42,900
FUTSTK INDIACEM 28Apr16	6,000
FUTSTK INFY 28Apr16	(1,000)
FUTSTK JUSTDIAL 28Apr16	(500)
FUTSTK JUSTDIAL 26May16	500

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

<b>Particulars of Stock &amp; Index Future</b>	<b>Long / (Short)</b>
FUTSTK LT 28Apr16	900
FUTSTK LUPIN 28Apr16	(900)
FUTSTK NHPC 28Apr16	(189,000)
FUTIDX NIFTY 28Apr16	(300)
FUTSTK ONGC 28Apr16	2,000
FUTSTK PFC 28Apr16	(2,000)
FUTSTK RECLTD 28Apr16	14,000
FUTSTK RELCAPITAL 28Apr16	1,500
FUTSTK RELIANCE 28Apr16	1,000
FUTSTK SBIN 28Apr16	(116,000)
FUTSTK TATAGLOBAL 28Apr16	4,000
FUTSTK TATAPOWER 28Apr16	88,000
FUTSTK TATASTEEL 28Apr16	10,000
FUTSTK UNIONBANK 28Apr16	3,000
FUTSTK UNITECH 28Apr16	539,000
FUTSTK WOCKPHARMA 28Apr16	375
FUTSTK YESBANK 28Apr16	700
FUTCUR USDINR 27Apr16	(136)
SF TISC 28Apr16	(8,000)

**NOTE 36**

The figures for the previous year have been rearranged and/or regrouped wherever considered necessary.

Signature to Note 1 to 36

As per our attached report of even date

For **Patni & Co.**

*Chartered Accountants*

(Firm Registration No. 320304E)

**Sashi Sureka**

*(Partner)*

Membership No. 057918

Place : Kolkata

Dated: 30.05.2016

For and on behalf of Board

**Narendra Kumar Rai**  
*(Company Secretary)*

**Sujit Kumar Sharma**  
*(CFO)*

**Hari Kishan Lohia**  
*Director*  
(DIN: 00081055)

**Sudheer Kumar Jain**  
*Whole-time Director*  
(DIN: 00075103)

## Independent Auditor's Report

To  
The Members Of  
**LOHIA SECURITIES LIMITED**

### Report on the Consolidated Financial Statements

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

### Management's Responsibility for the Consolidated Financial Statements

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

### Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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



### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates as at 31st March, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.

### Other Matters

We did not audit the financial statements / financial information of “3” subsidiaries, whose financial statements / financial information reflect total assets of ₹ 9,15,29,839/- as at 31st March, 2016, total revenues of ₹ 98,13,012/- and net cash outflows amounting to ₹ 5,74,926/- for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group’s share of net profit of ₹ 2,63,130/- for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of “1” associate, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31st March, 2016 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 Group and the operating effectiveness of such controls, refer to our separate report in Annexure “A”; and

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates – Refer Note 38 to the consolidated financial statements.
  - (ii) The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

1, India Exchange Place  
Kolkata - 700 001

Dated: The 30th day of May, 2016

For **PATNI & CO.**  
**CHARTERED ACCOUNTANTS**  
(Firm Reg. No. 320304E)  
**S. SUREKA**  
(Partner)  
Membership No. 057918

## **Annexure “A” to the Consolidated Independent Auditor’s Report**

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

We have audited the internal financial controls over financial reporting of Lohia Securities Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

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

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

### **Auditors’ Responsibility**

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

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

**Opinion**

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

1, India Exchange Place  
Kolkata - 700 001

Dated: The 30th day of May, 2016

For **PATNI & CO.**  
**CHARTERED ACCOUNTANTS**  
(Firm Reg. No. 320304E)  
**S. SUREKA**  
(Partner)  
Membership No. 057918

**Consolidated Balance Sheet as at 31st March, 2016**

Amount in ₹

Particulars		Note No.	As at 31.03.2016	As at 31.03.2015
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>(1)</b>	<b>SHAREHOLDER'S FUND</b>			
	(a) Share Capital	2	4,78,22,500	4,78,22,500
	(b) Reserves and Surplus	3	23,14,16,419	23,14,56,618
<b>(2)</b>	<b>NON CURRENT LIABILITIES</b>			
	(a) Long Term Borrowings	4	1,57,54,444	1,39,00,000
	(b) Long Term Provisions	5	6,08,308	8,90,539
<b>(3)</b>	<b>CURRENT LIABILITIES</b>			
	(a) Short -term borrowings	6	5,38,89,979	5,30,67,155
	(b) Trade Payables	7	45,67,307	29,26,552
	(c) Other Current Liabilities	8	2,07,02,900	3,52,96,954
	(d) Short - term provisions	9	96,403	60,35,018
	<b>TOTAL</b>		<b>37,48,58,260</b>	<b>39,13,95,336</b>
<b>II.</b>	<b>ASSETS</b>			
<b>(1)</b>	<b>NON CURRENT ASSETS</b>			
	(a) Fixed Assets			
	(i) Tangible Assets	10	1,20,87,644	1,33,98,538
	(ii) Intangible Assets	11	7,11,814	9,26,989
	(b) Non Current Investment	12	5,89,35,920	5,62,68,519
	(c) Deferred Tax Assets	13	1,11,12,567	1,11,39,593
	(d) Long-Term loans and advances	14	5,04,13,761	6,98,15,643
<b>(2)</b>	<b>CURRENT ASSETS</b>			
	(a) Inventories	15	2,26,28,416	3,02,47,533
	(b) Trade Receivables	16	1,71,87,296	1,01,40,013
	(c) Cash & Cash Equivalent	17	15,61,37,686	15,47,73,454
	(d) Short Term Loans & Advances	18	4,37,60,245	4,25,08,896
	(e) Other Current Assets	19	18,82,911	21,76,158
	<b>TOTAL</b>		<b>37,48,58,260</b>	<b>39,13,95,336</b>
Significant Accounting Policies		1		
The notes form an integral part of these financial statements		2 to 40		

As per our attached report of even date

For **Patni & Co.**

Chartered Accountants

(Firm Registration No. 320304E)

**Sashi Sureka**

(Partner)

Membership No. 057918

Place : Kolkata

Dated: 30.05.2016

For and on behalf of Board

**Narendra Kumar Rai**  
(Company Secretary)**Sujit Kumar Sharma**  
(CFO)**Hari Kishan Lohia**  
Director  
(DIN: 00081055)**Sudheer Kumar Jain**  
Whole-time Director  
(DIN: 00075103)

**Consolidated Profit and Loss Statement for the year ended 31.03.2016**

Amount in ₹				
	Particulars	Note No.	Figures for the year ended 31.03.2016	Figures for the year ended 31.03.2015
I	Revenue from Operation	20	41,52,18,291	42,88,71,774
II.	Other Income	21	1,44,55,039	1,56,90,425
III.	<b>Total Revenue (I+II)</b>		<b>42,96,73,330</b>	<b>44,45,62,199</b>
IV	<b>Expenses</b>			
(a)	Purchases of Stock In Trade	22	26,25,23,731	25,21,23,657
(b)	(Increase)/Decrease in Inventories	23	76,19,117	(1,08,09,038)
(c)	Employee Benefit Expenses	24	3,40,47,320	3,50,59,115
(d)	Finance Cost	25	1,23,54,297	1,39,25,587
(e)	Depreciation & Amortization Expenses	26	42,56,137	53,98,204
(f)	Other Expenses	27	11,15,86,422	11,64,43,156
	<b>Total Expenses (a to f)</b>		<b>43,23,87,024</b>	<b>41,21,40,681</b>
V	<b>Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)</b>		<b>(27,13,694)</b>	<b>3,24,21,518</b>
VI	Exceptional Items		-	-
VII	<b>Profit / (Loss) before extraordinary items and tax (V-VI)</b>		<b>(27,13,694)</b>	<b>3,24,21,518</b>
VIII	Extraordinary Items			
IX	<b>Profit / (Loss) before Tax (VII-VIII)</b>		<b>(27,13,694)</b>	<b>3,24,21,518</b>
X	<b>Tax Expenses</b>			
	- Current Tax	28	6,64,512	17,08,501
	- Deferred Tax		27,026	86,11,643
	- Income Tax for earlier years		-	357
XI	<b>Profit / (Loss) for the period (IX-X)</b>		<b>(34,05,232)</b>	<b>2,21,01,017</b>
XII	Share of Profit from Associate Company		2,63,130	-
XIII	<b>Profit / (Loss) for the period (XI+XII)</b>		<b>(31,42,102)</b>	<b>2,21,01,017</b>
XIV	<b>Earning per Equity Share</b>	29		
	(1) Basic (Equity Share Face Value ₹ 10/- each)		(0.66)	4.63
	(2) Diluted (Equity Share Face Value ₹ 10/- each)		(0.66)	4.63
	Significant Accounting Policies	1		
	The notes form an integral part of these financial statements	2 to 40		

As per our attached report of even date

For **Patni & Co.**

Chartered Accountants

(Firm Registration No. 320304E)

**Sashi Sureka**

(Partner)

Membership No. 057918

Place : Kolkata

Dated: 30.05.2016

For and on behalf of Board

**Narendra Kumar Rai**  
(Company Secretary)**Sujit Kumar Sharma**  
(CFO)**Hari Kishan Lohia**  
Director  
(DIN: 00081055)**Sudheer Kumar Jain**  
Whole-time Director  
(DIN: 00075103)

**Consolidated Cash Flow Statement for the year ended 31st March, 2016**

		Amount (₹)	
		2015-16	2014-15
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Net Profit / (Loss) Before Tax &amp; Extraordinary Items</b>		(2,713,694)	32,421,518
Adjustment for :			
Depreciation		4,256,137	5,398,204
Provision for Gratuity Expenses/(written back)		(282,231)	179,513
Provision for Standard Assets		(16,139)	(22,488)
Provision for loss on valuation of Inventories / (W/off)		-	(409,229)
Interest Expenses on Loan		9,025,926	10,096,509
Interest Expenses on Margin Deposits from Clients & Trading Member		2,654,320	2,654,320
Miscellaneous Balance Written Off		(600)	(600)
Interest Received on Bank Deposits & Deposits with Clearing Member		(11,555,164)	(12,590,961)
Loss/(Profit) on sale of Fixed Assets		(206,443)	415,915
Provision for Bad & Doubtful Debts		832,773	612,143
Bad Debts		593,594	2,157
Dividend Income from Non current Investment		(46,000)	(49,332)
<b>Operating Profit before Working Capital Adjustment</b>		<b>2,542,479</b>	<b>38,707,669</b>
Changes in Working Capital			
(Increase)/Decrease in Inventories		7,619,117	(10,809,038)
(Increase)/Decrease in Trade Receivables		(8,473,650)	(4,797,369)
(Increase)/Decrease in Deposits & Other Advances		18,150,533	(482,570)
(Increase)/Decrease in Other Current Assets		(26,422)	5,829
Increase/(Decrease) in Trade Payables		1,641,355	(151,661)
Increase/(Decrease) in Other Current Liabilities		(14,594,054)	(7,009,834)
<b>Cash Generated from Operation</b>		<b>6,859,358</b>	<b>15,463,026</b>
Less: Payment of Taxes		5,387,503	1,854,237
<b>Net cash flow from operating activities (A)</b>		<b>1,471,855</b>	<b>13,608,789</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Tangible Fixed Assets		(1,761,534)	(689,647)
Purchase of Intangible Fixed Assets		(441,959)	(270,000)
Sale Proceeds of Tangible Fixed Assets		377,500	-
Purchase of Non current Investments		-	(748,053)
Sale Proceeds of Non current Investments		-	-
Dividend Income from Non current Investment		46,000	49,332
Interest Received on Bank Deposits & Deposits with Clearing Member net off interest paid on Margin Deposits from Clients & Trading Member		8,900,844	9,936,641
(Increase)/Decrease in Bank Deposits (incl. accrued interest)		(5,580,331)	1,961,718
<b>Net cash realised from Investing Activities (B)</b>		<b>1,540,520</b>	<b>10,239,991</b>

**Cash Flow Statement for the year ended 31st March, 2016 (Contd.)**

		Amount (₹)	
		2015-16	2014-15
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Increase/(Decrease) in Borrowings	2,677,268	(3,824,043)
	Interest Expenses on Loan	(9,025,926)	(10,096,509)
	Payment of Dividend	(996,600)	(996,600)
	Payment of Dividend Tax	202,885	(169,372)
	<b>Net cash realised from financing activities (C)</b>	<b>(7,548,143)</b>	<b>(15,086,524)</b>
	<b>Net increase/(Decrease) in cash and cash equivalent</b>	<b>(4,535,768)</b>	<b>8,762,256</b>
	Opening Cash & Cash Equivalent	23,750,954	14,988,698
	Closing Cash & Cash Equivalent	<b>19,215,186</b>	<b>23,750,954</b>
	<b>CLOSING CASH &amp; CASH EQUIVALENT</b>		
	Cash at Bank	18,630,289	23,260,776
	Cash in Hand	584,897	490,178
		<b>19,215,186</b>	<b>23,750,954</b>

As per our attached report of even date

For **Patni & Co.**

*Chartered Accountants*

(Firm Registration No. 320304E)

**Sashi Sureka**

*(Partner)*

Membership No. 057918

Place : Kolkata

Dated: 30.05.2016

For and on behalf of Board

**Narendra Kumar Rai**  
*(Company Secretary)*

**Sujit Kumar Sharma**  
*(CFO)*

**Hari Kishan Lohia**  
*Director*  
(DIN: 00081055)

**Sudheer Kumar Jain**  
*Whole-time Director*  
(DIN: 00075103)



## Notes on Financial Statements for the year ended 31st March, 2016

### NOTE 1

#### SIGNIFICANT ACCOUNTING POLICIES

##### (a) Basis of Consolidation

The consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) – “Consolidated Financial Statements”, notified by the Companies (Accounting Standards) Rules 2006.

The consolidated financial statements have been prepared applying uniform accounting policies for like transaction and events in similar circumstances and appropriate adjustments are made if the differences in accounting policies have a material impact.

The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and transactions resulting in unrealized profit/loss.

The excess of cost of investment over the Company's share in the net assets of subsidiaries at the date on which investment is made is recognized as 'goodwill' and the excess of the company share over the cost of investment is treated as Capital Reserve. Capital Reserve is separately disclosed after netting of Goodwill in the Consolidated Financial Statements.

##### (b) Fixed Assets & Depreciation

Fixed Assets are stated at their original cost of acquisition less accumulated depreciation.

Depreciation on Tangible Fixed Assets has been provided on written down value method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on Tangible Fixed Assets added / disposed of during the year is provided on prorata basis with reference to the date of addition / disposal.

The unamortised carrying value is being depreciated over the revised / remaining useful lives. The written down value of Tangible Fixed Assets whose lives have expired as at 1<sup>st</sup> April 2014 have been adjusted in the opening balance of Profit & Loss Statement.

Intangible assets have been amortized over a period of four financial years.

##### (c) Inventories

Inventories are valued at lower of cost or market price. The costs of the shares are determined on First in & First out Basis.

In M/s Trade City Barter (P) Ltd., Inventories of shares are valued at Cost determined in First in First out basis. Provisions are made for depreciation in value thereof, when compared with corresponding aggregate market value for each category of shares.

##### (d) Investments

Long term Investments are stated at cost less provision for diminution in the value other than temporary, in the value of Investments.

Investment in property is carried at cost.

##### (e) Revenue Recognition

Brokerage income is recognized on the trade date of transaction upon confirmation of transactions by the stock exchanges and clients. Income from depository services and late payment charges are recognized

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

on the basis of agreement entered into with clients and when right to receive the income is established. Commission income from financial products distribution is recognized on the basis of agreement entered with principal and when the right to receive the income is established.

Dividend income is accounted for when the right to receive the income is established.

Interest Income is accounted on accrual basis.

**(f) Derivative Market Trading**

In respect of Option Contract, premium for contract expiring beyond the Balance Sheet date has been treated as current asset / current liabilities.

In respect of Futures Contract for contract expiring beyond the Balance Sheet date, net of Mark to Market Debit balance and Mark to Market Credit balance has been treated as current assets / current liabilities.

In M/s. Trade City Commodities (P) Ltd. and M/s. Trade City Barter (P) Ltd., in respect of Futures Contract for contract expiring beyond the Balance Sheet date, Mark to Market Debit balance has been recognized in Statement of Profit & Loss and Mark to Market Credit balance has been treated as current liabilities.

**(g) Earnings Per Share**

Basic and diluted earnings per share are computed in accordance with Accounting Standard 20 "Earnings per Share". Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

**(h) Taxation**

Provision of current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rates as applicable. The deferred tax charge is recognized using the enacted tax rate. Deferred Tax Assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred Tax Assets/Liabilities are reviewed as at balance sheet date based on the developments during the year and reassess assets/liabilities in terms of AS-22 issued by ICAI.

**Notes on Consolidated Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 2****SHARE CAPITAL**

Particulars	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
<b>a) Authorised Capital</b>				
Equity Share Capital of ₹ 10 each with voting right	7500000	75,000,000	7500000	75,000,000
<b>b) Issued, Subscribed and Fully Paid up Capital</b>				
Equity Share Capital of ₹ 10 each with voting right	4778000	47,780,000	4778000	47,780,000
<b>c) Par Value per Share</b>		₹ 10		₹ 10

**d) Reconciliation of Number of Shares and amount outstanding at the beginning and at the end of the year**

Particulars	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
Number and amount of the share at the beginning of the year	4778000	47,780,000	4778000	47,780,000
Adjustment (If any)	-	-	-	-
Number and amount of the share at the end of the year	4778000	47,780,000	4778000	47,780,000

**e) Rights Attached to the Shares**

Each Share confers the right to one vote. Shareholders have the right to receive the dividend

**f) Details of the Shareholder holding shares more than 5 %**

Name of the Shareholders	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	% of holding	No. of Shares	% of holding
Hari Kishan Lohia	431000	9.02	431000	9.02
Mahesh Kumar Bajaj	390400	8.17	390400	8.17
Rajesh Kumar Bajaj	419800	8.79	419800	8.79
Sudheer Kumar Jain	312000	6.53	312000	6.53
Ridhi Sidhi Distributor (P) Ltd	252881	5.29	252881	5.29
Shiv Lalit Consultancy (P) Ltd	265000	5.55	265000	5.55

**g) Details of Forfeited Shares**

Class of Share	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	Amount originally paid up ₹	No. of Shares	Amount originally paid up ₹
Equity Share with voting rights	17000	42,500	17000	42,500

**Notes on Consolidated Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 3****RESERVES AND SURPLUS**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
<b>Securities Premium Reserve</b>		
Balance as per the last financial statements	18,551,631	18,551,631
<b>General Reserves</b>		
Balance as per the last financial statements	91,086,129	91,086,129
<b>Statutory Fund</b>		
Balance as per the last financial statements	931,956	406,956
Addition during the year	200,000	525,000
Closing Balance	1,131,956	931,956
<b>Capital Reserves on Consolidation</b>		
Balance as per the last financial statements	10,726,616	10,726,616
<b>Surplus / (Deficit) in the statement of Profit and Loss</b>		
Balance as per the last financial statements	110,160,286	91,654,914
Profit/(Loss) for the period	(3,142,102)	22,101,017
Transfer to Reserve fund	(200,000)	(525,000)
Proposed Dividend	-	(996,600)
Provision for Dividend Tax	-	(202,885)
Adjustment of Retained Earnings in accordance with Companies Act, 2013	-	(1,871,160)
Share of Post Acquisition Profit upto 31.03.2015	3,101,903	-
Closing Balance	109,920,087	110,160,286
<b>Total of Reserve &amp; Surplus</b>	<b>231,416,419</b>	<b>231,456,618</b>

**NOTE 4****LONG TERM BORROWINGS**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
<b>Term Loans (Secured)</b>		
From HDFC Bank Ltd. #	954,444	-
Unsecured Loan		
From Related Party	-	-
From Others	14,800,000	13,900,000
	<b>15,754,444</b>	<b>13,900,000</b>

# Nature of Security and terms of repayment for Long Term secured borrowings

Nature of Security: Loan amounting ₹ 9,54,444/- (P.Y. ₹ Nil) from HDFC Bank Ltd. is secured against hypothecation of Motor Vehicle.

Terms of Repayment: Repayable in 60 monthly installments commencing from November' 2015. Last installment due on 05.10.2020.

Installments falling due in respect of all the above loans upto 31.03.2017 have been grouped under "Current Maturities of Long Term Debt" (Refer Note 8)

**Notes on Consolidated Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 5****LONG TERM PROVISIONS**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
Provision for Gratuity	608,308	890,539
	<b>608,308</b>	<b>890,539</b>

**NOTE 6****SHORT TERM BORROWINGS**

<b>Secured Loan</b>		
Loan from HDFC Bank Ltd. #	22,500,000	10,000,000
Bank Overdraft with HDFC Bank Ltd. ##	20,539,979	10,517,398
Loan repayable on demand (Unsecured)		
From Related Parties	-	-
From Others	10,850,000	32,549,757
	<b>53,889,979</b>	<b>53,067,155</b>

# Loan from HDFC Bank Ltd. is secured against pledge of Fixed Deposits amounting to ₹ 112.50 Lacs (P.Y. ₹ 50 Lacs).

## Bank overdraft with HDFC Bank Ltd. is secured against personal guarantee of Directors and office premises of M/s. Trade City Real Estate Pvt. Ltd., a wholly owned subsidiary company and pledge of shares (Refer Note No. 15) as on 31.03.2016.

**NOTE 7****TRADE PAYABLES**

<b>Trade Payable for Goods and Services</b>		
Payable to Exchanges & Clearing Member	932,954	1,052,565
Payable to Clients - (Related Parties)	-	898
Payable to Clients - Others	3,634,353	1,873,089
	<b>4,567,307</b>	<b>2,926,552</b>

**Notes on Consolidated Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 8****OTHER CURRENT LIABILITIES**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
Liabilities for Fixed Assets	-	3,73,728
Current Maturities of Long Term Debts	213,490	-
Interest Accrued but not due		
Payable to Bank on Term Loan	7,754	-
Interest accrued and due on Borrowings		
From Bank	178,674	154,932
From Others	-	447,354
Interest Accrued but not due on Margin Deposits		
To Related Party	-	21,970
To Others	383,318	455,319
Interest accrued and due on Margin Deposits		
To Related Party	42,164	-
Margin Deposits from Clients		
From Related Party	-	1,000,000
From Others	13,194,941	26,332,800
Statutory Dues Payable	1,712,319	2,084,100
Liabilities for Expenses - Payable to Related Party	14,010	-
Liabilities for Expenses - Payable to Others	4,868,749	3,614,753
Mark to Mark Profit for Unexpired Future Contracts	87,481	51,794
Option Premium Received for Unexpired Currency Contracts	-	760,204
	<b>20,702,900</b>	<b>35,296,954</b>

**NOTE 9****SHORT TERM PROVISIONS**

Provision for Standard Assets	20,388	36,527
Provision for Income Tax	76,015	4,799,006
Provision for Dividend	-	996,600
Provision for Dividend Tax	-	202,885
	<b>96,403</b>	<b>6,035,018</b>

## Notes on Consolidated Financial Statements for the year ended 31st March, 2016 (Contd.)

## NOTE 10

## TANGIBLE ASSETS

(Amount in ₹)

PARTICULARS	GROSS BLOCK			DEPRECIATION					NET BLOCK	
	As at 01.04.2015	Addition	Disposal/ Deduction	As at 31.03.2016	As at 01.04.2015	For the Year	Adjustment for Disposal	Retained Earnings	As at 31.03.2016	As at 31.03.2015
Office	52,03,081	-	-	52,03,081	31,05,234	93,281	-	-	31,98,515	20,97,847
Leasehold Office	7,462,957	-	-	7,462,957	3,115,808	219,543	-	-	3,335,351	4,347,149
Furniture & Fixtures	11,909,327	-	-	11,909,327	10,247,447	594,174	-	-	10,841,621	1,661,880
Vehicles	6,056,655	1,521,306	1,587,874	5,990,087	5,037,591	505,138	1,416,817	-	4,125,912	1,019,064
Office Equipment	4,344,837	57,970	-	4,402,807	4,027,731	83,876	-	-	4,111,607	317,106
Computer & Accessories	41,498,354	182,258	-	41,680,612	39,860,789	487,624	-	-	40,348,413	1,637,565
Air Conditioner	4,046,262	-	-	4,046,262	3,370,880	266,380	-	-	3,637,260	675,382
Electrical Installation	4,885,685	-	-	4,885,685	3,874,614	438,252	-	-	4,312,866	1,011,071
Generator	2,214,454	-	-	2,214,454	1,589,679	213,103	-	-	1,802,782	624,775
VSAT Equipments	133,982	-	-	133,982	127,283	-	-	-	127,283	6,699
Total	87,755,594	1,761,534	1,587,874	87,929,254	74,357,056	2,901,371	1,416,817	-	75,841,610	13,398,538
Previous Year	112,773,951	689,647	25,708,004	87,755,594	93,225,005	4,552,980	25,292,089	1,871,160	74,357,056	13,398,538
										19,548,946

## NOTE 11

## INTANGIBLE ASSETS

(Amount in ₹)

PARTICULARS	GROSS BLOCK			AMORTISATION					NET BLOCK	
	As at 01.04.2015	Addition	Disposal/ Deduction	As at 31.03.2016	As at 01.04.2015	For the Year	Adjustment for Disposal	Retained Earnings	As at 31.03.2016	As at 31.03.2015
Computer Software	9,197,508	41,959	-	9,239,467	8,520,519	617,134	-	-	9,137,653	676,989
Membership Fees *	1,450,000	400,000	-	1,850,000	1,200,000	40,000	-	-	1,240,000	250,000
Total	10,647,508	441,959	-	11,089,467	9,720,519	657,134	-	-	10,377,653	926,989
Previous Year	10,377,508	270,000	-	10,647,508	9,049,703	670,816	-	-	9,720,519	926,989
										1,327,805

\* Membership Fees include ₹ 2,50,000/- paid to Indian Commodity Exchange Ltd. As the membership has not been activated the fees paid therefore has not been amortised during the year.

**Notes on Consolidated Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 12****NON CURRENT INVESTMENTS**

	2015-16		2014-15	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
<b>Investments in Property (At cost)</b>				
Land		7,45,199		7,45,199
Commercial Property (Refer Sub-note below)		4,31,88,928		4,38,86,560
<b>Investments in Property (A)</b>		<b>4,39,34,127</b>		<b>4,46,31,759</b>
<b>Investments in Equity Instruments (At cost)</b>				
<b>(Quoted, Non-Trade Investments)</b>				
Face Value of ₹ 10/- each fully paid up				
Siddheshwari Garments Ltd.	8700	87,000	8700	87,000
<b>Investment in Quoted Equity Instruments (I)</b>		<b>87,000</b>		<b>87,000</b>
(Unquoted, Trade Investments)				
In Associate Company				
Face Value of ₹ 10/- each fully paid up				
Daadi Stock Broking (P) Ltd. (Extent of holding 28.57%) (Capital Reserve: ₹ 2,060/-)	300000	1,32,89,793	300000	99,24,760
In Other Companies				
Face Value of ₹ 1/- each fully paid up				
The Calcutta Stock Exchange Association Ltd	250	5,00,000	250	5,00,000
Face Value of ₹ 5/- each fully paid up				
Nimbus Communication Ltd.	5000	11,25,000	5,000	11,25,000
<b>Investment in Unquoted Equity Instruments (II)</b>		<b>1,49,14,793</b>		<b>1,15,49,760</b>
<b>Investments in Equity Instruments (B=I+II)</b>		<b>1,50,01,793</b>		<b>1,16,36,760</b>
<b>Total Non Current Investment (A+B)</b>		<b>5,89,35,920</b>		<b>5,62,68,519</b>
<b>Aggregate market value of Quoted Shares</b>		<b>26,535</b>		<b>26,535</b>
<b>Sub-Note</b>				
<b>Commercial Property comprises of</b>				
<b>Gross Block</b>				
At the beginning of the year		4,40,60,968		4,33,12,915
Add: Additions during the year		-		7,48,053
At the end of the year		<b>4,40,60,968</b>		<b>4,40,60,968</b>
<b>Less: Depreciation</b>				
At the beginning of the year		1,74,408		-
Add: For the Year		6,97,632		1,74,408
At the end of the year		<b>8,72,040</b>		<b>1,74,408</b>
<b>Net Block</b>				
At the beginning of the year		4,38,86,560		4,33,12,915
At the end of the year		4,31,88,928		4,38,86,560



**Notes on Consolidated Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 13****DEFERRED TAX ASSETS**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
On account of Depreciation	1,980,802	1,762,669
On account of Carry Forward Losses	9,131,765	9,376,924
	<b>11,112,567</b>	<b>11,139,593</b>

**NOTE 14****LONG TERM LOANS AND ADVANCES**

<b>(Unsecured, considered good)</b>		
Capital Advances	3,885,000	3,885,000
Security Deposits for Office on Rent		
To Associate Company	3,050,000	3,050,000
To Related Parties	1,525,000	1,525,000
To Others	3,500,000	3,522,500
Security Deposits with Exchanges & Clearing Members	35,275,000	43,325,000
Security Deposits with Others	3,162,846	4,785,499
Loan given to Related Parties	-	9,700,000
Prepaid Expenses	15,915	22,644
	<b>50,413,761</b>	<b>69,815,643</b>

**NOTE 15****INVENTORIES**

	<b>Face Value</b>	<b>2015-2016</b>		<b>2014-2015</b>	
		<b>Qty.</b>	<b>Amount (₹)</b>	<b>Qty.</b>	<b>Amount (₹)</b>
<b>Shares (Non Trade, Quoted) Fully Paid up</b>					
Aban Offshore Ltd.	2	0	-	150	63,960
Aditya Birla Retail and Fashion Ltd.	10	4000	565,428	0	-
Aksh Optifibre Ltd.	5	10000	130,500	10000	143,000
Alok Industries Ltd.	10	500	2,250	0	-
Alps Industries Ltd.	10	0	-	1500	2,985
Amtek Auto Ltd.	2	100	3,030	0	-
Anco Communications Ltd.	10	1000	-	1000	2,150
Ankit Metal & Power Ltd.	10	5000	8,000	0	-
Archidply Industries Ltd.	10	250	10,450	250	8,050
Archies Ltd.	2	5000	102,500	12000	227,662
Arlabs Ltd.	10	10000	40,100	0	-
Arshiya International Ltd.	2	0	-	35584	961,343
Arvind Remedies Ltd.	1	0	-	10000	147,000
Bajaj Hindustan Sugar Ltd.	1	27500	528,125	0	-
Baroda Rayon Corporation Ltd	10	485	-	485	1,431
Bharat Gears Ltd.	10	12611	803,951	5073	366,959

**Notes on Consolidated Financial Statements for the year ended 31st March, 2016 (Contd.)**

	Face Value	2015-2016		2014-2015	
		Qty.	Amount (₹)	Qty.	Amount (₹)
Bhoruka Aluminum Ltd.	2	8000	4,000	8000	4,960
Bhushan Steel Ltd.	2	0	-	1000	65,200
Birla Power Solution Ltd.	1	30000	2,700	30000	2,700
Blue Star Infotech Ltd.	10	1535	349,115	0	-
Bodal Chemicals Ltd.	10	2300	17,066	2500	18,550
Bodhtree Consulting Ltd.	10	500	15,025	0	-
Brushman (India) Ltd.	10	9800	6,762	0	-
Cadila Health Care Ltd.	1	150	47,535	0	-
CESC Ltd.	10	200	94,540	0	-
Cochin Minerals & Rutilites Ltd.	10	1000	67,950	1050	81,060
CORE Education & Technologies Ltd	2	0	-	700	5,495
DCB Bank Ltd.	10	500	36,100	0	-
Deepak Nitrite Ltd.	2	0	-	113	7,741
Dish TV India Ltd.	1	0	-	400	32,579
DLF Ltd.	2	400	39,692	0	-
Dolat Investments Ltd.	1	50000	87,500	50000	87,500
Dredging Corporation of India Ltd.	10	0	-	3500	1,279,136
Easun Reyrolle Ltd.	2	0	-	9500	347,875
Edelwiess Financial Services Ltd.	1	0	-	1000	60,623
Eimcon Elecon (India) Ltd.	10	0	-	2776	1,076,960
Elecon Engineering Co Ltd.	2	11000	570,468	0	-
Electrosteel Castings Ltd.	1	24808	470,112	0	-
Eros International Media Ltd.	10	50	8,433	0	-
Foundry Fuel Products Ltd.	10	36361	218,166	36361	383,639
G V Films Ltd.	10	15000	5,700	15000	5,700
GEI Industrial Systems Ltd.	10	28409	214,981	82844	979,829
GMR Infrastructure Ltd.	1	1000	11,600	4999	82,983
Godrej Consumer Products Ltd.	1	1	1,381	0	-
Gokaldas Exports Ltd.	5	0	-	24568	1,018,444
Gradiente Infotainment Ltd.	10	123082	108,312	123082	204,316
Greenlam Industries Ltd.	5	2600	1,273,000	0	-
Greenlam Industries Ltd.	5	0	-	3200	465,248
Greenply Industries Ltd.	5	0	-	1200	673,350
GTL Infrastructure Ltd.	10	0	-	1700	3,315
Gujarat Apollo Industries Ltd.	10	0	-	4769	585,036
Gulf Oil Corporation Ltd.	2	0	-	1599	218,861
HBL Power Systems Ltd.	1	30066	1,077,353	0	-
Hercules Hoists Ltd.	1	0	-	2250	388,347
Hexa Tradex Ltd.	2	8	117	8	215
Himachal Futuristic Communication Ltd	1	7000	93,450	7050	94,118
Hinduja Foundries Ltd.	10	0	-	24987	824,540

**Notes on Consolidated Financial Statements for the year ended 31st March, 2016 (Contd.)**

	Face Value	2015-2016		2014-2015	
		Qty.	Amount (₹)	Qty.	Amount (₹)
Hindustan Construction Company Ltd.	1	2000	39,000	70500	2,239,384
Hindustan Motors Ltd.	5	0	-	1000	6,250
Hindustan National Gas and Industries Ltd.	2	40500	3,145,175	0	-
Hindustan Tin Works Ltd.	10	0	-	3992	251,696
ICICI Bank Ltd.	2	750	177,488	750	128,310
IDFC Bank Ltd.	10	4098	79,069	0	-
IDFC Ltd.	10	500	20,225	0	-
IFCI Ltd.	10	254	6,274	255	8,504
IFGL Refractories Ltd.	10	1000	84,000	0	-
IG Petrochemicals Ltd.	10	3651	377,068	6035	312,621
IKF Technologies Ltd.	1	0	-	14900	8,642
IL & FS Transportation Networks Ltd.	10	9813	698,104	2883	560,311
Indage Restaurants & Leisure Ltd.	3	85500	691,695	85500	692,550
Indiabulls Real Estate Ltd.	2	0	-	400	26,140
Information Technologies India Ltd	5	100	105	100	105
Infrastructure Development Finance Company Ltd.	10	0	-	3500	495,741
Innovassynth Investments Ltd.	10	227	1,489	0	-
Integra Garments and Textiles Ltd	10	1265	1,404	1265	1,404
Intra Décor Ltd.	1	8333	2,167	8333	2,167
ISMT Ltd.	5	0	-	258615	2,314,604
Jai Mata Glass Ltd.	1	5000	550	8299	913
Jain Irrigation Systems Ltd.	2	8000	466,051	2000	138,460
Jaiprakash Associates Ltd.	2	16397	123,470	7400	786,588
Jaiprakash Power Ventures Ltd.	10	4000	18,600	5000	51,250
Jaykay Enterprises Ltd.	10	21386	68,221	21485	68,537
Jaysynth Dyestuff (India) Ltd.	1	4800	37,920	5000	39,500
JCT Electronics Ltd.	2.50	1000	4,870	1000	758
Jhagadia Copper Ltd.	10	7866	9,833	7866	9,833
K S Oils Ltd.	1	0	-	500	425
Kaashyap Technologies Ltd.	1	43721	7,433	43721	7,433
Kalindee Rail Nirman (Engineers) Ltd.	10	0	-	500	47,621
Kernex Microsystems (India) Ltd.	10	0	-	14678	488,044
Kinetic Engineering Ltd.	10	18438	1,447,383	19921	875,632
Kingfishers Airlines Ltd.	10	1300	1,768	1300	2,119
Kirloskar Brothers Ltd.	2	12439	1,435,461	0	-
Kirloskar Ferrous Industries Ltd.	5	0	-	1500	79,200
Kolte- Patil Developers Ltd.	10	0	-	1500	329,584
KPIT Technologies Ltd.	2	0	-	2500	471,250
Kulkarni Power Tools Ltd.	5	0	-	22707	1,014,135
Lakshmi Precision Screws Ltd.	10	18511	578,932	0	-

**Notes on Consolidated Financial Statements for the year ended 31st March, 2016 (Contd.)**

	Face Value	2015-2016		2014-2015	
		Qty.	Amount (₹)	Qty.	Amount (₹)
Lumax Industries Ltd.	10	0	-	700	232,470
Magnum Ventures Ltd.	10	1000	2,950	1000	3,350
Mahanagar Telephone Nigam Ltd.	10	0	-	500	9,100
Mahindra CIE Automotive Ltd.	10	300	58,170	0	-
Mahindra Holidays & Resorts India Ltd.	10	2288	836,125	1500	385,488
Max Financial Services Ltd.	2	1084	348,277	0	-
Max India Ltd.	2	0	-	1057	453,560
Modison Metals Ltd.	1	0	-	1000	41,650
Monsanto India Ltd.	10	0	-	100	326,044
Morarjee Textiles Ltd.	10	0	-	1265	8,855
Motilal Oswal Mutual Fund - Motilal Oswal MOST Shares M100 ETF GO	10	0	-	50	560
MPHASIS Ltd.	10	100	48,294	0	-
Nextgen Animation Media Ltd.	10	80	136	80	136
Nikki Global Finance Ltd.	1	0	-	505	38,052
Nocil Ltd.	10	2800	75,163	3050	81,825
Opto Circuits (India) Ltd.	10	1500	14,475	1500	49,345
Orchid Chemicals and Pharmaceuticals Ltd.	10	1000	37,650	1000	105,950
Orient Cement Ltd.	1	6110	253,565	6110	253,565
Orient Paper & Industries Ltd.	1	5210	178,451	6110	116,575
Orient Refractories Ltd.	1	0	-	1000	10,160
Paramount Communication Ltd.	2	2000	5,200	2000	5,600
Peninsula Land Ltd.	2	0	-	6742	187,091
Pennar Aluminum Company Ltd.	10	3500	840	3500	840
Petronet LNG Ltd.	10	0	-	55	9,435
Pix Transmissions Ltd.	10	300	14,850	0	-
Porwal Auto Components Ltd.	10	2200	18,568	3000	25,320
Prism Cement Ltd.	10	2000	123,129	1000	93,735
Prudential Sugar Corporation Ltd.	10	200	274	200	274
Quadrant Televentures Ltd.	10	0	-	2000	6,680
Ramsarup Industries Ltd.	10	0	-	590	1,061
Rana Sugars Ltd.	10	20000	45,000	20000	45,000
Rashtriya Chemicals And Fertilizers Ltd.	10	10000	386,500	0	-
RattanIndia Infrastructure Ltd.	2	0	-	3687	23,781
Raymond Ltd.	10	0	-	1500	653,409
Reliance Industries Ltd.	10	0	-	250	206,500
Reliance Power Ltd.	10	0	-	100	5,650
S Kumars Nationwide Ltd.	10	9000	21,150	9000	25,920
Sahara One Media & Entertainment Ltd	10	95	6,826	95	7,149
Sanraa Media Ltd.	1	50000	3,000	50000	3,500
Schneider Electric Infrastructure Ltd.	2	6949	1,009,280	0	-

**Notes on Consolidated Financial Statements for the year ended 31st March, 2016 (Contd.)**

	Face Value	2015-2016		2014-2015	
		Qty.	Amount (₹)	Qty.	Amount (₹)
Shanti Gears Ltd.	1	0	-	1500	157,355
Shivalik Bimetal Controls Ltd.	2	4990	102,295	0	-
Shoppers Stop Ltd.	5	211	76,460	0	-
Shree Mahaganga Sugar Ltd.	1	2000	-	2000	440
Shree Renuka Sugars Ltd.	1	1000	12,850	1000	12,850
Shree Synthetics Ltd.	10	20	-	20	19
Shristi Infrastructure Development Corporation Ltd.	10	100	10,900	100	11,400
Sical Logistics Ltd.	10	5400	709,830	0	-
Simbhaoli Sugars Ltd.	10	5850	121,250	0	-
SML Isuzu Ltd.	10	175	136,536	0	-
Solar Industries (I) Ltd.	10	16	55,328	16	6,791
SREI Infrastructure Finance Ltd.	10	0	-	3499	149,232
Star Ferro & Cement Ltd.	1	0	-	5000	839,950
State Bank of India	1	901	149,308	0	-
Steel Authority of India Ltd.	10	0	-	497	33,498
Subex Ltd.	10	100	890	100	1,415
Sujan Towers Ltd.	5	0	-	300	3,690
Sun Pharma Advanced Research Company Ltd.	1	0	-	300	167,991
Supertex Industries Ltd.	1	0	-	400	820
Surat Textiles Mills Ltd.	1	10000	14,400	10000	14,400
Suryachakra Power Corporation Ltd.	10	0	-	128	147
Suzlon Energy Ltd.	2	2000	28,400	5745	145,351
Syncom Formulations (India) Ltd.	1	3000	6,690	0	-
Take Solutions Ltd.	1	0	-	100	12,860
Taneja Aerospace & Aviation Ltd.	5	0	-	24732	1,192,955
Tanla Solutions Ltd.	1	0	-	500	8,225
Tayo Rolls Ltd.	10	999	37,962	0	-
Techtran Polylenes Ltd.	10	1650	16,038	0	-
TeleData Info Marin Ltd.	2	1000	-	1000	290
TexMaco Rail Engineering Ltd.	1	4000	372,753	0	-
Tirumalai Chemicals Ltd.	10	0	-	4590	379,823
TRF Ltd.	10	0	-	1000	323,370
Trigyn Technologies Ltd.	10	1900	40,660	2500	53,500
Ujaas Energy Ltd.	1	0	-	2000	58,150
Unitech Ltd.	2	22298	110,375	2794	45,123
Upper Ganges Sugar & Industries Ltd.	10	2816	207,902	0	-
Valiant Communications Ltd.	10	13900	325,260	34600	809,640
Vinyl Chemicals (India) Ltd.	1	0	-	200	12,950
Wabco India Ltd.	5	10	60,208	0	-
Welspun Enterprises Ltd.	10	100	3,115	0	-

**Notes on Consolidated Financial Statements for the year ended 31st March, 2016 (Contd.)**

	Face Value	2015-2016		2014-2015	
		Qty.	Amount (₹)	Qty.	Amount (₹)
Welspun Global Brands Ltd.	10	0	-	100	-
Welspun India Ltd.	1	1000	-	0	-
Welspun Investments & Commercial Ltd	10	0	-	50	-
Welspun Projects Ltd.	10	0	-	100	3,115
Zee Entertainment Enterprises Ltd.	1	84	-	84	-
<b>Aggregate amount of quoted Investments (A)</b>		<b>994301</b>	<b>22,626,427</b>	<b>1380304</b>	<b>30,245,544</b>
<b>Shares (Non Trade, Unquoted) Fully Paid up)</b>					
Bharat Starch Product Limited	10	11	1,989	11	1,989
Nagarjuna Fertilizer & Chemicals Ltd	1	7040	-	7040	-
<b>Aggregate amount of unquoted Investments (B)</b>		<b>7051</b>	<b>1,989</b>	<b>7051</b>	<b>1,989</b>
<b>Total (A+B)</b>		<b>1001352</b>	<b>22,628,416</b>	<b>1387355</b>	<b>30,247,533</b>

The Company has pledged the following equity shares with HDFC Bank Ltd. as a security against bank over draft facility as mentioned below:

Name of the Scripts	2015-16	2014-15
	No. of Shares	No. of Shares
IDFC Ltd.	0	3000
Nocil Ltd.	2500	3000
Orient Cement Ltd.	5000	5000
Orient Paper & Industries Ltd.	0	5000

**Notes on Consolidated Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 16****TRADE RECEIVABLES**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
<b>Unsecured Considered doubtful</b>		
"Outstanding for a period exceeding six months from the date they are due for payment"	3,061,255	2,272,681
<b>Unsecured Considered good</b>		
"Outstanding for a period exceeding six months from the date they are due for payment"		
From Directors	7,330	1,673
From Related Parties #	13,627	5,930
From Others	1,036,220	1,121,548
<b>Other Receivables</b>		
From Directors	759	4,708
From Related Parties #	17,354	16,960
From Others	16,112,006	8,989,194
	20,248,551	12,412,694
Less: Provision for Bad & Doubtful Debts	3,061,255	2,272,681
	<b>17,187,296</b>	<b>10,140,013</b>

# Trade Receivables due from related parties includes relatives of Key Managerial Personnel (KMP) and enterprises over which KMP or relatives of KMP exercises significant influence.

**NOTE 17****CASH AND BANK BALANCES**

<b>a) Cash &amp; Cash Equivalent</b>		
Balances with Banks on Current Accounts	18,630,289	23,260,776
Cash in Hand (As certified by Management)	584,897	490,178
<b>Cash &amp; Cash Equivalents (a)</b>	<b>19,215,186</b>	<b>23,750,954</b>
<b>b) Other Bank Balances</b>		
Deposit with original maturity for more than 12 months (Refer Note No. 37)	136,922,500	131,022,500
Other Bank Balances (b)	136,922,500	131,022,500
<b>Total Cash &amp; Bank Balances (a+b)</b>	<b>156,137,686</b>	<b>154,773,454</b>

**Notes on Consolidated Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 18****SHORT TERM LOANS AND ADVANCES**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
<b>(Unsecured Considered Good)</b>		
Deposit with Exchange & Clearing Member	11,25,000	1,46,25,000
Security Deposits with Others	2,500	7,500
Loan Given to Others	81,00,000	43,50,000
Balance with Revenue Authorities	1,86,15,178	1,06,84,404
MAT Credit Entitlement	57,23,309	60,98,885
Prepaid Expenses	29,15,658	34,91,676
Mark to Mark Loss for Unexpired Future Contracts	-	4,28,309
Net Option Premium Paid for unexpired Options Contracts	38,84,170	-
Other Advances	33,94,430	28,23,122
	<b>4,37,60,245</b>	<b>4,25,08,896</b>

**NOTE 19****OTHER CURRENT ASSETS**

Accrued Interest on Fixed Deposits	17,08,189	20,27,858
Interest Accrued but not due from Related Party	-	-
Stamp In Hand	1,74,722	1,48,300
	<b>18,82,911</b>	<b>21,76,158</b>

**NOTE 20****REVENUE FROM OPERATIONS**

<b>From Sales of Products</b>		
Sales of Shares	272,598,565	234,173,429
Sales of Mutual Fund / Government Securities	696,415	17,038,704
Profit/(Loss) from Equity Derivative Transactions	119,849,597	143,286,185
Profit/(Loss) from Currency Derivative Transactions	3,637,738	4,953,697
Profit/(Loss) from Commodities Derivative Transactions	(346,382)	(883,986)
Profit/(Loss) from Non Delivery Transactions	(8,069,084)	349,417
<b>From Sale of Services</b>		
Brokerage Income	22,776,190	25,658,173
Depository Income	2,200,335	2,817,726
Rental Income	-	-
<b>Other Operating Revenue</b>		
Demat Charges Recovered	57,409	70,340
Other Charges Recovered from clients	1,626,597	1,343,883
Incentive / Passive Transaction Charges on Trading	190,911	64,206
	<b>415,218,291</b>	<b>428,871,774</b>



**Notes on Consolidated Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 21****OTHER INCOME**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
Interest Income		
on Fixed Deposits	11,539,335	12,514,269
on Deposits with Clearing Member	15,829	76,692
on Other Deposits	49,230	48,603
on Loan Given	1,519,326	2,337,833
on Income Tax Refund	872,800	49,311
Dividend from Share lying as Non Current Investments	46,000	49,332
Dividend from Shares lying as Inventories	143,783	175,869
Profit on Sale of Fixed Assets	206,443	-
Provision for Standard Assets written back	16,139	22,488
Provision for loss in value of Inventories written back	-	409,229
Provision for Bad Debts written back	44,199	-
Other Miscellaneous Income	1,955	6,799
	<b>14,455,039</b>	<b>15,690,425</b>

**NOTE 22****PURCHASE OF STOCK IN TRADE**

Purchases of Shares	261,828,876	235,123,657
Purchases of Mutual Fund / Government Securities	694,855	17,000,000
	<b>262,523,731</b>	<b>252,123,657</b>

**NOTE 23****(INCREASE)/DECREASE IN STOCK IN TRADE**

Opening Stock in trade	30,247,533	19,438,495
Less: Closing Stock in trade	22,628,416	30,247,533
	<b>7,619,117</b>	<b>(10,809,038)</b>

**NOTE 24****EMPLOYEE BENEFIT EXPENSES**

Salary & Bonus	30,656,746	31,260,694
Contribution to Provident and Other Funds	1,121,694	1,537,291
Staff Welfare Expenses	2,268,880	2,261,130
	<b>34,047,320</b>	<b>35,059,115</b>

**Notes on Consolidated Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 25****FINANCE COST**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
<b>Interest Expenses</b>		
on Loan from Banks	4,766,808	3,812,955
on Loan from Others	4,259,118	6,283,554
on Others	1,520,333	1,762,227
<b>Other Borrowings Cost</b>		
Bank Guarantee Commission	1,808,038	2,066,851
	<b>12,354,297</b>	<b>13,925,587</b>

**NOTE 26****DEPRECIATION & AMORTISATION EXPENSES**

Depreciation on Tangible Assets	2,901,371	4,552,980
Amortisation on Intangible Assets	657,134	670,816
Depreciation on Long term Investments	697,632	174,408
	<b>4,256,137</b>	<b>5,398,204</b>

**NOTE 27****OTHER EXPENSES**

Rent	3,463,048	3,444,703
Rates & Taxes	16,616,315	17,547,076
Repair & Maintenance	5,186,499	4,259,718
Insurance Charges	140,422	143,540
SEBI & Exchanges Transaction Charges	12,959,867	14,828,899
SEBI & Exchanges Other Charges	397,434	795,393
Communication & Connectivity Expenses	3,195,407	3,188,319
Electricity Charges	4,969,220	4,761,868
Legal & Professional Charges	54,178,966	58,562,824
Broker Note Stamp Expenses	1,336,343	1,370,881
Donation	30,100	40,000
Loss on Sale of Fixed Assets	-	415,915
Provision for Bad & Doubtful debts	832,773	612,143
Bad Debts	593,594	2,157
Miscellaneous Expenses	6,881,509	6,189,394
Loss on Valuation of Inventories	-	-
<b>Payment to Auditors</b>		
- Statutory Audit Fees	165,800	123,708
- Tax Audit Fees	25,725	30,618
- Others	613,400	126,000
	<b>111,586,422</b>	<b>116,443,156</b>

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 28****TAX EXPENSE**

	<b>2015-16 Amount (₹)</b>	<b>2014-15 Amount (₹)</b>
Provision for Income Tax	924,045	6,652,886
Less: MAT Credit Entitlement	259,533	4,944,385
	<b>664,512</b>	<b>1,708,501</b>

**NOTE 29****EARNING PER EQUITY SHARE**

a) Profit / (Loss) for the period	(3,142,102)	22,101,017
b) Weighted Average Number of Equity Shares	4778000	4778000
Basic EPS (a/b)	(0.66)	4.63
c) Weighted Average Number of Equity Shares	4778000	4778000
Diluted EPS (a/c)	(0.66)	4.63

**NOTE 30****Additional information, as required under schedule III to the Companies Act 2013, of enterprises consolidated as Subsidiary / Associates:**

Name of the Enterprise	Net Assets i.e. Total assets minus Total liabilities		Share in Profit or loss	
	As % of consolidated net assets	Amount (₹)	As % of consolidated net assets	Amount (₹)
<b>Parent</b>				
Lohia Securities Limited	106.50%	297,376,325	38.13%	(1,198,213)
<b>Subsidiaries</b>				
<b>Indian</b>				
Trade City Barter Pvt. Ltd.	4.66%	13,024,060	-29.65%	931,606
Trade City Commodities Pvt. Ltd.	5.07%	14,152,212	3.41%	(107,006)
Trade City Real Estate Pvt. Ltd.	16.88%	47,143,288	56.93%	(1,788,709)
Trade City Securities Pvt. Ltd.	7.46%	20,832,801	39.56%	(1,242,910)
<b>Minority Interests in all subsidiaries</b>	0.00%	-	0.00%	-

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 31****Details of Subsidiaries included in the Consolidated Financial Statements**

Name of the Subsidiaries	Country of Incorporation	Share of ownership
Trade City Securities (P) Ltd.	India	100%
Trade City Commodities (P) Ltd.	India	100%
Trade City Real Estate (P) Ltd.	India	100%
Trade City Barter (P) Ltd.	India	100%

**NOTE 32****Outstanding Contracts**

Outstanding Contracts of the clients for the settlement period for which settlement has not taken place has not been considered for the purpose of financial statement made upto 31st March 2016. However brokerage and other charges receivables on such contracts have been accounted for.

**NOTE 33****Capital Commitments**

Estimated capital Commitments amounting to ₹ 35 Lacs (Net of advances) (P.Y. ₹ 35 Lacs) are remaining to be executed and not provided for.

**NOTE 34**

M/s. Trade City Barter (P) Ltd have 2,05,000 equity shares of Lohia Securities Limited, henceforth share capital of the company to the extent held by Trade City Barter (P) Ltd has been reduced during consolidation.

**NOTE 35****DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES**

Based on the information available with the company, the balance due to Micro and Small enterprises, as defined under the Micro, Small, and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) is ₹ Nil (P.Y. ₹ Nil). Further, no interest during the year has been paid or payable under the terms of the MSMED Act, 2006. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

**NOTE 36****RELATED PARTY DISCLOSURE**

Related party disclosure as identified by the management in accordance with the Accounting Standard (AS) 18 on "Related Party Disclosures" and as per Section 188 of the Companies Act, 2013 are as follows:

**A) Name of the related parties & their relationship****i) Key Managerial Personnel (KMP):**

- |                           |                      |
|---------------------------|----------------------|
| a) Mr. Hari Kishan Lohia  | e) Mr. Sameer Bajaj  |
| b) Mr. Mahesh Kumar Bajaj | f) Mr. Vineet Goenka |
| c) Mr. Rajesh Kumar Bajaj | g) Mrs. Sarita Ojha  |
| d) Mr. Sudheer Kumar Jain |                      |

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**ii) Subsidiary Companies:

- |                                   |                                    |
|-----------------------------------|------------------------------------|
| a) Trade City Barter (P) Ltd      | c) Trade City Real Estate (P) Ltd. |
| b) Trade City Commodities (P) Ltd | d) Trade City Securities (P) Ltd   |

iii) Associate Company:

- a) Daadi Stock Broking (P) Ltd

iv) Relatives of Key Managerial Personnel (KMP):

- |                      |                         |
|----------------------|-------------------------|
| a) Abhishek Lohia    | h) Neena Jain           |
| b) Ankit Lohia       | i) Poonam Bajaj         |
| c) Ayushi Jain       | j) Purna Bajaj          |
| d) Bhawari Devi Jain | k) Rajdulari Devi Bajaj |
| e) Mayank Bajaj      | l) Sanjay Kumar Jain    |
| f) Megha Bajaj       | m) Sunita Bajaj         |
| g) Murarilal Bajaj   |                         |

v) Enterprises over which KMP or relatives of KMP exercises significant influence:

- |                                       |   |
|---------------------------------------|---|
| a) Analysis Software (P) Ltd          | j) Narayani Infrastructure & Logistics (P) Ltd. |
| b) Bajaj Overseas and Finance (P) Ltd | k) Narayani Publishers & Media Support (P) Ltd. |
| c) Bajaj Portfolio Services (P) Ltd   | l) Rajesh Kumar Bajaj (HUF)                     |
| d) Hari Kishan Lohia (HUF)            | m) Ridhi Sidhi Distributors (P) Ltd             |
| e) Lohia Fiscal Markets (P) Ltd       | n) Satya Narayan Bajaj (HUF)                    |
| f) Madhusudan Enclave (P) Ltd         | o) Shiv Lalit Consultancy (P) Ltd               |
| g) Mahesh Kumar Bajaj (HUF)           | p) SNB Share Broking (P) Ltd                    |
| h) Narayani Commodities (P) Ltd       | q) Snehdeep Commerce (P) Ltd                    |
| i) Padam Chand Jain (HUF)             | r) Sudheer Kumar Jain (HUF)                     |

**B) Transactions with Related Parties:**

Amount (₹)

Name of the Related Parties	Nature of Transaction	2015-16	2014-15
Hari Kishan Lohia	Director Remuneration	600,000	800,000
	Depository Charges Income	561	416
	Brokerage Income	1,813	69
Rajesh Kumar Bajaj	Director Remuneration	750,000	1,500,000
	Depository Charges Income	674	650
Sudheer Kumar Jain	Director Remuneration	900,000	900,000
	Depository Charges Income	1,753	2,119
	Brokerage Income	174	131
Mahesh Kumar Bajaj	Director Remuneration	600,000	600,000
	Depository Charges Income	638	371
	Brokerage Income	2,454	508
Sameer Bajaj	Depository Charges Income	453	329
	Director Sitting fees	60,000	-
Sarita Ojha	Director Sitting fees	60,000	-
Vineet Goenka	Depository Charges Income	337	518

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

<b>Name of the Related Parties</b>	<b>Nature of Transaction</b>	<b>2015-16</b>	<b>2014-15</b>
Analysys Software (P) Ltd.	Brokerage Income	10,861	8,144
	Depository Charges Income	1,913	-
	Cash Margin Deposit taken for trading	200,000	-
	Refund of Cash Margin Deposit taken for trading	200,000	-
Bajaj Overseas and Finance (P) Ltd	Brokerage Income	1,931	8,417
	Depository Charges Income	1,148	1,574
	Cash Margin Deposit taken for trading	-	10,000
	Refund of Cash Margin Deposit taken for trading	-	10,000
Bajaj Portfolio Services (P) Ltd	Brokerage Income	-	455
	Depository Charges Income	899	814
	Cash Margin Deposit taken for trading	-	60,000
	Refund of Cash Margin Deposit taken for trading	-	60,000
Daadi Stock Broking Pvt. Ltd.	Loan Taken	700,000	91,090,000
	Refund of Loan Taken	700,000	114,091,907
	Interest paid	-	1,702,645
	Margin Deposits Taken for Trading	200,000	14,000,000
	Refund of Margin Deposits Taken for Trading	200,000	14,000,000
	Depository Charges Income	899	900
	Brokerage Income	7,707	34,150
	Rent Paid	600,000	-
Lohia Fiscal Markets (P) Ltd.	Depository Charges Income	899	800
Madhusudan Enclave (P) Ltd	Brokerage Income	3,464	9,795
	Depository Charges Income	1,094	1,509
	Cash Margin Deposit taken for trading	600,000	-
	Refund of Margin Deposits Taken for Trading	600,000	-
Narayani Commodities (P) Ltd	Brokerage Income	-	27
	Depository Charges Income	899	829
Narayani Infrastructure & Logistics (P) Ltd	Depository Charges Income	899	800
Narayani Publishers & Media Support (P) Ltd	Depository Charges Income	899	800

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

<b>Name of the Related Parties</b>	<b>Nature of Transaction</b>	<b>2015-16</b>	<b>2014-15</b>
Ridhi Sidhi Distributor (P) Ltd	Brokerage Income	1,458	1,339
	Cash Margin Deposit taken for trading	-	300,000
	Refund of Cash Margin Deposit taken for trading	-	300,000
	Loan Given	-	500,000
	Refund of Loan Given	-	500,000
	Interest Received on Loan	-	8,288
	Loan Taken	40,459	700,000
	Refund of Loan Taken	33,370	5,897,323
	Interest paid on Loan	370	474,921
	Rent Paid	300,000	300,000
	Depository Charges Income	1,106	800
Shiv Lalit Consultancy (P) Ltd.	Loan Taken	25,000	-
	Refund of Loan Taken	25,160	3,098,687
	Interest paid on Loan	160	70,764
	Depository Charges Income	913	500
	Brokerage Income	19	-
SNB Share Broking (P) Ltd	Brokerage Income	800	1,066
	Depository Charges Income	972	838
Snehdeep Commerce Pvt. Ltd.	Refund of Margin taken as Fixed Deposit	500,000	1,850,000
	Margin Deposits Taken for Trading	-	2,300,000
	Refund of Margin Deposits Taken for Trading	-	5,700,000
	Interest paid on Margin Deposit taken as Fixed Deposit	22,438	126,771
	Depository Charges Income	16,409	15,209
	Brokerage Income	2,048	32,193
Hari Kishan Lohia (HUF)	Depository Charges Income	443	300
	Brokerage Income	850	-
Mahesh Kumar Bajaj (HUF)	Brokerage Income	2,570	1,827
	Depository Charges Income	620	378
	Cash Margin Deposit taken for trading	-	25,000
	Refund of Cash Margin Deposit taken for trading	-	25,000
Padam Chand Jain (HUF)	Depository Charges Income	1,465	1,126
	Brokerage Income	850	1,999
Rajesh Kumar Bajaj (HUF)	Depository Charges Income	337	350
Sameer Bajaj (HUF)	Brokerage Income	-	179

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

<b>Name of the Related Parties</b>	<b>Nature of Transaction</b>	<b>2015-16</b>	<b>2014-15</b>
Satya Narayan Bajaj (HUF)	Brokerage Income	-	1,065
	Depository Charges Income	337	323
	Cash Margin Deposit taken for trading	-	25,000
	Refund of Cash Margin Deposit taken for trading	-	25,000
Sudheer Kumar Jain (HUF)	Brokerage Income	-	253
	Depository Charges Income	1,368	1,123
Abhishek Lohia	Margin Deposits Taken for Trading	299,000	707,000
	Refund of Margin Deposits Taken for Trading	299,000	707,000
	Depository Charges Income	492	610
	Brokerage Income	5,919	10,015
Ankit Lohia	Brokerage Income	2,500	-
	Depository Charges Income	809	-
Ayushi Jain	Brokerage Income	400	200
	Depository Charges Income	1,198	546
	Cash Margin Deposit taken for trading	-	40,000
	Refund of Cash Margin Deposit taken for trading	-	40,000
Bhanwari Devi Jain	Depository Charges Income	1,736	1,859
	Brokerage Income	1,733	1,733
	Cash Margin Deposit taken for trading	-	1,500,000
	Refund of Cash Margin Deposit taken for trading	-	1,500,000
Mayank Bajaj	Brokerage Income	440	2,044
	Depository Charges Income	415	-
Megha Bajaj	Brokerage Income	381	624
	Depository Charges Income	405	600
	Cash Margin Deposit taken for trading	-	50,000
	Refund of Cash Margin Deposit taken for trading	-	50,000
Murarilal Bajaj	Brokerage Income	425	878
	Depository Charges Income	420	673
	Cash Margin Deposit taken for trading	-	25,000
	Refund of Cash Margin Deposit taken for trading	-	25,000
Neena Jain	Depository Charges Income	2,778	2,994
	Brokerage Income	5,093	277
Padam Chand Jain	Brokerage Income	-	617
Poonam Bajaj	Brokerage Income	1,077	1,378
	Depository Charges Income	843	629
	Cash Margin Deposit taken for trading	-	50,000
	Refund of Cash Margin Deposit taken for trading	-	50,000



**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

Name of the Related Parties	Nature of Transaction	2015-16	2014-15
Perna Bajaj	Brokerage Income	406	1,539
	Depository Charges Income	404	344
	Cash Margin Deposit taken for trading	-	50,000
	Refund of Cash Margin Deposit taken for trading	-	50,000
Rajdulari Devi Bajaj	Brokerage Income	-	1,229
	Depository Charges Income	337	300
	Cash Margin Deposit taken for trading	-	50,000
	Refund of Cash Margin Deposit taken for trading	-	50,000
Sanjay Kumar Jain	Depository Charges Income	1,069	989
	Brokerage Income	105	655
Sunita Bajaj	Depository Charges Income	337	350
Usha Jain	Refund of Margin taken as Fixed Deposit	-	4,500,000
	Interest paid on Margin Deposit taken as Fixed Deposit	-	211,191
	Margin Deposits Taken for Trading	-	4,500,000
	Refund of Margin Deposits Taken for Trading	-	4,500,000
	Brokerage Income	300	4,422

**C. i) Amount due from Key Managerial Personnel:**

Name of the Related Party	Amount (₹)
Rajesh Kumar Bajaj	6,384
Sudheer Kumar Jain	669
Mahesh Kumar Bajaj	40
Sameer Bajaj	82
Vineet Goenka	915

**ii) Amount due from Associate Company:**

Daadi Stock Broking (P) Ltd.	3,050,000
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**iii) Amount due from enterprises over which KMP or relatives of KMP exercises significant influence:**

Name of the Related Party	Amount (₹)
Analysys Software Pvt Ltd	193
Madhusudan Enclave (P) Ltd	33
Narayani Commodities (P) Ltd	3,116
Narayani Infrastructure & Logistics (P) Ltd	3,084
Narayani Publishers & Media Support (P) Ltd	3,746
Padam Chand Jain (HUF)	447
Ridhi Sidhi Distributor Pvt Ltd	15,25,014
Rajesh Kumar Bajaj (HUF)	1,785
Shiv Lalit Consultancy Pvt Ltd	14
Snehdeep Commerce (P) Ltd	428
Sudheer Kumar Jain (HUF)	333

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****iv) Amount due to enterprises over which KMP or relatives of KMP exercises significant influence:**

Name of the Related Party	Amount (₹)
Snehdeep Commerce (P) Ltd.	42,164

**v) Amount due from Relatives of Key Managerial Personnel:**

Name of the Related Party	Amount (₹)
Abhishek Lohia	155
Ayushi Jain	407
Bhawari Devi Jain	506
Murarilal Bajaj	83
Mayank Bajaj	28
Neena Jain	275
Sanjay Kumar Jain	455
Sunita Bajaj	1,847

D. Provision to be made with regard to Outstanding Amount : ₹ Nil

**NOTE 37****# Deposit with original maturity for more than 12 months represents**

- a) Fixed Deposit Receipts of ₹ 330 Lacs (P.Y. ₹ 261 Lacs) has been pledged with National Securities Clearing Corporation Ltd. towards Margin Money.
- b) Fixed Deposit Receipts of ₹ 8 Lacs (P.Y. ₹ 8 Lacs) has been pledged with MCX Stock Exchange Ltd. towards Margin Money.
- c) Fixed Deposit Receipts of ₹ 0.60 Lacs has been pledged with Federal Bank for overdraft facility.
- d) Bank Guarantee of ₹ 1627.50 Lacs (P.Y. ₹ 1727.50 Lacs) from HDFC Bank Ltd. against pledge of Fixed Deposit receipts of ₹ 813.75 Lacs (P.Y. ₹ 863.75 Lacs). The Bank Guarantees has been given as Margin Money in favour of National Securities Clearing Corporation Ltd.
- e) Bank Guarantee of ₹ Nil (P.Y. ₹ 50 Lacs) from Federal Bank Ltd. against pledge of Fixed Deposit receipts of ₹ Nil (P.Y. ₹ 25 Lacs). The Bank Guarantees has been given as Margin Money in favour of National Securities Clearing Corporation Ltd.
- f) Bank Guarantee of ₹ 117.50 Lacs (P.Y. ₹ 92.50 Lacs) from HDFC Bank Ltd. against pledge of Fixed Deposit receipts of ₹ 58.75 Lacs (P.Y. ₹ 46.25 Lacs). The Bank Guarantees has been given as Margin Money and Trade Guarantee Fund in favour of Bombay Stock Exchange Ltd.
- g) Fixed Deposit Receipts of ₹ 112.50 Lacs (P.Y. ₹ 50 Lacs) has been pledged with HDFC Bank Ltd. For obtaining loan of ₹ 225 Lacs (P.Y. ₹ 100 Lacs) as refer in Note No. 6.
- h) Bank Guarantee of ₹ 43.75 Lacs (P.Y. ₹ 43.75 Lacs) from HDFC Bank Ltd. against pledge of Fixed Deposit receipts of ₹ 21.875 Lacs (P.Y. ₹ 21.875 Lacs). The Bank Guarantees has been given as Margin Money and Trade Guarantee Fund in favour of Indian Clearing Corporation Ltd. (ICCL) and Bombay Stock Exchange Ltd.
- i) Bank Guarantee of ₹ 25 Lacs (P.Y. ₹ 25 Lacs) from HDFC Bank Ltd. against pledge of Fixed Deposit receipts of ₹ 12.50 Lacs (P.Y. ₹ 12.50 Lacs). The Bank Guarantees has been given as Margin Money in favour of National Securities Clearing Corporation Ltd.
- j) Fixed Deposit Receipts of ₹ Nil (P.Y. ₹ 10 Lacs) has been pledged with National Securities Clearing Corporation Ltd. towards Margin Money.
- k) Fixed Deposit Receipts of ₹ 3.75 Lacs (P.Y. ₹ 3.75 Lacs) has been pledged with Multi Commodity Exchange of India Ltd. towards Margin Money.
- l) Bank Guarantee of ₹ 15 Lacs (P.Y. ₹ 15 Lacs) from HDFC Bank Ltd. against pledge of Fixed Deposit receipts of ₹ 7.50 Lacs (P.Y. ₹ 7.50 Lacs). The Bank Guarantees has been given as Margin Money in favour of National Commodity & Derivatives Exchange Ltd.

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 38****CONTINGENT LIABILITIES**

<b>i) Bank Guarantees</b>	
<b>Particulars</b>	<b>Amount (₹)</b>
Bank Guarantee in favour of National Securities Clearing Corporation Ltd.	165,250,000
Bank Guarantee in favour of Indian Clearing Corporation Ltd and Bombay Stock Exchange Ltd.	16,125,000
Bank Guarantee in favour of National Commodity & Derivatives Exchange Ltd.	1,500,000
<b>ii) Corporate Guarantee</b>	
<b>Particulars</b>	<b>Amount (₹)</b>
Guarantee in favour of HDFC Bank Ltd.	50,000,000
<b>iii) Income Tax</b>	
<b>Particulars</b>	<b>Amount (₹)</b>
T.D.S (F.Y. 2007-08 to 2013-14)	111,177
Income Tax for the A.Y. 2010-11 (against which Income Tax Refund of A.Y. 2012-13 amounting to ₹ 30,07,030/- has been already adjusted by Department and ₹ 58,25,000/- has been paid by the company against the said demand.)	10,535,490
Income Tax for the A.Y. 2011-12 (against which Income Tax Refund of A.Y. 2012-13 amounting to ₹ 26,99,010/- has been already adjusted by Department and ₹ 10,00,000/- has been paid by the company against the said demand.)	4,374,200
Income Tax for the AY 2012-13 of Trade City Barter (P) Ltd	319,832
Income Tax for the AY 2012-13 of Trade City Commodities (P) Ltd	588,860

**NOTE 39**

**In respect of Option Contract, position of open interest as on the Balance Sheet date is as under:-**

**Option Contract in respect of which premium is received as on 31.03.2016:**

<b>Particulars of Stock &amp; Index Option</b>	<b>Net Premium Received (₹)</b>
OPTIDX NIFTY 28Apr16 7000.00 PE	6,480
OPTIDX NIFTY 28Apr16 7400.00 PE	135,491
OPTIDX NIFTY 29Dec16 5500.00 PE	8,393
OPTSTK ADANIEN 28Apr16 60.00 PE	6,000
OPTSTK ADANIEN 28Apr16 65.00 PE	17,700
OPTSTK ADANIPOWER 28Apr16 35.00 CE	53,000
OPTSTK COALINDIA 28Apr16 320.00 CE	9,240
OPTSTK CROMPGREAV 28Apr16 45.00 PE	2,850
OPTSTK CROMPGREAV 28Apr16 60.00 CE	15,150
OPTSTK CROMPGREAV 28Apr16 65.00 CE	18,000
OPTSTK GMRINFRA 28Apr16 15.00 CE	7,800
OPTSTK INFY 28Apr16 1100.00 PE	4,750
OPTSTK IOB 28Apr16 22.50 PE	4,200
OPTSTK JINDALSTEL 28Apr16 30.00 PE	700
OPTSTK LT 28Apr16 1100.00 PE	1,800

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

OPTSTK LUPIN 28Apr16 1900.00 CE	9,450
OPTSTK LUPIN 28Apr16 2000.00 CE	8,250
OPTSTK MARUTI 28Apr16 3100.00 PE	831
OPTSTK MARUTI 28Apr16 4000.00 CE	9,750
OPTSTK NHPC 28Apr16 22.50 PE	9,450
OPTSTK NHPC 28Apr16 25.00 CE	203,850
OPTSTK RCOM 28Apr16 60.00 CE	23,200
OPTSTK RELIANCE 28Apr16 900.00 PE	850
OPTSTK SBIN 28Apr16 160.00 PE	8,000
OPTSTK SBIN 28Apr16 170.00 PE	139,900
OPTSTK SBIN 28Apr16 180.00 PE	122,600
OPTSTK SBIN 28Apr16 250.00 CE	4,100
OPTSTK TATASTEEL 28Apr16 340.00 CE	30,000
OPTSTK UNITECH 28Apr16 5.00 CE	80,850
OPTSTK VEDL 28Apr16 105.00 CE	14,000
OPTCUR USDINR 27Apr16 67.00 CE	15,700
OPTCUR USDINR 27Apr16 68.50 CE	56,650
OPTIDX NIFTY 28Apr16 6400.00 PE	642

**Option Contract in respect of which premium is paid as on 31.03.2016:**

<b>Particulars of Stock &amp; Index Option</b>	<b>Net Premium Paid (₹)</b>
OPTIDX NIFTY 28Apr16 6000.00 PE	11,858
OPTIDX NIFTY 28Apr16 6300.00 PE	15,589
OPTIDX NIFTY 28Apr16 6400.00 PE	13,639
OPTIDX NIFTY 28Apr16 7600.00 PE	255,034
OPTIDX NIFTY 28Apr16 7800.00 CE	67,815
OPTIDX NIFTY 28Apr16 7800.00 PE	744,210
OPTIDX NIFTY 28Apr16 7900.00 CE	369,000
OPTIDX NIFTY 28Apr16 8000.00 CE	7,613
OPTIDX NIFTY 28Dec17 8000.00 PE	22,000
OPTIDX NIFTY 29Dec16 6000.00 PE	11,175
OPTIDX NIFTY 30Jun16 8500.00 CE	18,000
OPTSTK ADANIENT 28Apr16 70.00 PE	29,100
OPTSTK ADANIPOWER 28Apr16 30.00 PE	8,000
OPTSTK ADANIPOWER 28Apr16 32.50 CE	40,000
OPTSTK ADANIPOWER 28Apr16 37.50 CE	11,000
OPTSTK COALINDIA 28Apr16 340.00 CE	720
OPTSTK COALINDIA 28Apr16 350.00 CE	3,600
OPTSTK CROMPGREAV 28Apr16 40.00 PE	10,050
OPTSTK CROMPGREAV 28Apr16 45.00 CE	199,200
OPTSTK CROMPGREAV 28Apr16 50.00 CE	9,600
OPTSTK CROMPGREAV 28Apr16 55.00 CE	39,300
OPTSTK GMRINFRA 28Apr16 10.00 PE	42,900

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

<b>Particulars of Stock &amp; Index Option</b>	<b>Net Premium Paid (₹)</b>
OPTSTK GMRINFRA 28Apr16 12.50 CE	17,550
OPTSTK GODREJCP 28Apr16 1350.00 CE	19,200
OPTSTK HAVELLS 28Apr16 320.00 PE	24,000
OPTSTK ICICIBANK 28Apr16 200.00 PE	5,610
OPTSTK INFY 26May16 1100.00 PE	9,000
OPTSTK INFY 26May16 1200.00 CE	166,500
OPTSTK LT 28Apr16 1120.00 PE	1,200
OPTSTK LUPIN 28Apr16 1800.00 CE	13,170
OPTSTK MARUTI 28Apr16 3200.00 PE	450
OPTSTK MARUTI 28Apr16 3800.00 CE	12,438
OPTSTK MCDOWELL-N 28Apr16 2650.00 CE	15,000
OPTSTK NHPC 28Apr16 20.00 CE	171,450
OPTSTK NHPC 28Apr16 20.00 PE	284,850
OPTSTK NHPC 28Apr16 22.50 CE	290,250
OPTSTK NHPC 28Apr16 27.50 CE	47,250
OPTSTK ONGC 28Apr16 250.00 CE	600
OPTSTK RCOM 28Apr16 55.00 CE	24,800
OPTSTK RCOM 28Apr16 65.00 CE	6,400
OPTSTK RECLTD 28Apr16 205.00 CE	200
OPTSTK RELIANCE 28Apr16 920.00 PE	3,275
OPTSTK RELIANCE 28Apr16 940.00 PE	1,850
OPTSTK SBIN 26May16 160.00 CE	397,600
OPTSTK SBIN 26May16 170.00 CE	183,400
OPTSTK SBIN 28Apr16 140.00 PE	6,700
OPTSTK SBIN 28Apr16 150.00 PE	7,000
OPTSTK SBIN 28Apr16 170.00 CE	354,200
OPTSTK SBIN 28Apr16 180.00 CE	298,100
OPTSTK SBIN 28Apr16 240.00 CE	6,100
OPTSTK TATAPOWER 28Apr16 60.00 PE	75,600
OPTSTK TATASTEEL 28Apr16 320.00 CE	30,300
OPTSTK UNIONBANK 28Apr16 135.00 CE	36,300
OPTSTK UNITECH 28Apr16 5.00 PE	350,350
OPTSTK VEDL 28Apr16 100.00 CE	10,600
OPTSTK VEDL 28Apr16 110.00 CE	4,200
OPTCUR USDINR 27Apr16 66.50 CE	60,750
OPTCUR USDINR 27Apr16 67.50 CE	47,450
OPTSTK JINDALSTEL 28Apr16	703

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)**

<b>Net Open Position in respect of Future contracts are as follows:</b>	
<b>Particulars of Stock &amp; Index Future</b>	<b>Long / (Short)</b>
FUTSTK ARVIND 28Apr16	1,700
FUTSTK ASIANPAINT 28Apr16	600
FUTSTK AXISBANK 28Apr16	(4,000)
FUTSTK BAJAJ-AUTO 28Apr16	1,000
FUTIDX BANKNIFTY 28Apr16	(60)
FUTSTK BHARATFORG 28Apr16	1,000
FUTSTK BHEL 28Apr16	28,000
FUTSTK CANBK 28Apr16	4,000
FUTSTK CROMPGREAV 28Apr16	(30,000)
FUTSTK DLF 28Apr16	50,000
FUTSTK DRREDDY 28Apr16	300
FUTSTK EICHERMOT 28Apr16	25
FUTSTK GMRINFRA 28Apr16	507,000
FUTSTK GODREJCP 28Apr16	(400)
FUTSTK GRASIM 28Apr16	(150)
FUTSTK HINDALCO 28Apr16	25,000
FUTSTK ICICIBANK 28Apr16	3,400
FUTSTK IDFC 28Apr16	42,900
FUTSTK INDIACEM 28Apr16	6,000
FUTSTK INFY 28Apr16	(1,000)
FUTSTK JUSTDIAL 28Apr16	(500)
FUTSTK JUSTDIAL 26May16	500
FUTSTK LT 28Apr16	900
FUTSTK LUPIN 28Apr16	(900)
FUTSTK NHPC 28Apr16	(189,000)
FUTIDX NIFTY 28Apr16	(300)
FUTSTK ONGC 28Apr16	2,000
FUTSTK PFC 28Apr16	(2,000)
FUTSTK RECLTD 28Apr16	14,000
FUTSTK RELCAPITAL 28Apr16	1,500
FUTSTK RELIANCE 28Apr16	1,000
FUTSTK SBIN 28Apr16	(116,000)
FUTSTK TATAGLOBAL 28Apr16	4,000
FUTSTK TATAPOWER 28Apr16	88,000
FUTSTK TATASTEEL 28Apr16	10,000
FUTSTK UNIONBANK 28Apr16	3,000
FUTSTK UNITECH 28Apr16	539,000
FUTSTK WOCKPHARMA 28Apr16	375
FUTSTK YESBANK 28Apr16	700
FUTCUR USDINR 27Apr16	(136)
SF TISC 28Apr16	(8,000)

**Notes on Financial Statements for the year ended 31st March, 2016 (Contd.)****NOTE 40**

The figures for the previous year have been rearranged and/or regrouped wherever considered necessary.

Signature to Note 1 to 40

As per our attached report of even date

For **Patni & Co.**

*Chartered Accountants*

(Firm Registration No. 320304E)

**Sashi Sureka**

*(Partner)*

Membership No. 057918

Place : Kolkata

Dated: 30.05.2016

For and on behalf of Board

**Narendra Kumar Rai**  
*(Company Secretary)*

**Sujit Kumar Sharma**  
*(CFO)*

**Hari Kishan Lohia**  
*Director*  
(DIN: 00081055)

**Sudheer Kumar Jain**  
*Whole-time Director*  
(DIN: 00075103)

**FORM AOC-1**

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

Statement Containing Salient features of the Financial Statement of Subsidiaries/Associates Companies/Joint Ventures of Lohia Securities Limited as on 31<sup>st</sup> March, 2016

**Part A: Subsidiaries**

1	Name of the Subsidiary Company	Trade City Barter (P) Ltd.	Trade City Commodities (P) Ltd.	Trade City Real Estate (P) Ltd.	Trade City Securities (P) Ltd.
2	The Financial Year of the Subsidiary Company	31.03.2016	31.03.2016	31.03.2016	31.03.2016
3	Reporting Currency	INR	INR	INR	INR
4	Share Capital	4252000	15550000	14500000	32500000
5	Reserve & Surplus	8772059	-1397788	32643288	-11667199
6	Total Assets	14230433	14718671	63443743	43034991
7	Total Liabilities	1206374	566459	176300455	22202190
8	Investments	2800000	-	53858887	-
9	Turnover	7822745	1132827	864000	9219429
10	Profit before Taxation	1387776	-154796	-1797572	-1350303
11	Provision for Taxation	29361	42	-	-
12	Profit after Taxation	931605	-107006	-1788709	1242910
13	Proposed Dividend	-	-	-	-
14	% of Shareholding	100%	100%	100%	100%

**Part B: Associates & Joint Venture**

1	Name of the Associates/Joint Venture	Daadi Stock Broking Private Limited
2	Latest Audited Balance Sheet Date	31.03.2016
3	No. of Shares held by the Company as on 31/03/2016	3,00,000
4	Amount of Investment	99,24,760
5	Extent of holding (%)	28.57%
6	Description of how there is significant influence	Extent of holding more than 20%
7	Reasons why the associate/ joint venture not consolidated	NA
8	Net Worth attributable to shareholding as per latest audited Balance Sheet	1,32,89,760
9	Profit/ Loss for the year considered in consolidation	2,63,130
10	Profit/ Loss not considered in consolidation	-





## LOHIA SECURITIES LIMITED

CIN : L67120WB1995PLC067195

**Registered Office :** 4, Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5th Floor, Kolkata - 700 001

Tel. : +91 33 4002 6600 / 6700, Fax : +91 33 4002 6800

Website : www.lohiasecurities.com • Email : info@lohiasecurities.com

### FORM NO. MGT - 11

#### Proxy Form

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

<b>Name of the Member(s)</b>	
<b>Registered Address</b>	
<b>E-mail ID</b>	
<b>Folio No. / *DP-ID &amp; Client</b>	

*\*Applicable for Investors holding shares in electronic form.*

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

1.	<b>Name:</b>	<b>Address:</b>
	<b>E-mail Id:</b>	<b>Signature:</b>

Or falling him

1.	<b>Name:</b>	<b>Address:</b>
	<b>E-mail Id:</b>	<b>Signature:</b>

Or falling him

1.	<b>Name:</b>	<b>Address:</b>
	<b>E-mail Id:</b>	<b>Signature:</b>

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Saturday, the 24<sup>th</sup> day of September, 2016 at 10.30 A.M. at 4 Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5<sup>th</sup> floor, Kolkata 700 001, and at any adjournment thereof in respect of such resolutions as is/are indicated below:-

**\*\* I/We wish my/our above Proxy to vote in the manner as indicated in the box below:-**

Item No.	Resolution(s)	For	Against
	ORDINARY BUSINESS:		
1.	Ordinary Resolution for Adoption of audited financial statements for the year ended March 31, 2016 and the Reports of the Board of Directors and Auditors thereon and the audited consolidated financial statements of the Company and the reports of auditors thereon for the year ended March 31, 2016.		
2.	Ordinary Resolution for Appointment of Mr. Hari Kishan Lohia (DIN: 00081055) as a Director liable to retire.		
3.	Ordinary Resolution for Ratification of Appointment of M/s. PATNI & Co., Chartered Accountants (Registration no. 320304E) as Statutory Auditors of the Company for the financial year 2016-17.		

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

-----  
Signature of Shareholder

-----  
Signature of Proxy holder(s):

Notes:

1. This form should be signed across the stamp as per specimen signature registered with the Company.
2. *This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.*
3. A proxy need not be a member of the Company.
4. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. **\*\*This is only optional. Please put a 'x' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.**
6. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
7. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



## LOHIA SECURITIES LIMITED

CIN : L67120WB1995PLC067195

**Registered Office :** 4, Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5th Floor, Kolkata - 700 001

Tel. : +91 33 4002 6600 / 6700, Fax : +91 33 4002 6800

Website : www.lohiasecurities.com • Email : info@lohiasecurities.com

### ATTENDANCE SLIP

Annual General Meeting, Saturday, the 24th day of September, 2016 at 10.30 A.M.  
at 4 Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5<sup>th</sup> floor, Kolkata- 700 001

Name of the Shareholder	
Address	
Registered Folio/ DP ID & Client ID	
No of Shares held	
Name of the Proxy / Authorised Representative, if any	

I / We hereby record my / our presence at the ANNUAL GENERAL MEETING of the Company to be held on Saturday, the 24<sup>th</sup> day of September, 2016 at 10.30 A.M. at 4 Biplabi Trailokya Maharaj Sarani (Brabourne Road), 5<sup>th</sup> Floor, Kolkata 700 001

Signature of Shareholder/ Proxy/ Authorised Representative

Note: The Member/Proxy must bring this Attendance Slip to the Meeting, duly completed and signed, and hand over the same at the venue entrance.

### ELECTRONIC VOTING PARTICULARS

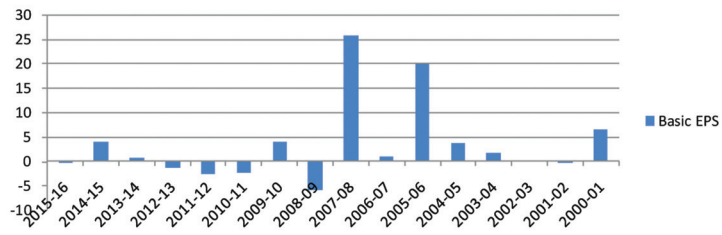
EVSN	USER ID	PASSWORD
160827038	Please refer to Note no. 17-III in the Notice of the AGNM	

## This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

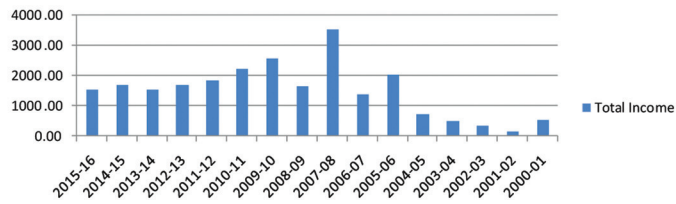
### NOTE

[illegible]

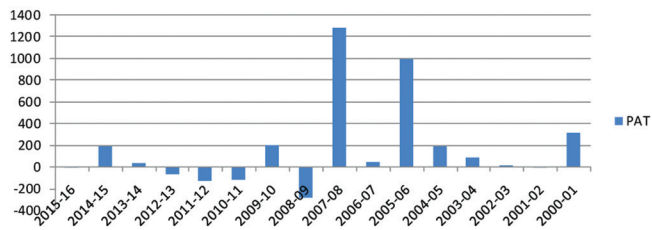
### Basic EPS



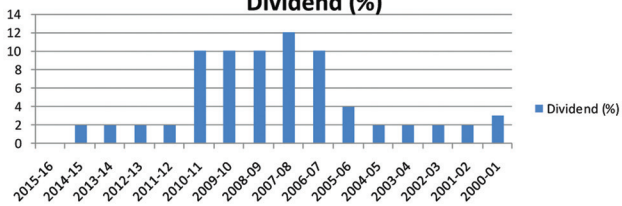
### Total Income



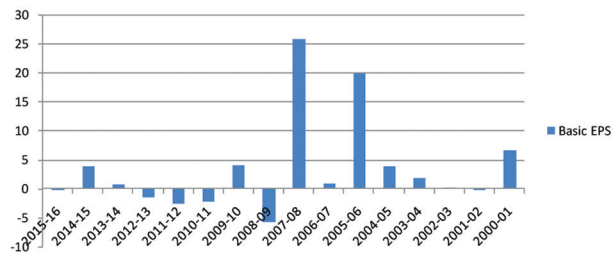
### PAT



### Dividend (%)



### Basic EPS



*If Undelivered, please Return to :*  
**LOHIA SECURITIES LTD.**  
4, Biplabi Trailokya Maharaj Sarani  
(Brabourne Road), 5th Floor, Kolkata - 700 001  
Tel : +91 33 4002 6600 / 6700