

August 08, 2020

To,
Dept. of Corporate Services (CRD)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Scrip Code: 540192

Dear Sir / Madam,

Sub: Regulation 34 – Submission of Notice of the Twenty-Sixth Annual General Meeting and Annual Report for the year ended March 31, 2020

Pursuant to the requirements of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year 2019-20 (“Annual Report”) along with the Notice of the Twenty-Sixth Annual General Meeting (“Notice”) of the Company to be held on **Monday, August 31, 2020 at 12:30 P.M.(IST)** through Video Conference / Other Audio Visual Means.

In accordance with Ministry of Corporate Affairs circular dated May 5, 2020 and SEBI circular dated May 12, 2020, the Annual Report along with the Notice is sent through electronic mode to the Members of the Company.

Further the aforesaid Annual Report along with Notice has also been uploaded on the website of the Company at www.lkpsec.com.

We request you to take the aforesaid on records.

Thanking you,

Yours faithfully,
For **LKP Securities Limited**
Sd/-
Akshata Vengurlekar
Company Secretary
Contact No.: 84249 16961

Encl.: As above

LKP Securities Ltd.

Regd Off: 203 Embassy Centre, Nariman Point, Mumbai – 400021, Phone: 022 – 2282 8234, Fax 022 – 2284 2415
Head Off: 1303 – 04, 13th Floor, Raheja Centre, Free Press Journal Marg, Nariman Point, Mumbai – 400021
Tel.: +91 22 6635 1234 . Fax: +91 22 6635 1249 . Website: www.lkpsec.com,
Single SEBI registration number for NSE/BSE/MSEI: INZ000216033 ARN 31751 DPIN-CDSL-206-2003
CIN L67120MH1994PLC080039 and Maharashtra GSTN No. 27AAACL0963A1ZZ

LKP



LKP SECURITIES LIMITED

**ANNUAL
REPORT
2020**

Board of Directors

Mr. Pratik M. Doshi	Managing Director (Chairman of the Board)
Mr. S. S. Gulati	Non-Executive Director
Mr. Ganesh Malhotra	Independent Director
Mr. Sajid Mohamed	Independent Director
Mrs. Anjali Suresh	Independent Director

Chief Financial Officer

Mr. Girish Majrekar

Company Secretary

Ms. Akshata Vengurlekar

Auditors:

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

Registered office:

203 Embassy Centre,
Nariman Point, Mumbai 400 021
Tel No.: +91 22 4002 4712 / 85 / 86
Fax No.: +91 2287 4787
E-mail: ho_compliance@lkpsec.com;
Website: www.lkpsec.com

CIN: L67120MH1994PLC080039

Registrar and Share Transfer Agent

M/s. Adroit Corporate Services Private Limited
19, Jafarbhoy Industrial Estate, 1st Floor,
Makawana Road, Marol Naka,
Andheri (East), Mumbai 400 059.
Tel. No.022- 28590942
E-mail: info@adroitcorporate.com
Website: www.adroitcorporate.com

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26th Annual General Meeting on Monday, August 31, 2020

at 12:30 P.M. (IST) through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')

NOTICE FOR THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Twenty-Sixth (26th) Annual General Meeting** of the Members of LKP Securities Limited will be held on **Monday, August 31, 2020 at 12:30 P.M. (IST)** through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt;
 - a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020, together with the Report of the Board of Directors and the Statutory Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, together with the Report of the Statutory Auditors thereon.
2. To appoint a Director in place of Mr. S. S. Gulati (DIN 02404230) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. MGB & Co. LLP, Chartered Accountants, Firm Reg. No. 101169W/W100035 as statutory auditors of the Company and fix their Remuneration.

SPECIAL BUSINESS:

4. **Approval for re-appointment of Mr. Pratik M. Doshi as Managing Director of the Company and payment of remuneration thereof.**

To consider and if thought fit to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 ("**the Act**") read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Act (including any statutory modification(s), amendment(s), clarification(s), or re-enactment(s) or substitution(s) thereof for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modification(s) thereof or supplements thereto ("**SEBI Listing Regulations**") and subject to the Articles of Association of the Company and subject to the approval of the Central Government, if any and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such approvals, permissions and sanctions and as recommended by Nomination and Remuneration Committee and approved by Board of Directors of the Company (hereinafter referred to as "**the Board**") which term shall deem to include the Nomination and Remuneration Committee or any other Committee constituted or to be constituted to exercise the powers including the powers conferred under this resolution), the consent of the Members of the Company be and is hereby accorded for re-appointment of Mr. Pratik M. Doshi (DIN: 00131122) as Managing Director of the Company, for a period of 3 (Three) years with effect from 26th October, 2019 on such terms and conditions and Remuneration as set out in the statement annexed to this Notice.

RESOLVED FURTHER THAT pursuant to the provisions of Section 197 of the Act read with Schedule V of the Act, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company may pay to the Managing Director the above Remuneration, excluding the commission, as the minimum remuneration for the aforesaid period, by way of salary, perquisites and other allowances and benefits and subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT the Board be and is hereby authorised to vary, amend, modify or revise the terms of Remuneration payable from time to time to the extent the Board may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits specified under the relevant provisions of the Act and/or as approved by the Central Government or any such other competent authority.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to do all such acts, matters, deeds and things as may be necessary to give effect to the above resolution including filing of necessary forms with the Registrar of Companies, Maharashtra, Mumbai / Ministry of Corporate Affairs or with Central Government in connection with such appointment and payment of remuneration and to seek approvals and settle any questions, difficulties or doubts that may arise in this regard without further referring to the Members of the Company."

NOTES:

1. A statement pursuant to Section 102(1) of the Companies Act, 2013 ('the Act') relating to certain ordinary business and the special businesses to be transacted at the Twenty-Sixth AGM is annexed hereto. All documents referred to in the accompanying Notice and the Explanatory Statement along with the Register of Directors and Key Managerial Personnel and their shareholding, and other requisite documents shall be available for inspection electronically.
2. Pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulation') and Secretarial Standards on General Meeting ('SS-2'), the required details of the Director proposed to be re-appointed and the terms of proposed remuneration of the Directors are given in the Annexure forming part of the Notice. Members seeking to inspect such documents can send an email to ho_compliance@lkpsec.com.

3. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has *vide* circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 ('MCA Circulars') permitted holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. In compliance with the provisions of the Act read with MCA Circulars and SEBI Listing Regulations, the AGM of the Company will be held through VC/OAVM. The deemed venue for the Twenty-Sixth AGM shall be the Registered Office of the Company *i.e.* 203, Embassy Centre, Nariman Point, Mumbai 400 021.
4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this e-AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Institutional/Corporate Shareholders (*i.e.* other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to lkpsecutiesscrutinizer@gmail.com or with a copy marked to helpdesk.evoting@cdslindia.com.
6. CDSL e-voting system – for remote e-voting and e-voting during the e-AGM:
 - i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
 - ii. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
 - iii. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
 - iv. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
 - v. Pursuant to MCA Circulars the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
 - vi. In line with the MCA Circulars the Notice calling the AGM has been uploaded on the website of the Company at www.lkpsec.com. The Notice can also be accessed from the website of the Stock Exchange *i.e.* BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL at www.evotingindia.com.
 - vii. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Act, read with MCA Circulars.
7. **The instructions for shareholders for remote e-voting are as under:**
 - i. The voting period begins on Thursday, August 27, 2020 at 09:00 A.M. and ends on Sunday, August 30, 2020 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, August 24, 2020 may cast their vote electronically. Thereafter the e-voting module shall be disabled by CDSL for voting.
 - ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the e-AGM.
 - iii. The shareholders should log on to the e-voting website www.evotingindia.com.
 - iv. Click on "Shareholders" module and enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

- d) Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.
- 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 e-voting of any company, then your existing password is to be used.
- vii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- viii. If you are a first time user follow the steps given below:

		For Shareholders holding shares in Demat Form and Physical Form
PAN		Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details	Bank	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the Depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).
OR Date of Birth (DOB)	Date of Birth (DOB)	

- ix. After entering these details appropriately, click on "SUBMIT" tab.
 - x. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
 - xi. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - xii. Click on the EVSN of 'LKP SECURITIES LIMITED'.
 - xiii. 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.
 - xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - xv. 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.
 - xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - xvii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
 - xviii. Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- 8. Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:**
- i. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company at ho_compliance@lkpsec.com or RTA at info@adroitcorporate.com.
 - ii. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company at ho_compliance@lkpsec.com or RTA at info@adroitcorporate.com.
- 9. Instructions for shareholders attending the AGM through VC/OAVM are as under:**
- i. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at www.evotingindia.com under shareholders/members login by using the

remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

- ii. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- iii. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting (i.e on or before August 24, 2020) mentioning their name, demat account number/folio number, email id, mobile number at ho_compliance@lkpsec.com.
- vi. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting (i.e on or before August 24, 2020) mentioning their name, demat account number/folio number, email id, mobile number at ho_compliance@lkpsec.com. These queries will be replied to by the Company suitably by email.
- vii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

10. Instructions for shareholders for e-voting during the AGM are as under:-

- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- ii. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- iii. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- iv. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

11. Note for Non – Individual Shareholders and Custodians

- i. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- iii. After receiving the login details a Compliance User 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.
- iv. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- v. 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.
- vi. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address ho_compliance@lkpsec.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

12. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

13. The Register of Members and Share Transfer books will remain closed from Tuesday, August 25, 2020 to Monday, August 31, 2020 (both days inclusive). Monday, August 24, 2020 shall be the cut-off date as on which the right of voting of

the Members shall be reckoned and a person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

14. Members can avail themselves, the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act. Members desiring to avail themselves of this facility may send their nominations in the prescribed Form No. SH-13 duly filled in to the Company's Registrar & Transfer Agents (R&T Agents). Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.
15. The Securities and Exchange Board of India ("SEBI") has made it mandatory for all companies to use the bank account details furnished by the Depositories for any payment (including dividend) through Electronic Clearing Service ("ECS") to investors. In the absence of ECS facility, companies shall mandatorily print the bank account details of the investors on such payment instruments. Members are encouraged to avail ECS facility and requested to update bank account details in the prescribed form to their respective Depository Participant(s) and/or the Company's R&T Agents.
16. Members who have not registered their e-mail ID so far are requested to register the same for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company in electronic form.
17. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail ID, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their respective Depository Participant(s) in case the shares are held in electronic form and to the Company's R&T Agents in case the shares are held in physical form.
18. In terms of the Regulation 40 of the SEBI Listing Regulations, securities of listed companies can only be transferred in dematerialised form with effect from April 1, 2019, except in case of transmission or transposition of securities. In view of the above, Members are advised to dematerialise shares held by them in physical form. To comply with the above mandate, members who still hold share certificates in physical form are advised to dematerialise their shareholding to also avail numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
19. Mr. V. Ramachandran (Membership No. A-7731 / CP No. 4731), Proprietor M/s. V. R. Associates, Practicing Company Secretaries has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
20. The Results declared along with the report of the Scrutiniser shall be placed on the website of the Company at www.lkpsec.com and on the website of CDSL immediately after the declaration of result by the Chairperson or a person authorised by him/her in writing. The Results shall also be immediately forwarded to Stock Exchanges.
21. In terms of section 101 and 136 of the Act, read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial statements, Board Report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website at www.lkpsec.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com.
22. Members are requested to send all communications to our R&T Agents at the following address:
Adroit Corporate Services Private Limited
19, Jafferbhoy Industrial Estate, 1st Floor,
Makwana Road, Marol Naka, Andheri East,
Mumbai - 400 059
Tel. No.: +91 22 4227 0400; Fax No.: +91 22 2850 3748.
E-mail ID: info@adroitcorporate.com
23. Since the meeting will be conducted through VC/OAVM facility, the Route Map is not annexed in this Notice.

By order of the Board of Directors
For LKP Securities Limited

Sd/-
Akshata Vengurlekar
Company Secretary

Place : Mumbai
Date : June 04, 2020

Registered Office:
LKP Securities Limited
(CIN: L67120MH1994PLC080039)
203 , Embassy Centre,
Nariman Point, Mumbai – 400 021

Statement pursuant to Section 102 of the Act**Item No. 4**

Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the Members of the Company at the Annual General Meeting held on May 24, 2017, had appointed Mr. Pratik M. Doshi as Managing Director for a period of 3 (Three) years with effect from October 26, 2016. Accordingly, the present tenure of Mr. Pratik M. Doshi as Managing Director of the Company has come to an end on October 25, 2019.

Mr. Pratik M. Doshi (aged 39 years) is the founder of the Company; he has over 18 Years of experience in Capital Markets. He did his B.A in Business and Financial Economics from University of Leeds, United Kingdom. He has been entrusted and has made significant contribution in various areas of distribution of financial products, wealth management service, investment advisory, strategic financial partners for third party products. Under his leadership the Company has also launched On-line trading application for scalability of the broking business. His strategic leadership skills and ability to deliver results are among the key drivers.

Looking at the performance and growth of the Company which was led by Mr. Pratik M. Doshi in capacity as a Managing Director of the Company and considering the enhanced responsibilities due to expansion of business activities and as per recommendation of Nomination and Remuneration Committee, the Board of Directors has considered and approved re-appointment of Mr. Pratik M. Doshi as Managing Director of the Company for a further term of 3 (Three) years effective from October 26, 2019 till October 25, 2022 and payment of remuneration thereof, both on such terms and conditions as stipulated below subject to the approval of the Members of the Company and Central Government, if required:

Remuneration:

Total Remuneration during the tenure of 3 years shall be in the scale of Rs. 65 Lacs to Rs. 75 Lacs per annum which includes basic salary (in the range of Rs. 4 Lakh to Rs. 5.50 Lakh per month), commission and taxable perquisites and other allowance but excluding perquisites to the extent exempted under the Income-tax Act, 1961.

Other Terms and Conditions:

- a. Perquisites: Subject to overall ceiling as aforesaid, the Managing Director shall have liberty to opt for such other allowances, perquisites and incentive as he deems fit including house rent allowance, medical reimbursement, leave travel concession for self and family, club fees, use of Company cars and such other allowances, benefits, amenities and facilities, etc., as per the Company's Rules or as may be agreed to between the Board and the Managing Director.
- b. Commission: The amount of Commission would be determined by the Board based on the net profits of the Company in a particular year and shall be subject to the overall ceiling laid down under the Act.
- c. Reimbursement of Medical Expenses incurred by him for self and family subject to the ceiling of Rs.15,000/- p.a.
- d. Exempted perquisite: in addition to the perquisites referred above, he will also be eligible to the following perquisites, which shall not be included in the computation of the ceiling on remuneration.
 - Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
 - Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;
 - Reimbursement of expenses incurred for the business of the Company.
- e. Subject to the applicable provisions of the Act, perquisites and allowances shall be evaluated as per Income Tax Rules, 1962 wherever applicable and at cost, in the absence of any such Rule.
- f. Subject to the superintendence, control and direction of the Board, the Managing Director shall manage and conduct the business and affairs of the Company.
- g. The Managing Director of the Company shall be entitled to compensation for loss of office as provided under the Act and shall not be subject to retirement by rotation.
- h. The appointment can be terminated by giving 3 (Three) calendar months' notice in writing by either party.

Furthermore, any recommendation by the Nomination and Remuneration Committee and consideration by the Board for subsequent revisions in the remuneration shall be within the foregoing pay scale.

A brief profile of Mr. Pratik M. Doshi, including nature of his expertise, as required under Regulation 36 of SEBI Listing Regulations and SS-2 is provided in the Annexure - I to this Notice. Further, additional information as required under Schedule V to the Act, is provided in the Annexure - II to this Notice and also forms part of the Statement.

Mr. Pratik M. Doshi and his relatives, if any, shall be deemed to be concerned or interested in the resolution to the extent of his appointment, payment of remuneration and to the extent of their shareholdings in the Company. None of the other

Directors, Key Managerial Personnel(s) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the passing of the proposed Resolution(s).

The Board of Directors recommends the resolution at Item No. 4 as Special Resolution for the approval by the Members.

By order of the Board of Directors
 For LKP Securities Limited

Sd/-
Akshata Vengurlekar
 Company Secretary

Place : Mumbai
 Date : June 04, 2020

Registered Office:
 LKP Securities Limited
 (CIN: L67120MH1994PLC080039)
 203 , Embassy Centre,
 Nariman Point, Mumbai – 400 021

Annexure - I

Information as required pursuant to Regulation 36 of the SEBI Listing Regulations and Secretarial Standard on General Meetings (“SS-2”), in respect of Directors seeking appointment / re-appointment / payment of remuneration at the Annual General Meeting:

Name of Director	Mr. S. S. Gulati	Mr. Pratik M. Doshi
DIN	02404230	00131122
Date of Birth	December 10, 1955	December 01, 1980
Age	64 Years	39 Years
Date of first Appointment on the Board	July 08, 2016	October 26, 2010
Qualifications	Chartered Accountant	B.A in Business and Financial Economics from University of Leeds, United Kingdom
Experience and Expertise in Specific Functional Area	Mr. Gulati has over three decade of experience in accounting, finance and taxation. Presently, he is also Chief Financial Officer for LKP Finance Limited. He has held numerous management responsibilities in his career in the field of finance, corporate affairs and taxation.	Mr. Pratik M. Doshi has made significant contribution in various areas of distribution of financial products, wealth management service, investment advisory, strategic financial partners for third party products. Under his leadership the Company has also launched On-line trading application for scalability of the broking business. His strategic leadership skills and ability to deliver results are among the key drivers.
Terms and conditions of re-appointment / revision	As per the resolution at Item No. 2 of the Notice.	As per the resolution at Item No. 4 of the Notice.
Remuneration last drawn	Nil	During the year 2019-20, Mr. Pratik M. Doshi was paid a remuneration of Rs. 66.14 lakh from the Company.
Number of Board Meetings attended during the year 2019-20	4 (Four)	4 (Four)
Directorship held in other Listed companies (As on March 31, 2020)	Nil	LKP Finance Limited

Name of Director	Mr. S. S. Gulati	Mr. Pratik M. Doshi
Directorship in other Companies (excluding foreign companies & Section 8 companies) (As on March 31, 2020)	<ul style="list-style-type: none"> • Alpha Commodity Private Limited. • LKP Wealth Advisory Limited • Gayatri Cement and Chemical Industries Private Limited. 	<ul style="list-style-type: none"> • MKM Share and Stock Brokers Limited • Bhavana Holdings Private Limited • LKP Wealth Advisory Limited • Peak Plastonics Private Limited • Sea Glimpse Investment Private Limited • SolarEx P V Solution Private Limited • Alpha Commodity Private Limited • Astro Sports Private Limited • Astro Sports Promotion Private Limited
Chairmanship / Membership of Committees of the Board of Directors of other Companies (As on March 31, 2020)	Nil	LKP Finance Limited <ul style="list-style-type: none"> • Stakeholders' Relationship Committee – Member.
Shareholding as on March 31, 2020	39,976 Equity Shares	6,04,332 Equity Shares
Relationship with other Directors / Key Managerial Personnel(s)	Not related to any Director / Key Managerial Personnel(s).	Not related to any Director / Key Managerial Personnel(s).

Note: For further details related to remuneration drawn and proposed, directorship / committee membership, please refer to Directors' Report, Corporate Governance Report forming part of the Annual Report and the resolutions proposed in the Notice.

Annexure - II

Information / Disclosure as required under Schedule V to the Act is given hereunder:

I. General Information

1. **Nature of Industry:** The Company is engaged in Stock Broking business and operates on pan India basis through its various franchises and stores.
2. **Date or Expected Date of Commercial Production:** August 03, 1994
3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable
4. **Standalone financial performance of the Company based on given indicators:**

(Rs. in lakh)

Particulars	March 31, 2020	March 31, 2019
Paid-up Share Capital	1,478.69	1,478.69
Total Turnover	7,304.12	9,477.07
Profit / (Loss) before tax	219.61	78.41
Net Profit / (Loss) after tax	156.75	189.70
EPS - Basic and Diluted (in Rs.)	0.21	0.26

5. **Foreign Investments or collaborations, if any:** Not Applicable

II. Information about the Appointee:

1. Background details:

Mr. Pratik M. Doshi (aged 39 years) is the founder of the Company; he has over 18 years of experience in Capital Markets. He did his B.A in Business and Financial Economics from University of Leeds, United Kingdom. He has been entrusted and has made significant contribution in various areas of distribution of financial products, wealth management service, investment advisory, strategic financial partners for third party products. Under his leadership the Company has also launched On-line trading application for scalability of the broking business. His strategic leadership skills and ability to deliver results are among the key drivers.

2. **Recognition and Awards:** None

3. **Job Profile and his suitability:**

Mr. Pratik M. Doshi has been entrusted with substantial powers of management subject to the supervision of the Board of Directors. He shall be carrying out his duties as may be entrusted by the Board of Directors and exercise all such powers as are required for managing the affairs of the Company from time to time.

4. **Past Remuneration:** During the year 2019-20, Mr. Pratik M. Doshi was paid a remuneration of Rs. 66.14 lakh from the Company

5. **Remuneration Proposed:** As mentioned in the resolution and relevant statement.

6. **Comparative remuneration profile with respect to industry, size of company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):** Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Pratik M. Doshi, the remuneration proposed to be paid is commensurate with the remuneration packages paid to his similar counterparts in other companies.

7. **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel(s), if any:** Mr. Pratik M. Doshi is part of Promoters / Promoter Group, which holds in aggregate 66.03% (as on March 31, 2020) of the total equity share capital of the Company. Besides the present and proposed remuneration he does not have any other pecuniary relationship with the Company or the managerial personnel(s).

III. Other Information:

1. **Reasons of Loss or inadequate profits:** The Company has been profitable in the last couple of years although the proposed remuneration is not falling within the limits specified under Section 197 of the Act, it is in line with the Industrial Standards for managerial personnel falling under the same cadre.

2. **Steps taken or proposed to be taken for improvement:** The management is exploring other avenues to increase turnover and profitability of the Company.

3. **Expected increase in productivity and profits in measurable terms:** The Company is committed to build the business operations within budget and considering that the business operates on going concern basis, it is believed that financial position of the Company will further improve in near future.

IV. Disclosures:

The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Corporate Governance Report which forms part of the Annual Report.

By order of the Board of Directors
For LKP Securities Limited

Sd/-

Akshata Vengurlekar
Company Secretary

Place : Mumbai
Date : June 04, 2020

Registered Office:
LKP Securities Limited
(CIN: L67120MH1994PLC080039)
203 , Embassy Centre,
Nariman Point, Mumbai – 400 021

DIRECTORS' REPORT

Your Directors are pleased to present the Twenty-Sixth Annual Report of the Company together with the Audited Financial Statements for the financial year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

The financial performance of the Company is as follows:

(Rs. in lacs)

Particulars	Standalone		Consolidated	
	Financial Year 2019-20	Financial Year 2018-19	Financial Year 2019-20	Financial Year 2018-19
Revenue from Operations	7,304.11	9,477.07	7,385.30	9,558.03
Other Income	54.70	36.35	54.70	36.35
Total Revenue	7,358.81	9,513.42	7,440.00	9,594.38
Profit before Tax	219.61	78.41	222.56	108.19
Less: Tax expense	62.86	(111.29)	59.87	(103.47)
Profit after Tax	156.75	189.70	162.69	211.66
Other Comprehensive loss for the year	(11.04)	(82.47)	(11.04)	(82.47)
Total Comprehensive Income for the year	145.71	107.23	151.64	129.19
Earnings per equity share (Face Value of Rs.2/- each)				
- Basic (in Rs.)	0.21	0.26	0.22	0.29
- Diluted (in Rs.)	0.21	0.26	0.22	0.28

COVID-19 IMPACT

The Covid-19 outbreak was declared a global pandemic by the World Health Organization. Since then Covid-19 has taken its toll on not just human life, but business and financial markets too. The virus still continues to spread rapidly across the globe including India.

The Government of Indian had announced nation-wide lockdown on March 24, 2020 which still continues. In this lock-down period, all the services across the nation were suspended except the specified essential services. We being stock brokers were classified under securities market intermediaries and were exempted from the lock-down.

Keeping with the employee safety first approach, the Company quickly instituted measures to shift the workforce to an entirely new work-from-home model. We have extended support to the employees impacted by this pandemic, including those who tested positive for Covid-19. The Company would implement a phased and safe return-to-work plan as and when lockdown restrictions are relaxed.

The management has, at the time of approving the financial statements, assessed the potential impact of the Covid-19 on the Company. Barring any future Covid-19 related escalations, based on the current assessment, the management is of the view that impact of Covid-19 on the operations of the Company and the carrying value of its assets and liabilities is not likely to be material.

STATE OF THE COMPANY'S AFFAIRS

Information on the operational and financial performance, among others, is provided in the Management Discussion and Analysis Report which forms part of the Annual Report.

DIVIDEND & RESERVES

Keeping in mind the future prospects of the Company, the Board of Directors of the Company have decided not to recommend any Dividend during the financial year 2019-20. No amount is proposed to be transfer to General Reserve.

SHARE CAPITAL

As at March 31, 2020, the paid-up Equity Share Capital of the Company stood at Rs. 14,78,69,472/- consisting of 7,39,34,736 Equity Shares of Rs.2/- each.

During the year under review, there was no public issue, rights issue, bonus issue or preferential issue, etc. The Company has not issued shares with differential voting rights or sweat equity shares.

EMPLOYEES STOCK OPTIONS PLAN

The Members of the Company had passed the resolutions at its Annual General Meeting held on May 24, 2017 and approved the LKP Securities Limited's Employees' Stock Option Scheme 2017 ("**LKPS ESOP - 2017**") and also approved to offer, issue and allot at any time or to acquire by way of secondary acquisition, to or for the benefit of eligible employees under LKPS ESOP - 2017, not exceeding 50,00,000 Equity Shares of Rs. 2 each, in one or more tranches, at such price and on such terms and conditions as may be fixed or determined by the Nomination and Remuneration Committee.

During the year under review the Company has granted 1,85,000 stock options to its employees under LKPS ESOP – 2017.

Further during the year under review the Members of the Company had passed the resolutions at its Annual General Meeting held on July 05, 2019 and approved the LKP Securities Limited's Employees' Stock Option Scheme 2019 ("**LKPS ESOP - 2019**") and also approved to offer, issue and allot at any time, to or for the benefit of eligible employees including the employees of its subsidiaries under LKPS ESOP - 2019, not exceeding 35,00,000 Equity Shares of Rs. 2 each, in one or more tranches, at such price and on such terms and conditions as may be fixed or determined by the Nomination and Remuneration Committee.

Pursuant to the applicable provisions of the Companies Act, 2013 ("**the Act**") and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**SBEB Regulations**"), the scheme is administered by the Nomination and Remuneration Committee of the Company.

The applicable disclosures as stipulated under SBEB Regulations as on March 31, 2020 with regard to the LKP ESOP – 2017 are provided in **Annexure - I** to this Report.

SUBSIDIARY COMPANY

During the year under review, the Board has reviewed the affairs of LKP Wealth Advisory Limited, its subsidiary. The subsidiary has income from operations amounting to Rs. 110.51 lakh and its net profit stood at Rs. 5.94 lakh.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the subsidiary as on March 31, 2020 in the prescribed Form AOC-1 is attached to the financial statements, which forms part of this Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with the Act and applicable IND AS along with the relevant documents and Auditors Report is also presented to you and form part of this Annual Report.

In accordance with the provisions of Section 136(1) of the Act, the Annual Report of the Company containing therein the audited standalone and consolidated financial statements and the audited financial statement of the subsidiary will be available for inspection by any member of the Company and has been placed on the website of the Company at www.lkpsec.com.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of loans granted, guarantee provided and investment made by the Company which are covered under the provisions of Section 186 of the Act, is provided in Notes forming part of Financial Statements.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis in accordance with Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") forms part of this Annual Report.

CORPORATE GOVERNANCE

Pursuant to the SEBI Listing Regulations, Company's Corporate Governance Report forms part of this Annual Report along with the reports on Management Discussion and Analysis and General Shareholder Information.

Further all the Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year 2019-20. A declaration to this effect signed by the Managing Director of the Company also forms part of this Annual Report.

A Certificate from Practicing Company Secretary regarding the compliance with the conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V of the SEBI Listing Regulations is annexed to this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL(S)

In terms of Section 152 of the Act, Mr. S. S. Gulati is liable to retire by rotation at the forthcoming Annual General Meeting ("**AGM**") and being eligible, offers himself for re-appointment. The Company has received necessary disclosure and confirmation from concerned Director(s) in connection with their appointment / re-appointment. Additional information on appointment / re-appointment of Directors as required under Regulation 36 of SEBI Listing Regulations is given in the Notice convening the ensuing AGM.

Further, the Members at Twenty-Fifth AGM held on July 05, 2019 have approved the appointment of Mrs. Anjali Suresh as a Woman Independent Director of the Company.

The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Act that they meet the criteria of independence laid down in Section 149(6) of the Act and Regulation 25 of SEBI Listing Regulations.

During the year, Mr. Siddharth Mehta, Company Secretary and Key Managerial Person of the Company resigned from the services effective from October 10, 2019. Consequently, the Board appointed Ms. Akshata Vengurlekar as the Company Secretary and Key Managerial Person of the Company. The appointment was made effective on October 22, 2019.

COMMITTEES OF THE BOARD

Details of Committees of the Board of Directors of the Company along with their terms of reference, composition and meetings held during the year, are provided in the Corporate Governance Report, which forms part of this Annual Report.

NUMBER OF MEETINGS OF THE BOARD

The Board meetings are normally held on a quarterly basis, during the year under review, Four (4) meetings of the Board of Directors were held. The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days. The details of date of above meeting including the attendance of the Directors are given in the Corporate Governance Report that forms part of this Annual Report.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Act, SEBI Listing Regulations and in line with the Corporate Governance Guidelines of the Company, Annual Performance Evaluation was conducted for all Board Members as well as the working of the Board and its Committees. The evaluation process *inter-alia* reviews participation of Directors at meetings, domain knowledge, business awareness and adherence to governance.

A formal annual evaluation had been made by the Independent Directors and the Board of the performance of the Committees, Individual Directors, Chairman and the Board as whole. The outcome of the Board Evaluation for the financial year 2019-20 was discussed by the Nomination and Remuneration Committee and the Board at their respective meetings.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Company's policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2020, the Board had five members, one of whom is an executive managing director, a non-executive non-independent director and three independent directors. One of whom is a woman independent director.

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act, has been disclosed in the Corporate Governance Report, which forms part of this Annual Report.

VIGIL MECHANISM/WHISTLE BLOWER

In accordance with Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations, the Company has established a vigil mechanism to provide a framework to promote responsible and secure whistle blowing and to provide a channel to the employee(s) and Directors to report to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct or policy/ies of the Company, as adopted/framed from time to time. The mechanism provides for adequate safeguards against victimisation of employee(s) and Directors to avail of the mechanism and also provide for direct access to the Chairperson of the Audit Committee in exceptional cases. The said Policy is placed on the Company's website at www.lkpsec.com.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review all contracts/arrangement/transactions entered by the Company with related parties were in compliance with the applicable provisions of the Act and SEBI Listing Regulations. Requisite approval of the Audit Committee was obtained for all related party transactions. All related party transactions entered during the year were on arm's length basis and in the ordinary course of business of the Company and not material under the SEBI Listing Regulations. None of the transactions required members' prior approval under the Act or SEBI Listing Regulations.

Further there being no 'material' related party transactions as defined under Regulation 23 of SEBI Listing Regulations, there are no details to be disclosed in Form AOC-2 in that regard. However, the details of transactions with related parties are provided in the Company's financial statements in accordance with the Indian Accounting Standards.

The Company's policy on materiality of and dealing with related party transactions, as approved by the Board, is uploaded on the website of the Company and can be accessed at www.lkpsec.com.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with Section 134(5) of the Act and to the best of their ability, your Directors state that:

- i. in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended March 31, 2020;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts for the financial year ended March 31, 2020 on a going concern basis;
- v. they have laid down Internal Financial Controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDIT COMMITTEE

The Audit Committee of the Company comprises of Mr. Ganesh Malhotra, Independent Director as Chairperson of the Committee, Mr. Sajid Mohamed, Independent Director, Mrs. Anjali Suresh, Independent Director and Mr. Pratik M. Doshi, Managing Director are other Members of the Audit Committee. There are no instances where the Board did not accept the recommendations of the Audit Committee. The terms of reference, powers and roles of the Committee are disclosed in the Corporate Governance Report, which forms part of this Annual Report.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details, as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in **Annexure - II** to the Board's Report.

Details as required under Rule 5(2) and 5(3) of the said Rules which forms part of the Directors' Report, will be made available to any member by way of email, as per provisions of Section 136(1) of the Act.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

STATUTORY AUDITORS

The term of the existing Statutory Auditors M/s MGB & Co. LLP, Chartered Accountants is coming to an end at the ensuing AGM. The Board of Directors have recommended re-appointment of M/s MGB & Co. LLP to hold office from the conclusion of the ensuing AGM till the conclusion of the Twenty-Seventh AGM.

The Company has received a written confirmation from the Statutory Auditors confirming that their continued appointment shall be in accordance with the applicable provisions of the Act.

AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by MGB & Co. LLP, Statutory Auditors, in their report for the financial year ended March 31, 2020.

Pursuant to provisions of the Section 143(12) of the Act, the Statutory Auditors has not reported any incident of fraud to the Audit Committee or the Board during the year under review.

SECRETARIAL AUDITOR

As required under provisions of Section 204 of the Act and Rules made thereunder, Mr. V. Ramachandran (Membership No. A-7731 / CP No. 4731) Proprietor: V. R. Associates, Practicing Company Secretaries was appointed as Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2019-20.

The Secretarial Audit Report for the financial year 2019-20 is appended as **Annexure - III**, which forms part of this Report.

The Secretarial Audit Report has a qualification regarding the requisite number of Independent Directors not present at the meeting of the Audit Committee held on May 2, 2019, to which the management states that due to unavoidable conditions the Director could not make it to the meeting and that utmost precautions would be taken to avoid such situation.

In addition to the above and pursuant to SEBI circular dated 8 February 2019, a report on secretarial compliance by V. R. Associates, Practicing Company Secretaries for the financial year ended 31 March 2020 is being submitted to stock exchanges.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Board of Directors states that the Company has complied with Secretarial Standards on meetings of the Board of Directors ("SS-1") and on General Meetings ("SS-2") as amended and issued from time to time by the Institute of Company Secretaries of India in terms of Section 118(10) of the Act.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Act, an extract of annual return in the prescribed Form MGT-9 is given as **Annexure - IV** which forms part of this Report.

In accordance with Section 92(3) of the Act, a copy of the Annual Return for the financial year ended March 31, 2020 is available on the website of the Company at www.lkpsec.com.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT (CSR)

During the financial year ended March 31, 2020 pursuant to the provisions of Section 135(1) of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules 2014 no amount is required to be spent by the Company towards CSR.

The composition and terms of reference of the CSR Committee is provided in the Corporate Governance Report, which forms part of this Annual Report. Further in compliance with Rule 3 of the Companies (Corporate Social Responsibility Policy) Rules 2014, the CSR Report is given as **Annexure - V** which forms part of this Report.

CONSERVATION OF ENERGY

The operations of the Company are not energy intensive. However, the Company has taken various measures for conservation of energy, like switching from conventional lighting systems to LED lights etc. All efforts are made to use more natural lights in office premises to optimize the consumption of energy.

TECHNOLOGY ABSORPTION

The Company, primarily being a stock broking company and not involved in any industrial or manufacturing activities, has no particulars to report regarding technology absorption as required under Section 134 of the Act and Rules made thereunder.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company did not enter into any foreign currency transactions in the current year and previous year.

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

The Company has constituted Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and also has a policy and framework for employees to report sexual harassment cases at workplace. Adequate workshops and awareness programs are conducted across the organization.

During the year under review, no complaints in this regard were received from any of the employees.

DISCLOSURES

- The Company has not accepted any fixed deposits during the year under review and accordingly, no amount on account of principal or interest on deposits from public and/or Members were outstanding as at March 31, 2020.
- There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.
- During the year under review, the Company has not issued any Debentures.
- No material changes have taken place that could have an impact on the financial position of the Company from the date of closure of financial year under review till the date of signing of Accounts.
- There is no change in the nature of business of the Company.
- The Managing Director, as per the terms of his appointment, does not draw any commission or remuneration from subsidiary company. Thereby, no disclosure is required under Section 197(14) of the Act.
- Maintenance of cost records and requirement of cost Audit as prescribed under the provisions of Section 148(1) of the Act are not applicable to the business activities carried out by the Company.

ACKNOWLEDGEMENT

Your Board of Directors would like to express its gratitude and its appreciation for the continued support and co-operation provided to your Company by its Members, and in particular the customers, regulatory authorities and its banks and financial institutions. Your Directors would also like to place on record its sincere appreciation for the efforts put in by the Management and the employees of the Company.

For and on behalf of the Board of Directors

Place: Mumbai
Date : June 04, 2020

Sd/-
Pratik M. Doshi
Chairman & Managing Director

ANNEXURE I
Disclosure regarding Employees Stock Option Plan pursuant to SEBI (Share Based Employees Benefits) Regulations, 2014 and Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 forming part of the Directors' Report for the year ended March 31, 2020

- A. The Company has issued stock options to its permanent employees in accordance with the Company's Employee Stock Option Scheme 2017. The Schemes is administered by the Nomination and Remuneration Committee (NRC) pursuant to SEBI (Share based employee benefits) Regulations, 2014. All the permanent employees of the Company, including Directors but excluding Promoters and Independent Director of the Company are eligible to participate in the Scheme. The Committee grants stock options to the employees at its discretion depending upon criteria such as role/designation of the employee, length of service with the Company, past performance record, future potential of the employee and/or such other criteria that may be determined by the Committee.

ESOP Scheme	Members approval	Number of options approved
ESOP Scheme-2017	May 24, 2017	50,00,000

The stock option vested / shall be vest proportionately as may be decided by NRC committee at the time of grant, over the period of 3 years after the first anniversary from the date of grant. Under ESOP Scheme 2017, till date 38,85,000 options were granted to Identified Employee at the exercise price of Rs. 7/- per share. The exercise price, in cash, is paid/ to be paid by the employee at the time of exercise of the stock option. No stock option is granted in lieu of cash. The option lapses if not exercised within a period of 1 year from the date of vesting of option. The lapsed option is available for being re-grant / re-issue at a future date. The maximum number of options that may be granted to any specific employee is upto 2,50,000 under Scheme 2017. Every one stock option, if exercised, is allotted one equity shares of Rs. 2/- each.

- B. Summary of stock options:

	March 31, 2020
Total Options	50,00,000
Phase I	
Options outstanding at the beginning of the year (a)	25,96,200
Options forfeited / lapsed during the year (b)	5,94,240
Options forfeited / lapsed during the year (c)*	1,16,160
Options vested during the year (d)	11,02,200
Options exercised during the year (e)	0
Shares arising as a result of exercise of options	Nil
Source of shares	N.A.
Money realized by exercise of options (Rs.)	Nil
Loan repaid by the trust during the year from exercise price received	N.A.
Options outstanding at the end of the year (f) = (a-b-e)	20,01,960
Options exercisable at the end of the year (g) = (d-e-c)	9,86,040
Phase II	
Granted on 02/05/2019 (A)	1,85,000
Options vested during the year (B)	N.A.
Options forfeited / lapsed during the year (C)	N.A.
Options exercised during the year (D)	N.A.
Options outstanding at the end of the year (E) = (A-C-D)	1,85,000
Options exercisable at the end of the year (F) = (B-D-C)	N.A.
Variation in terms of options	Nil
Employee-wise details of options granted during the year to	
(i) KMP / Senior managerial personnel	Nil
(ii) Other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Nil
(iii) Employees who received the options during the year equal to or exceeding 1% of the issued capital of the Company at the time of grant	Nil

*1,16,160 Stock Options Proportionately lapsed (out of 33% vested options) as on March 31, 2020 to arrive at options exercisable at the end of year.

- C. Weighted average shares price on the date of exercise of the options : Not Applicable

For and on behalf of the Board of Directors

Place: Mumbai
Date : June 04, 2020

Sd/-
Pratik M. Doshi
Chairman & Managing Director

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

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

Name of Director	Designation	Ratio to median remuneration of the Employees
Mr. Pratik M. Doshi	Managing Director	13.28963 : 1

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

Name	Designation	% Increase / Decrease of remuneration in 2020 as compared to 2019
Mr. Pratik M. Doshi	Managing Director	3 %
Mr. Girish Majrekar	Chief Financial Officer	-10.495 %
Mr. Siddharth Mehta	Company Secretary (upto October 10, 2019)	-26.577%
Ms. Akshata Vengurlekar	Company Secretary (w.e.f October 22, 2019)	Not Applicable

3. The percentage increase in median remuneration of employees in the financial year: 16.64%
4. There were 455 permanent employees on the rolls of the Company as on March 31, 2020.
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration
- The median percentage increase made in the salaries of employees other than managerial remuneration was 16.64% whereas the increase in the remuneration of Managerial personnel was 3%.
6. It is hereby affirmed that remuneration is as per the remuneration policy of the company.

For and on behalf of the Board of Directors
 Sd/-

Place: Mumbai

Date : June 04, 2020

Pratik M. Doshi
 Chairman & Managing Director

ANNEXURE III
SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2020

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

To,
The Members,
LKP Securities Limited.

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit*, we hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained* by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

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

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

- *Requisite number of Independent Directors were not present at the meeting of the Audit Committee held on 2nd May, 2019 as required under Regulation 18(2)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ;*

I further report that

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

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

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

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

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

- i. *Ordinary resolution passed at annual general meeting dated 5th July, 2019 for appointment of Mrs. Anjali Suresh as Independent Director of the Company.*
- ii. *Re-appointment of Mr. Pratik Doshi as the Managing Director of the Company by the Board of Directors, subject to approval of members of the Company at ensuing Annual General Meeting,*

During the year under review, SEBI has passed an Adjudication Order no. Order/ GR/ KG/ 2019-20/6773 dated 12th February, 2020 against the company in respect of violation under SEBI Act, 1992, SEBI (Stock Brokers and Sub Brokers) Regulations, 1992 and Securities Contracts (Regulation) Act, 1956 wherein the company inter alia utilized the funds of credit balance clients to settle the obligation of debit balance clients, failure in maintaining data pertaining to running account settlement of funds and securities of its clients and had utilised the securities pledged for debit balance clients for settling the obligations of other clients. SEBI had vide the above order reference levied a penalty of Rs.500,000/- (Rupees five lacs only) on the company, comprising of Rs.2,00,000/- (Rupees Two Lacs) under Section 15A(c) and Rs.1,00,000/- (Rupees One Lac) under section 15HB of the SEBI Act and Rs.2,00,000/- (Rupees Two Lacs) under Section 23D of the SCRA.

For V.R. Associates
Company Secretaries

Sd/-

Place: Mumbai
Date: June 04, 2020

V. Ramachandran
ACS: 7731:CP 4731
UDIN: A007731B000315302

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

'Annexure I' to Secretarial Audit Report

To,
The Members,
LKP Securities Limited.

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on my audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. * Due to ongoing pandemic of Covid-19 and state of lockdown, all the books, papers, minute books, forms and returns filed and other records maintained by the Company, wherever possible, have been checked virtually.

For V.R. Associates
Company Secretaries

Sd/-

V. Ramachandran

ACS: 7731:CP 4731

UDIN: A007731B000315302

Place: Mumbai

Date: June 04, 2020

ANNEXURE - IV
FORM MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2020

(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014)

I. REGISTRATION AND OTHER DETAILS:

CIN	L67120MH1994PLC080039
Registration Date	03/08/1994
Name of the Company	LKP SECURITIES LIMITED
Category / Sub-Category of the Company	Company limited by shares
Address of the Registered office and contact details	203 Embassy Centre, Nariman Point, Mumbai 400 021 Tel No.: +91 22 4002 4712 / 85 / 86
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Adroit Corporate Services Private Limited 19, Jafarbhoy Industrial Estate, 1 st Floor, Makawana Road, Marol Naka, Andheri (East), Mumbai 400 059. Tel. No. 022 - 28590942

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Stock broking	66120	99.27%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name of the company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
	LKP Wealth Advisory Limited (Formerly known as LKP Wealth Advisory Private Limited)	U67190MH2014PLC256997	Subsidiary Company	100%	2(87)(ii)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2019				No. of Shares held at the end of the year 31/03/2020				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt. (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	24006696	0	24006696	32.47	24662120	0	24662120	33.36	0.89
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other...									
i. Directors	604332	0	604332	0.82	604332	0	604332	0.82	0
ii. Directors relatives	23551404	0	23551404	31.85	23551404	0	23551404	31.85	0
Sub-total (A) (1):-	48162432	0	48162432	65.14	48817856	0	48817856	66.03	0.89
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other...	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-		0			0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	48162432	0	48162432	65.14	48817856	0	48817856	66.03	0.89
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	4200	4200	0.01	0	4200	4200	0.01	0

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2019				No. of Shares held at the end of the year 31/03/2020				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Banks / FI	300	15000	15300	0.02	300	15000	15300	0.02	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) Fills	2101882	0	2101882	2.84	2149504	0	2149504	2.91	0.06
h) Foreign Venture Capital Funds	0	0	0	0					0
i) Others (Specify)	0	0	0	0					0
Sub-total (B) (1)	2102182	19200	2121382	2.87	2154004	15000	2169004	2.93	0.06
(2) Non - Institutions									
a) Bodies Corp.									
i) Indian	3939538	48006	3987544	5.39	4130830	48006	4178836	5.65	0.26
ii) Overseas	4364934	0	4364934	5.90	4364934	0	4364934	5.90	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	8732337	1573840	10306177	13.94	9091849	1468720	10560569	14.28	0.34
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	3831135	0	3831135	5.18	2599514	0	2599514	3.52	-1.67
c) Others (Specify)									
c-1) Non Resident Indians (Individuals)	540906	576750	1117656	1.51	555788	575550	1131338	1.53	0.02
c-2) Directors	39876	100	39976	0.05	39876	100	39976	0.05	0
c-3) Trusts	1200	0	1200	0	1200	0	1200	0	0
c-4) Clearing Member	2300	0	2300	0	71509	0	71509	0.10	0.09
Sub-total (B)(2)	21452226	2198696	23650922	31.99	20855500	2092376	22947876	31.04	-0.95
Total Public Shareholding(B)=(B)(1)+(B)(2)	23554408	2217896	25772304	34.86	23005304	2111576	25116880	33.97	-0.89
C. Shares held by Custodian for GDRs & ADRs.	0	0	0	0	0	0	0	0	0
Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
Public -	0	0	0	0	0	0	0	0	0
Sub-total (C)	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	71716840	2217896	73934736	100.00	71823160	2111576	73934736	100.00	0

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2019			Shareholding at the end of the year 31/03/2020			% change in shareholding during the year*
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Mahendra V. Doshi	9161700	12.39	0	9161700	12.39	0	0
2	Mr. Mahendra V. Doshi (on behalf of partnership Firm, M/s L K Panday)	13089354	17.70	0	13089354	17.70	0	0
3	Mr. Pratik M. Doshi	604332	0.82	0	604332	0.82	0	0
4	Miss Ira P. Doshi	600000	0.81	0	600000	0.81	0	0
5	Mrs. Shital A. Sonpal	100350	0.14	0	100350	0.14	0	0
6	Bhavana Holdings Private Limited	8721606	11.80	0	8722030	11.80	0	0
7	Sea Glimpse Investments Private Limited	15285090	20.67	0	15940090	21.56	0	0.89
8	Miss Samaya Pratik Doshi	600000	0.81	0	600000	0.81	0	0
	Total	48162432	65.14	0	48817856	66.03	0	0.89

(iii) Change in Promoters' Shareholding

SI No.		As On Date	No. of Shares held 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	Bhavana Holdings Private Limited					
	At the beginning of the year	01/04/2019	8721606	11.80	8721606	11.80
	Date wise Increase / Decrease in Promoters Shareholding during the year	05/04/2019	415	0.00	8722021	11.80
		12/04/2019	2	0.00	8722023	11.80
		07/06/2019	7	0.00	8722030	11.80
	At the End of the year	31/03/2020	0	0.00	8722030	11.80
2	Sea Glimpse Investments Private Limited					
	At the beginning of the year	01/04/2019	15285090	20.67	15285090	20.67
	Date wise Increase / Decrease in Promoters Shareholding during the year	24/05/2019	655000	0.89	15940090	21.56
	At the End of the year	31/03/2020	0	0.00	15940090	21.56
3	Mahendra V. Doshi (on behalf of partnership Firm, M/s L K Panday)					
	At the beginning of the year	01/04/2019	13089354	17.70	13089354	17.70
	Date wise Increase / Decrease in Promoters Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0.00	13089354	17.70
4	Mahendra V. Doshi					
	At the beginning of the year	01/04/2019	9161700	12.39	9161700	12.39
	Date wise Increase / Decrease in Promoters Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0.00	9161700	12.39
5	Shital A. Sonpal					
	At the beginning of the year	01/04/2019	100350	0.14	100350	0.14
	Date wise Increase / Decrease in Promoters Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0.00	100350	0.14
6	Pratik M Doshi					
	At the beginning of the year	01/04/2019	604332	0.82	604332	0.82
	Date wise Increase / Decrease in Promoters Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0.00	604332	0.82
7	Ira Pratik Doshi					
	At the beginning of the year	01/04/2019	600000	0.81	600000	0.81
	Date wise Increase / Decrease in Promoters Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0.00	600000	0.81
8	Samaya Pratik Doshi					
	At the beginning of the year	01/04/2019	600000	0.81	600000	0.81
	Date wise Increase / Decrease in Promoters Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0.00	600000	0.81

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

SI No.	For Each of the Top 10 Shareholders	As On Date	No. of Shares held at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Agrud Capital Pte Ltd					
	At the beginning of the year	01/04/2019	4364934	5.90	4364934	5.90
	Date wise Increase / Decrease in Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0.00	4364934	5.90

SI No.	For Each of the Top 10 Shareholders	As On Date	No. of Shares held 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
2	India Max Investment Fund Limited					
	At the beginning of the year	01/04/2019	2101882	2.84	2101882	2.84
	Date wise Increase / Decrease in Shareholding during the year	12/04/2019	47622	0.06	2149504	2.91
	At the End of the year	31/03/2020	0	0.00	2149504	2.91
3	Grovsnor Investment Fund Limited					
	At the beginning of the year	01/04/2019	1921237	2.60	1921237	2.60
	Date wise Increase / Decrease in Shareholding during the year	10/05/2019	20457	0.03	1941694	2.63
	At the End of the year	31/03/2020	0	0.00	1941694	2.63
4	Sayanta Basu					
	At the beginning of the year	01/04/2019	917352	1.24	917352	1.24
	Date wise Increase / Decrease in Shareholding during the year	08/11/2019	-917352	1.24	0	0.00
	At the End of the year	31/03/2020	0	0.00	0	0.00
5	Has Lifestyle Limited					
	At the beginning of the year	01/04/2019	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year	08/11/2019	917352	1.24	917352	1.24
	At the End of the year	31/03/2020	0	0.00	917352	1.24
6	Marytime Trimpex Private Limited					
	At the beginning of the year	01/04/2019	784794	1.06	784794	1.06
	Date wise Increase / Decrease in Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0.00	784794	1.06
7	Padmakshi Financial Services Private Limited					
	At the beginning of the year	01/04/2019	657770	0.89	657770	0.89
	Date wise Increase / Decrease in Shareholding during the year	12/04/2019	-655000	0.89	2770	0.00
		24/05/2019	290	0.00	3060	0.00
		12/07/2019	5000	0.01	8060	0.01
	At the End of the year	31/03/2020	0	0.00	8060	0.01
8	Rashmikant Amratlal Shah					
	At the beginning of the year	01/04/2019	366186	0.50	366186	0.50
	Date wise Increase / Decrease in Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0.00	366186	0.50
9	Sarla A Bhojwani					
	At the beginning of the year	01/04/2019	300000	0.41	300000	0.41
	Date wise Increase / Decrease in Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0.00	300000	0.41
10	Skunk Agents Private Limited					
	At the beginning of the year	01/04/2019	132904	0.18	132904	0.18
	Date wise Increase / Decrease in Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0.00	132904	0.18

(v) Shareholding of Directors and Key Managerial Personnel:

SI No.		As On Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Pratik M. Doshi , Managing Director					
	At the beginning of the year	01/04/2019	604332	0.82	604332	0.82
	Date wise Increase / Decrease in Promoters Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0.00	604332	0.82
2	S. S. Gulati , Non-Executive Director					
	At the beginning of the year	01/04/2019	39976	0.05	39976	0.05
	Date wise Increase / Decrease in Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0.00	39976	0.05
3	Ganesh Malhotra , Independent Director					
	At the beginning of the year	01/04/2019	0	0	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0	0	0
4	Sajid Mohamed , Independent Director					
	At the beginning of the year	01/04/2019	0	0	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0	0	0
5	Anjali Suresh , Independent Director					
	At the beginning of the year	01/04/2019	0	0	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0	0	0
6	Girish Majrekar , Chief Financial Officer					
	At the beginning of the year	01/04/2019	600	0.00	600	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0.00	600	0.00
7	Siddharth Mehta , Company Secretary (upto 10/10/2019)					
	At the beginning of the year	01/04/2019	0	0	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0	0	0
8	Akshata Vengurlekar , Company Secretary (w.e.f 22/10/2019)					
	At the beginning of the year	01/04/2019	0	0	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year		NIL	NIL		
	At the End of the year	31/03/2020	0	0	0	0

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	756.97	10.00	-	766.97
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	756.97	10.00	-	766.97

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year				
i) Addition	-	66,601.00	-	66,601.00
ii) Reduction	756.97	66,611.00	-	67,367.97
Net Change	-756.97	-10.00	-	-766.97
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	0	0	0	0

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

S. No.	Particulars of Remuneration	Mr. Pratik M. Doshi (Managing Director)	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Rs. 66,14,220/-	Rs. 66,14,220/-
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify		
	Total (A)	Rs. 66,14,220/-	Rs. 66,14,220/-
	Ceiling as per the Act	Rs. 84,00,000/-	Rs. 84,00,000/-

B. Remuneration to other Directors:

S. No.	Particulars of Remuneration	Name of Director(s)			Total Amount
a.	Independent Directors	Mr. Ganesh Malhotra	Mr. Sajid Mohamed	Mrs. Anjali Suresh	
	· Fee for attending board meetings	Rs. 20,000/-	Rs. 40,000/-	Rs. 40,000/-	Rs. 1,00,000/-
	· Commission	-	-	-	-
	· Others, please specify	-	-	-	-
	Total (1)	Rs. 20,000/-	Rs. 40,000/-	Rs. 40,000/-	Rs. 1,00,000/-
b.	Other Non-Executive Directors	Mr. S. S. Gulati			
	· Fee for attending board meetings	Rs. 40,000/-			Rs. 40,000/-
	· Commission	-			-
	· Others, please specify	-			-
	Total (2)	Rs. 40,000/-			Rs. 40,000/-
	Total (B)=(1+2)				Rs. 1,40,000/-

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

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

S. no.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Siddharth Mehta (Company Secretary upto 10/10/2019)	Ms. Akshata Vengurlekar (Company Secretary w.e.f 22/10/2019)	Mr. Girish Majrekar (Chief Financial Officer)	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Rs. 3,11,922/-	Rs. 2,87,204/-	Rs. 18,00,000/-	Rs. 23,99,126/-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
	Others, please specify	-	-	-	-
	Total	Rs. 3,11,922/-	Rs. 2,87,204/-	Rs. 18,00,000/-	Rs. 23,99,126/-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the year 2019-20, there were no penalties/punishment/compounding of offences under the Companies Act, 2013.

For and on behalf of the Board of Directors

Place: Mumbai
Date : June 04, 2020

Sd/-
Pratik M. Doshi
Chairman & Managing Director

ANNEXURE - V

**Corporate Social Responsibility
(Pursuant to Rule No. 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014)**

A brief outline of the Company's CSR Policy:

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programs.	The CSR Policy of the Company <i>inter-alia</i> includes CSR activities to be undertaken by the Company in line with Schedule VII of the Companies Act, 2013 ("the Act"). CSR Policy of the Company is available on the website of the Company at the link: www.lkpsec.com .
2.	The Composition of the CSR Committee	The CSR Committee as on March 31, 2020 comprises of: <ul style="list-style-type: none"> • Mrs. Anjali Suresh - Chairperson • Mr. Pratik M. Doshi - Member • Mr. S. S. Gulati - Member
3.	Average net profit of the Company for three immediately preceding financial years.	Not Applicable.
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Since the Company does not fulfil the criteria as specified in Section 135(1) of the Companies Act, 2013, no amount is required to be spent during the year ended March 31, 2020.
5.	Details of CSR spent during the financial year 2019-20:	

Responsibility Statement

The responsibility statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is stated below:-

"The implementation and monitoring of the Corporate Social Responsibility Policy, is in compliance with CSR objectives and policy of the Company".

For and on behalf of the Board of Directors

Place: Mumbai
Date : June 04, 2020

Sd/- Sd/-
Pratik M. Doshi **Anjali Suresh**
Chairman & Managing Director Chairperson, CSR Committee

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to adopt the best Corporate Governance practices to manage the affairs of the Company in an ethical, accountable, transparent and fair way, with the blend of both legal and management practices, to implant the same in the decision making process of the Company, and to communicate the same accurately and timely, in such a way that both stakeholders' expectations and legal standards are not only met, but the Company surpasses them.

BOARD OF DIRECTORS

Composition

The composition of the Board of Directors ('the Board') is in compliance with the requirement of the Act and Regulation 17 of SEBI Listing Regulations. As on March 31, 2020, the Board comprises of 5 (Five) Directors including 3 (Three) Independent Directors. The Board consists of a balanced combination of Executive Director, Non-executive Director, Independent Directors and Woman Director. None of the Director of the Company have attained the age of 75 (Seventy Five) years. All the Independent Directors of the Company serving in other companies is within the limit as specified in the Act and SEBI Listing Regulations. The Company has received a declaration from Independent Directors that they meet the criteria of independence as per Regulation 16 of SEBI Listing Regulations and the same has been taken on record by the Company.

The Directors do not have any relationship *inter-se* with each other. The Company has obtained Certificate from Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI, Ministry of Corporate Affairs or any such statutory authority.

None of the Directors on the Board is a Member of more than 10 (Ten) Committees and/or Chairperson of more than 5 (Five) Committees (as specified in Regulation 26 of SEBI Listing Regulations), across all the public companies in which he/she is a Director. Further, the maximum tenures of Independent Directors are in line with provisions of Section 149 (10) and (11) of the Act and Rules made thereunder.

During the year under review, total 4 (Four) Meetings of Board of Directors were held on May 02, 2019, August 08, 2019, October 22, 2019 and January 30, 2020. The gap between two Meetings did not exceed 120 (One Hundred and Twenty) days as prescribed in the SEBI Listing Regulations. The Twenty-Fifth AGM of the Members of the Company was held on Friday, July 05, 2019.

The information on composition of the Board, category and their Directorships/Committee Membership across all the Companies in which they were Directors, as on March 31, 2020 along with their attendance of Directors at the above Board Meetings and at last AGM is as under:

S. No.	Name of the Director	Category	Board Meeting Attended		Attendance at Last AGM (July 05, 2019)	No. of Directorship in Boards (Including LKP Securities Limited)		No. of Chairmanship / Membership in other Board Committees (Including LKP Securities Limited)	
			Held	Attended		Public	Private	Membership	Chairmanship*
1.	Mr. Pratik M. Doshi	Executive Chairman & Managing Director	4	4	Yes	2	9	3	0
2.	Mr. S. S. Gulati	Non-Executive Director	4	4	Yes	1	3	1	1
3.	Mr. Ganesh Malhotra	Independent Director	4	2	No	1	0	2	1
4.	Mr. Sajid Mohamed	Independent Director	4	4	No	2	1	1	0
5.	Mrs. Anjali Suresh	Independent Director	4	4	No	2	1	4	1

Notes:

* In accordance with Regulation 26 of SEBI Listing Regulations, Memberships/Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies have been considered.

Details of Directorships held in other listed entities by the Directors of the Company as on March 31, 2020 and the Category of their Directorship are set out in the table below:

S. No.	Name of the Director	Name of the other listed entity	Category
1.	Mr. Pratik M. Doshi	LKP Finance Limited	Non- Executive Director
2.	Mr. S. S. Gulati	Nil	-
3.	Mr. Ganesh Malhotra	Nil	-
4.	Mr. Sajid Mohamed	LKP Finance Limited	Independent Director
5.	Mrs. Anjali Suresh	LKP Finance Limited	Independent Director

Code of Conduct

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by the Board, designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Board, designated persons and their immediate relatives in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. All the Board Members and the Senior Management personnel have confirmed compliance with the Code. This Code is available on the Company's website at www.lkpsec.com.

Pursuant to Regulation 26(5) of the SEBI Listing Regulations, the Senior Management has made periodical disclosures to the Board relating to all material financial and commercial transactions, where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company. The same was Nil.

Directors' Shareholding

The details of equity shares held by the Directors in the Company as on March 31, 2020 are as follows:

Name of Director	Number of Equity Shares held#
Mr. Pratik M. Doshi	6,04,332
Mr. S. S. Gulati	39,976
Mr. Ganesh Malhotra	Nil
Mr. Sajid Mohamed	Nil
Mrs. Anjali Suresh	Nil

Notes:

The Company has not issued any convertible instrument during the year under review.

Independent Directors

A meeting of the Independent Directors of the Company was held on January 30, 2020 without the presence of Non-Independent Directors and the members of the Management, and all the Independent Directors were present at the meeting except Mr. Ganesh Malhotra. The Independent Directors reviewed the performance of the Non-Independent Directors, the Board of Directors as a whole, the Chairman of the Company, taking into account the views of Non-Executive Directors and the flow of information between the management and the Board of Directors.

Evaluation of Independent Directors was done by the entire Board which included performance of the Directors and fulfilment of the criteria of independence as specified in SEBI Listing Regulations and their independence from the Management. The Board of Directors has confirmed that, in their opinion, the Independent Directors fulfil the conditions specified in the SEBI Listing Regulations and are independent of the management.

The details of the familiarization program of the Independent Directors is available on the website of the Company at www.lkpsec.com.

Pursuant to Regulation 16(1)(b) of the SEBI Listing Regulations the Independent Directors have submitted declarations that they meet the criteria of independence and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. As required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have completed the registration with the Independent Directors Databank.

Skills, Expertise and Competencies

The Board has a right blend of dynamism with each of the Directors having several years of vast experience and knowledge in various diversified functions, viz., investment banking and institutional and retail stock broking, corporate banking and treasury, planning, project finance, business strategies, banking and finance, competition law, corporate affairs, industry, economic regulation and corporate law etc.

The Board is suitably equipped to understand the ever changing business dynamics of the stock broking industry in which the Company operates and ensures that appropriate strategies are articulated benefitting the Company in the long run. The Independent Directors provide their treasured inputs and guidance at the Meetings of the Board which have been of immense help to the Company in pursuing strategic goals.

The skills, expertise and competence of the Directors are given below:

Skills/Expertise/Competence [§]	Mr. Pratik M. Doshi	Mr. S. S. Gulati	Mr. Ganesh Malhotra	Mr. Sajid Mohamed	Mrs. Anjali Suresh
Knowledge of the Sector	✓	✓	✓	✓	✓
Accounting and Finance	✓	✓	✓	✓	✓
Investment & Corporate banking and Treasury	✓	✓	✓	-	✓
Strategy development and implementation	✓	✓	✓	✓	-
Corporate Governance, Compliances and Economic regulation	✓	✓	✓	✓	✓

Notes: -

§ These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters.

AUDIT COMMITTEE

The Audit Committee comprises of 4 (Four) Directors out of which 3 (Three) are Independent Directors. All members of the Audit Committee are financially literate and possess accounting and related financial management expertise. The Company Secretary acts as the Secretary to the Committee.

The meetings of the Audit Committee are also attended by the Chief Financial Officer, Internal Auditors and the Statutory Auditors as invitees. The Chairperson of the Committee was unable to attend the Twenty-Fifth AGM of the Company held on July 05, 2019.

During the year under review, total 4 (Four) Meetings of the Audit Committee were held on May 02, 2019, August 08, 2019, October 22, 2019 and January 30, 2020 and not more than one hundred twenty days elapsed between two meetings.

The composition of the Audit Committee and the attendance of the Members at the above meetings are as under:

Name of Directors / Members	Category	Designation	No. of Meetings held during the tenure of respective Members	
			Held	Attended
Mr. Ganesh Malhotra	Independent Director	Chairperson	4	2
Mr. Sajid Mohamed	Independent Director	Member	4	4
Mr. Pratik M. Doshi	Managing Director	Member	4	4
Mrs. Anjali Suresh	Independent Director	Member	1	1

The Committee's composition meets with the requirements of Section 177 of the Act and Regulation 18 of SEBI Listing Regulations.

The terms of reference of the Committee inter-alia includes:

- Overseeing 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;
- Recommendation for appointment, remuneration and terms of appointment of auditors;
- Reviewing, with the management, the financial statements and auditors' report thereon before submission to the Board for approval.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Evaluation of internal financial controls and risk management systems, adequacy of the internal control systems;
- 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;
- 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;

- To review the functioning of the whistle blower mechanism;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of 4 (Four) Non-Executive Directors, out of which 3 (Three) are Independent Directors.

During the year under review, total 2 (Two) Meetings of the Nomination and Remuneration Committee were held on October 22, 2019 and January 30, 2020.

The Composition of Nomination and Remuneration Committee and the attendance details of the Members at the above Committee meetings is as under:

Name of Directors / Members	Category	Designation	No. of Meetings held during the tenure of respective Members	
			Held	Attended
Mr. Ganesh Malhotra	Independent Director	Chairperson	2	1
Mr. Sajid Mohamed	Independent Director	Member	2	2
Mr. S. S. Gulati	Non-Executive Director	Member	2	2
Mrs. Anjali Suresh	Independent Director	Member	1	1

The terms of reference of the Committee inter-alia includes:

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- Formulating the criteria for evaluation of performance of Independent Directors and the Board;
- Identifying persons 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;
- Recommending to the Board, all remuneration, in whatever form, payable to senior management;
- Acting as Administrator of the Company's Employee Stock Option Plans drawn up from time to time; and
- Such other functions as may be entrusted to it by the Board of Directors, from time to time.

REMUNERATION

During the year under review Mr. Pratik M. Doshi, Managing Director of the Company has been paid Rs. 66.14 lacs towards remuneration, details of which are provided in the extract of the annual return which forms a part to the Directors' Report.

The Independent Directors and Non-Executive Directors of the Company are paid sitting fees for attending the meetings of the Board and Committees thereof. The details of sitting fees paid to the Independent Directors and Non-Executive Directors during financial year 2019-20 are as under:

Name of Director	Sitting Fees Paid
Mr. Ganesh Malhotra	Rs. 20,000/-
Mr. Sajid Mohamed	Rs. 40,000/-
Mrs. Anjali Suresh	Rs. 40,000/-
Mr. S.S. Gulati	Rs. 40,000/-

No stock options were granted to any of the Independent Directors and Promoter Directors during the year 2019-20.

During the financial year 2019-20, the Company did not advance any loans to any of the Non-Executive Directors and/or Managing Director.

Pecuniary relationship/transaction with Non-Executive Directors

During the year under review, there were no pecuniary relationship/transactions with any of the Non-Executive Directors of the Company. The register of contracts is maintained by the Company pursuant to Section 189 of the Act. The register is signed by all the directors present at the respective Board meetings.

Criteria of making payments to Non-Executive Directors

Non-Executive Directors are only paid sitting fees for attending Meeting of the Board. The criteria of making payments to Non-Executive Directors is placed at www.lkpsec.com.

Policy for selection and Appointment of Directors and their Remuneration

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

In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively. The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Act.

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

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

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

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

Managing Director / Director – Criteria for selection / appointment: For the purpose of selection of the Managing Director / Director the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Act and other applicable laws.

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

The remuneration shall be subject to the approval of the Members of the Company in General Meeting. The remuneration of the Managing Director / Director comprises of fixed and variable component as per the provisions of the Act. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits.

Remuneration Policy for the Senior Management Employees: In determining the remuneration of the Senior Management Employees the Committee shall ensure the relationship of remuneration and performance benchmark is clear. The Chairman & Managing Director will carry out the individual performance review based on the respective defined objectives, qualification, expertise, experience and other factors whilst recommending the annual increment and performance incentive to the Committee for its review and approval

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Committee comprised of Mr. S. S. Gulati, Non-Executive Director as a Chairperson of the Committee, Mr. Pratik Doshi, Managing Director, Mr. Ganesh Malhotra and Mrs. Anjali Suresh, Independent Directors, as other Members of the Committee. The Company Secretary of the Company acts as the Compliance Officer.

During the year under review, total 4 (Four) Meetings of the Stakeholders' Relationship Committee were held on April 05, 2019, July 05, 2019, October 22, 2019 and January 30, 2020.

The attendance of the Members at the above meetings is as under:

Name of Directors / Members	Category	Designation	No. of Meetings held during the tenure of respective Members	
			Held	Attended
Mr. S. S. Gulati	Non-Executive Director	Chairperson	4	4
Mr. Pratik M. Doshi	Managing Director	Member	4	4
Mr. Ganesh Malhotra	Independent Director	Member	2	1
Mrs. Anjali Suresh	Independent Director	Member	1	1

The terms of reference of the Committee inter-alia includes:

- Resolving the grievances of the security holders and to review the redressal of Investors' complaints.
- To act on behalf of the Board, in the matters connected with transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- To oversee performance of the Registrar and Transfer Agents of the Company and recommend measures for overall improvement in the quality of investor services.

With a view to expedite the process of share transfers, necessary authority has been delegated to the Share Transfer Committee.

Share Transfer Committee

The Share Transfer Committee comprises of Mr. Pratik M. Doshi as the Chairperson and Mr. S. S. Gulati as the Member of the Committee. The Share Transfer Committee meets as and when required to consider the transfer proposals and attend to Investors' grievances, transmission of shares, split, consolidation, issue of duplicate share certificate, dematerialisation and rematerialisation of shares.

Investors' Grievance Redressal

Details of investor complaints received and resolved during the year under review are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	1	1	0

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

In terms of the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015, as amended from time to time, the Company had adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. Pursuant to the requirements prescribed under Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, as amended, the revised Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (the "**Code of Fair Disclosures**") was adopted by the Company which comes into effect from April 01, 2019. The Code of Fair Disclosure is posted on Company's website at the weblink www.lkpsec.com.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee was constituted in line with the provisions of Section 135 of the Act. Presently, the Committee comprises of Mrs. Anjali Suresh, Independent Director as the Chairperson of the Committee, Mr. Pratik M. Doshi, Managing Director and Mr. S. S. Gulati, Non-Executive Director as Members of the Committee. During the year under review, 1 (One) Meeting of Corporate Social Responsibility Committee was held on January 30, 2020.

The attendance of the Members at the above meeting is as under:

Name of Directors / Members	Designation	No. of meetings held during the tenure of respective Members	
		Held	Attended
Mrs. Anjali Suresh	Chairperson	1	1
Mr. Pratik M. Doshi	Member	1	1
Mr. S. S. Gulati	Member	1	1

The Committee functions in accordance with the terms of reference as specified under the Act, and as may be specified by the Board from time to time, which *inter-alia* includes:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- monitor the Corporate Social Responsibility Policy of the Company from time to time.

The disclosures as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 is made in prescribed form which is appended to the Directors Report.

RISK MANAGEMENT COMMITTEE

During the year under review the provision relating to the Risk Management Committee under Regulation 21 of SEBI Listing Regulations was not applicable to our Company.

COMMITTEE OF DIRECTORS

The Committee of Directors (earlier known as Banking Operation Committee) comprises of Mr. Pratik M. Doshi, Managing Director as the Chairperson and Mr. S. S. Gulati, Non-Executive Director as the Member of the Committee. The main function of Committee is to handle day-to-day operations and activities of the Company and to ensure smooth functioning and for regular operations. The Committee is further authorised to delegate some of its powers to employees/executives of the Company as authorised therein.

GENERAL BODY MEETINGS
Annual General Meeting

The details of the last three Annual General Meetings (AGM) held are as follows:

Year	Day, Date & Time of AGM	Venue	Special Resolutions Passed
2018-19	Friday, July 05, 2019 at 10:45 AM	M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai 400 001.	<ul style="list-style-type: none"> • Appointment of Independent Woman Director • Approval of Employee Stock Option Plan 2019 of the Company • Approval of grant of options under Employee Stock Option Plan 2019 to eligible employees of the Subsidiary Company (ies)
2017-18	Friday, August 24, 2018 at 11:00 AM		<ul style="list-style-type: none"> • Pursuant to Section 186(3) of the Companies Act, 2013, ceiling of Loans and Investments (including Corporate Guarantees) is fixed at Rs.30,00,00,000/-
2016-17	Wednesday, May 24, 2017 at 11.30 a.m.		<ul style="list-style-type: none"> • For Revision of Managing Director's Remuneration and various allowances. • Approval and implementing ESOP 2017 in one or more tranches

Extraordinary General Meeting

No extraordinary general meeting of the members was held during financial year ended March 31, 2020.

Postal Ballot

During the financial year 2019-20, no resolutions were required to be or passed through postal ballot. Further, no resolutions are proposed to be conducted through postal ballot at the ensuing AGM.

MEANS OF COMMUNICATION

The Company regularly submits quarterly / half yearly / annual Financial Results to the Stock Exchange, as soon as these are taken on record/approved by the Board. The Financial Results are published in leading English and Marathi dailies, viz. "Financial Express" (English Newspaper) and "Mumbai Lakshwadeep dailies" (Marathi Newspaper). The Company's Annual Report, Financial Results, Shareholding Pattern and official news releases are displayed on the Company's website www.lkpsec.com and also posted by BSE at www.bseindia.com.

The Company sends Annual Report, intimation to Shareholders for various matters, Notices related to General Meetings and Postal Ballot by e-mail to those Shareholders whose e-mail ids are registered with the Company / Depository Participants and in hard copies to those Shareholders whose e-mail ids are not registered.

All filing, disclosures and communications to Stock Exchange are made electronically through their specific web portals in order to disseminate such information and make such information generally available.

GENERAL SHAREHOLDER INFORMATION

Date, Time and Venue of the Twenty-Sixth Annual General Meeting	Monday, August 31, 2020 at 12:30 PM. AGM will be held through Video Conferencing/Other Audio Visual Means (Deemed venue for the AGM will be the Registered Office)
Financial Year	April 1, 2019 to March 31, 2020.
Record Date	Monday, August 24, 2020
Book Closure	Tuesday, August 25, 2020 to Monday, August 31, 2020 (both days inclusive)
Dividend	Nil
CIN	L67120MH1994PLC080039
Registered Office	203 Embassy Centre, Nariman Point, Mumbai 400 021
Email	ho_compliance@lkpsec.com
Website	www.lkpsec.com
Listing on Stock Exchanges	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
Stock Code :	540192 / LKPSEC
ISIN	INE341H01023

The Annual Listing fees have been paid to BSE for the financial year 2019-2020 & 2020-2021.

Debt Securities

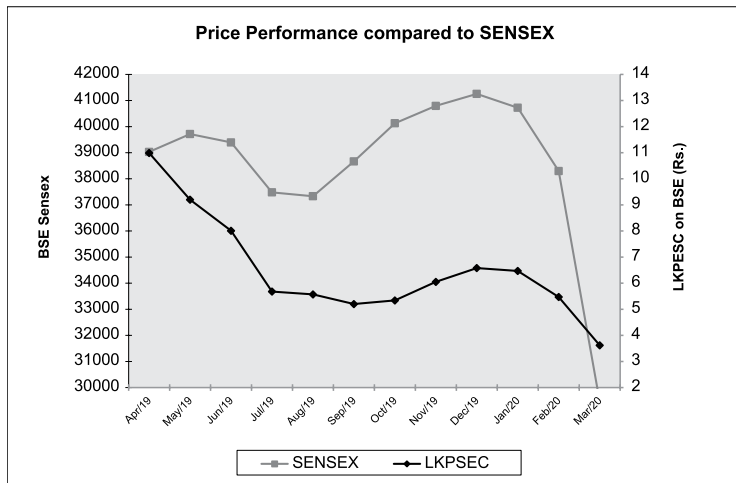
The Company has not issued / allotted any debentures during the year under review.

Market Price Data and Performance in comparison to BSE Sensex

	LKP Securities Ltd				BSE Sensex	
	LKP High Price	LKP Low Price	Volume	No of trades	Sensex High	Sensex Low
Apr-19	12.3	8.7	923917	766	39487.45	38460.25
May-19	11	8.76	103367	297	40124.96	36956.1
Jun-19	9.75	7.24	46290	194	40312.07	38870.96
Jul-19	8.01	5.46	135572	513	40032.41	37128.26
Aug-19	7.19	5.2	121764	376	37807.55	36102.35
Sep-19	6.12	4.29	343174	871	39441.12	35987.8
Oct-19	5.49	3.87	244430	785	40392.22	37415.83
Nov-19	8.45	4.75	1127292	795	41163.79	40014.23
Dec-19	6.74	5.13	146346	559	41809.96	40135.37
Jan-20	7.04	5.83	226695	779	42273.87	40476.55
Feb-20	9	5.3	262792	1131	41709.3	38219.97
Mar-20	6.01	3.35	233298	534	39083.17	25638.9

[Source: This information is compiled from the data available from the websites of BSE]

Performance of Share Price of the Company in comparison to the BSE Sensex



The performance comparison is based on the closing price / Sensex on the last trading day of the month.

Share Transfer System

Trading in Equity Shares of the Company through recognised Stock Exchanges is permitted only in dematerialised form. Shares sent for transfer in physical form are registered and returned within a period of 15 (Fifteen) days or such other extended period as permitted by regulatory authorities from the date of receipt of the documents, provided the documents are valid and complete in all respects. With a view to expedite the process of share transfers, necessary authority has been delegated to the Share Transfer Committee to approve the transfers of equity shares of the Company.

De-materialisation of shares

As on March 31, 2020, 97.14% of the Equity Shares of the Company have been dematerialised. The Company has entered into agreements with both National Securities Depository Limited and Central Depository Services (India) Limited whereby shareholders have an option to dematerialise their shares with either of the Depositories. Entire shareholding of Promoters and Promoter Group is in dematerialised form. Status of Dematerialisation of Equity Shares as on March 31, 2020 is as under:

Particulars	No. of Shares	% of total Paid-up Capital*
National Securities Depository Limited	1,11,73,857	15.11
Central Depository Services (India) Limited	6,06,49,303	82.03
Total Dematerialised	7,18,23,160	97.14
Physical	21,11,576	2.86
Total	7,39,34,736	100.00

Distribution of Shareholding of Equity Shares as on March 31, 2020

No. of Shares	No. of Shareholders	%	No. of Shares	Amount in Rs.	%
UPTO - 100	810	12.39	33598	67196	0.05
101 - 500	972	14.86	294252	588504	0.40
501 - 1000	2642	40.40	1702494	3404988	2.30
1001 - 2000	979	14.97	1399862	2799724	1.89
2001 - 3000	346	5.29	923094	1846188	1.25
3001 - 4000	146	2.23	518759	1037518	0.70
4001 - 5000	133	2.03	625142	1250284	0.85
5001 - 10000	265	4.05	1890586	3781172	2.56
10001 - 20000	117	1.79	1624274	3248548	2.20
20001 - 50000	80	1.22	2562683	5125366	3.47
50001 & Above	50	0.76	62359992	124719984	84.34
Total	6540	100.00	73934736	147869472	100.00

Shareholding Pattern as on March 31, 2020

Category	No. of Equity shares	% of holding
Promoters and Promoter Group	4,88,17,856	66.03
Foreign Portfolio Investor	21,49,504	2.91
Mutual Funds	4,200	0.01
Individuals - holding up to Rs.2 Lakhs	1,23,34,609	16.68
Individuals - holding in excess of Rs.2 Lakhs	8,25,474	1.12
Banks, Financial Institutions	15,300	0.02
Clearing Members	71,509	0.10
Non Resident Indians	11,31,338	1.53
Corporate Bodies	41,78,836	5.65
Directors & their Relatives	39,976	0.05
Trust	1,200	0.00
Foreign Corporate Bodies	43,64,934	5.90
Total	7,39,34,736	100.00

Outstanding GDR /ADR /Warrants or any convertible instruments, conversion date and impact on equity.

As on March 31, 2020 the Company has not issued any GDR / ADR / Warrants or any convertible instruments.

Credit Rating

During the year under review, no credit ratings were obtained by the Company from any credit rating agencies.

Address for Investor Correspondence
Registrar and Share Transfer Agents

M/s. Adroit Corporate Services Private Limited
 19, Jafarbhoy Industrial Estate, 1st Floor,
 Makawana Road, Marol Naka,
 Andheri (East), Mumbai 400 059.
 Tel. No.022- 28590942
 E-mail: info@adroitcorporate.com
 Website: www.adroitcorporate.com

Company Secretary

Ms. Akshata Vengurlekar,
 LKP Securities Limited
 203 Embassy Centre, Nariman Point, Mumbai 400 021
 Tel No.: +91 22 4002 4712 / 85 / 86
 Fax No.: +91 2287 4787
 E-mail: ho_compliance@lkpsec.com;
 Website: www.lkpsec.com

DISCLOSURES**Related Party Transactions**

Related party transactions were reviewed / approved by the Audit Committee and were entered into in the ordinary course of business and at arm's length basis. There were no materially significant transactions entered into with the related parties that may have potential conflict with the interests of the Company at large. The details of related party transactions are given in Notes forming part of the financial statements for the year ended March 31, 2020. Policy on dealing with related party transactions is available on the website of the Company at the link www.lkpsec.com.

Disclosure of Accounting Treatment

During the year under review, the Company followed the applicable Accounting Standards as specified under Section 133 of the Act, in the preparation of its Financial Statements.

Management

A Management Discussion and Analysis ("MDA") forms part of this Annual Report.

All Members of the Senior Management have confirmed to the Board that there are no material, financial and/or commercial transactions between them and the Company, which could have any potential conflict of interest with the Company at large.

CEO/CFO Certification

As required under Regulation 17(8) of the SEBI Listing Regulations, the Managing Director and the Chief Financial Officer of the Company have certified to the Board regarding the financial statements for the year ended March 31, 2020.

Subsidiary Companies

The Company does not have any material subsidiary company as on March 31, 2020. The detail of subsidiary company of the Company has been disclosed in the Directors Report forming part of this Annual Report. However, the Company has a policy for determining material subsidiaries of the Company, which is available on the website of the Company at the link www.lkpsec.com.

Details of non-compliance

The Company has complied with the requirements of regulatory authorities. During the financial year under review, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchange(s) or Securities and Exchange Board of India or any statutory authority, on any matter related to the capital markets except the adjudication order no. Order/ GR/ KG/ 2019-20/6773 dated February 12, 2020 passed against the Company in respect of violation under SEBI Act, 1992, SEBI (Stock Brokers and Sub Brokers) Regulations, 1992 and Securities Contracts (Regulation) Act, 1956 for which a penalty of Rs. Five lakh has been paid by the Company on February 18, 2020.

Certificate from Practicing Company Secretary

A certificate has been received from V. R. Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

Non acceptance of recommendations of Committees of the Board

During the year under review, there were no instances where the Board did not accept any recommendations of any Committee of the Board which was mandatorily required.

Establishment of Whistle Blower Policy/Vigil Mechanism

The Company has established a whistle blower policy/vigil mechanism. This policy aims to provide an avenue for Stakeholders to raise genuine concerns of any violations of legal or regulatory requirements, actual or suspected fraud or violation of the Company's code of conduct and ethical business practices. This Policy *inter-alia* provides a direct access to a Whistle Blower to the Chairperson of the Audit Committee. The establishment of Vigil Mechanism is available on the website of the Company at the link www.lkpsec.com.

Fees to Statutory Auditors

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity are as follows:

		(Rs. in lakh)
S. No.	Particulars	Amount
1.	MGB & CO. LLP - Statutory Audit Fees	10.00
2.	Ford Rhodes Parks & Co. LLP - Statutory Audit Fees (Subsidiary)	0.50
3.	Ford Rhodes Parks & Co. LLP - Certification & Consultation Fees (Company & Subsidiary)	2.10
Total		12.60

Disclosure in relation to Sexual Harassment of Woman at workplace (Prevention, Prohibition and Redressal) Act, 2013

During the year under review, no case was reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Compliance with Mandatory requirements

Your Company has complied with all the mandatory requirements of SEBI Listing Regulations relating to Corporate Governance.

Discretionary requirements (Part E of Schedule II of SEBI Listing Regulations)

The Board: The Company has an Executive Chairman and hence the requirement pertaining to reimbursement of expenses to a Non-Executive Chairman does not arise.

Shareholders' Rights: Quarterly and half yearly financial results of the Company are furnished to the Stock Exchanges and are also published in the newspapers and uploaded on website of the Company. Significant events are also posted on the Company's website under the Investors section. Hence, no half yearly results and significant events were sent to each of household of Shareholders.

Modified opinion(s) in audit report: During the year under review, the Company has unmodified audit opinion on the Company's financial statements. The Company continues to adopt best practices and has ensured a track record of financial statements with unmodified audit opinion on financial statements.

Separate posts of Chairperson and CEO: The positions of Chairman & Managing Director are not separately held.

Reporting of Internal Auditor: Internal Auditors are invited to the meetings of Audit Committee to make presentation to the Committee on their observations and suggestions during the course of their Internal Audit.

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
LKP Securities Limited

We have examined* the compliance of conditions of Corporate Governance by LKP Securities Limited ("the Company") for the financial year ended on March 31, 2020 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the provisions relating to 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 aspects with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations as applicable, subject to the below:

Requisite number of Independent Directors were not present at the meeting of the Audit Committee held on 2nd May, 2019 as required under Regulation 18(2)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

**Due to ongoing pandemic of Covid-19 and state of lockdown, all the papers, forms, returns filed and other records maintained by the Company, wherever possible, have been checked digitally.*

For V.R. Associates
Company Secretaries

Place: Mumbai
Date: June 04, 2020
UDIN: A007731B000315214

Sd/-
V. Ramachandran
AGS: 7731:CP 4731

DECLARATION ON COMPLIANCE OF CODE OF CONDUCT

To,
The Members of
LKP Securities Limited

I hereby declare that the Directors and Senior Managerial Personnel of the Company have affirmed in writing, their compliances with the Company's Code of Conduct, during the year ended March 31, 2020.

For and on behalf of the Board of Directors

Place: Mumbai
Date : June 04, 2020

Sd/-
Pratik M. Doshi
Chairman & Managing Director

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

LKP Securities Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of LKP Securities Limited having CIN L67120MH1994PLC080039 and having Registered Office at 203, Embassy Centre, Nariman Point, Mumbai 400 021 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of the Director	DIN	Date of appointment in the Company
1.	Mr. Pratik Mahendra Doshi	00131122	October 26, 2010
2.	Mr. Satvinderpal Singh Gulati	02404230	July 08, 2016
3.	Ms. Anjali Suresh	02545317	December 18, 2018
4.	Mr. Sajid Mohamed	06878433	September 27, 2017
5.	Mr. Ganesh Arun Malhotra	07581670	August 03, 2016

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

*Due to ongoing pandemic of Covid-19 and state of lockdown, all the papers, forms, returns filed and other records maintained by the Company, wherever possible, have been checked digitally.

For V.R. Associates
Company Secretaries

Place: Mumbai
Date: June 04, 2020
UDIN: A007731B000315203

Sd/-
V. Ramachandran
ACS: 7731:CP 4731

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

During the financial year the Indian economy was precisely divided into two fragments, the first of which saw the government return to power with a superior command, thereby fuelling hopes of faster and bolder economic reforms. However, the continued slowdown in key economic segments certified that the overall growth of the economy would not be upto the mark.

In the second half the Indian equity market that is the BSE SENSEX upsurge to all-time high in January 2020. However, the COVID-19 crisis led to unprecedented volatility in the market resulting in the Sensex ending down to approximately 24% for the year. NIFTY crashed 23% in just a month. The broader market therefore ended much worse with the NIFTY MIDCAP Index falling over 35% and the NIFTY SMALLCAP Index crashing over 45% for the year.

Amongst all the two fragments seen during the year, the Average Daily Trades Volumes (ADTO) in Equities rose 45% while the ADTO in the Cash Segment grew 11%.

Technology based brokerages are structurally changing business landscapes for broking industry and are making it difficult for a pure broker to survive in an already cut-throat competitive industry. Several new discount brokerages are also now coming up with an intention of just building customer base which is a very dangerous sign for broking industry. Your Company over the last four years has focused on increasing its share of cash market volumes on the NSE and has been successful in increasing its share in this segment by almost 45% during the last four years in a market characterised with high competitive intensity led by the proliferation of discount brokerages.

OPPORTUNITIES AND THREATS

With the increase in size and importance of India's financial sector relative to its overall economy, the equity broking industry is set for increased volumes over the next few years. Further, since equities are expected to do well over the longer term, we will likely see increased investor participation.

Acquainted of the situations the Company is making conscious efforts to increase investor participation and has plans to increase its overall market share by targeting profitable segments. The Company is also focusing on efficient use of technology to become a cost efficient performer in the market. The Company will continue to focus on technology, drive client acquisition, increase its business partner network, provide efficient trading tools and value added research advice to its clients. The overall strategic focus is to create product and service differentiators across all segments.

SEGMENT WISE / PRODUCT WISE PERFORMANCE

The Company offers research based equity advisory and trading services to individuals, corporates and retail clients. With presence in more than 150 cities in India through network of branches and franchisees, it has helped the Company achieve a de-risked business model and a wide spread presence.

OUTLOOK

For the financial year 2020-21 speculation are that the Indian economy would be again divided into two fragments, the first to be continuation of lockdown and struggle to re-set and the second to be recovery and returning to normality.

The volatility in the markets is expected to encourage trading turnover, the recent corrections in valuations on account of the COVID-19 crises, coupled with the cautious investor behavior, would have a bearing on industry revenues in the financial year 2020-21. On account of the COVID-19 impact, brokerage companies are expected to report a marginal reduction in the revenue and profitability across businesses.

Our focus on Technology and Research has ensured that we implement a well thought Business Continuity Plan with minimum onsite presence and despite coming under Essential Services we ensured smooth operations during Lockdown. Our strategy of broad basing our product suite on the Equity Side with a slew of offerings across customer types with enhanced focus on Third Party Distribution becomes more relevant now than ever before. Focus on cost efficiencies together with a customer centric approach shall be the two pillars on which the Company will approach the competitive landscape this year. The WDM segment of the Company has made its presence felt as an arranger for many primary issuances of Bonds and NCDs by Corporates and PSUs and continues to remain among the top in the list of such arrangers rated by Prime League.

The outlook over a longer period would be contingent on the extent of the outbreak, resultant impact on the economy, the expectations of turn-around coupled with policy measures as undertaken by the government from time to time and investor reactions.

RISKS AND CONCERNS

The very nature of the Company's business makes it subject to various kinds of risks. The Company encounters market risk, credit risk and operational risks in its daily business operations. Further the stock broking industry has witnessing intense competition, falling brokerage rates and the entry of several big players. The Capital market industry in which your Company is

operating is subject to extensive regulation. The Company evaluates the technological obsolescence and the associated risk and makes investment accordingly.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

FINANCIAL PERFORMANCE AND OPERATIONAL REVIEW

Share Capital

The paid up equity share capital of the Company as on March 31, 2020 stands at Rs. 14,78,69,472/- divided into 7,39,34,736 fully paid up equity shares of Rs. 2/- each.

Net Worth

The Net Worth of the Company stands at Rs. 3955.88 lakh.

Secured Loans

The Company has secured borrowings of Rs. 1,510.25 lakh in the current year.

Total Income

During the year total income was reported at Rs. 7,358.81 lakh.

Finance Cost

The finance cost of the Company stands at Rs. 465.68 lakh.

Tax Expense

The Company has incurred a tax expense of Rs. 62.86 lakh in the current year.

HUMAN RESOURCES

During the year under review there has been no material development on the Human Resource/Industrial Relations front during the year. The Company places significant importance to its human capital. As on March 31, 2020 there are 455 employees employed by the Company. The Company's focus is on recruitment of good talent and retention of the talent pool. The Company has been paying special attention to improve the skill set of the employees through various training programs. All employees are encouraged and motivated to get themselves certified in relevant industry standard certifications such as CFP, NCFM, NISM, BSEC & AMFI.

KEY FINANCIAL RATIOS

The key financial ratios and details of significant changes in these ratios, to the extent applicable, as required by SEBI Listing Regulations are given below:

Key Financial Ratios	Financial Year 2019-20	Financial Year 2018-19
(i) Debtors Turnover	1.73	1.43
(ii) Interest Coverage Ratio	1.63	1.12
(iii) Current Ratio	1.30 : 1	1.57 : 1
(iv) Debt Equity Ratio	0.38 : 1	0.66 : 1
(v) Operating Profit Margin (%)	6.99%	7.59%
(vi) Net Profit Margin (%)	2.13%	1.99%

Cautionary statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Investors are advised to exercise due care and caution while interpreting these statements.

Independent Auditor's Report

To
The Members of
LKP Securities Limited
Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the accompanying standalone financial statements of **LKP Securities Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the standalone financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended 31 March 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matter	Auditor's Response
1.	<p>Accuracy and completeness of revenue recognized and related IT systems</p> <p>The application of revenue recognition accounting standards involves revenue arrangements and relevant contracts.</p> <p>Due to the different revenue arrangements and the degree of complexity of IT systems and processes used, we have considered this matter as a key audit matter.</p> <p>The Company's accounting policies relating to revenue recognition are presented in note 2 to the standalone financial statements.</p>	<p>Principal Audit Procedures</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> - Understanding the significant revenue processes including performance of an end to end walkthrough of the revenue assurance process and identifying the relevant controls (including IT systems, interfaces and reports). - Reviewing sample contracts for accounting treatments opted and testing the related revenues recognized during the year and to have reasonable assurance of adequate IT controls. - Performing data analysis and analytical reviews of significant revenue streams; - Reviewing key reconciliations performed by the Revenue Assurance team; - Performing specific procedures to test the accuracy and completeness of adjustments relating revenue; and - Performing procedures to ensure that the revenue recognition criteria adopted by the Company for all major revenue streams is appropriate and in line with the accounting policies. <p>Conclusion</p> <p>Our procedures did not identify any material exceptions.</p>

4. Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report along with annexures, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

5. Management responsibility for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

7. 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 Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the 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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 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".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/payable by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- h) 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 standalone financial statements.
 - ii. The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses, if any, in respect of long term contracts including derivative contracts; and
 - iii. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For MGB & Co LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner

Membership Number 048215

UDIN: 20048215AAAABX1519

Mumbai, 4 June 2020

Annexure - A to the Independent Auditor's Report

Annexure referred to in paragraph 7 (1) under "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of the Company on the standalone financial statements for the year ended 31 March 2020

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) All the fixed assets have been physically verified by the management during the year, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. As informed to us, no discrepancies were noticed on such verification.
(c) According to the information and explanations given to us, there are no immovable properties held in the name of the Company.
- ii. The Company's business does not involve inventories and, accordingly, the requirements under clause 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and section 186 of the Act with respect to loans given and investments made. The Company has not given guarantees or provided security during the year.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder.
- vi. The Central Government of India has not prescribed the maintenance of cost records under Section 148 (1) of the Act for any of the services rendered by the Company.
- vii. According to the records of the Company, examined by us and information and explanations given to us:
 - a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities except delay in few cases. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2020 for a period of more than six months from the date they became payable.
 - b) There are no dues of sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute. The disputed dues of income tax which have not been deposited are as under:

Name of the Statute	Nature of the Dues	Amount in (Rs. in Lakhs)	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961	Income tax	6.82	AY 2008-2009	Commissioner of Income Tax (Appeals)

- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company has not taken any loans from Government and has not issued any debentures.
- ix. In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.
- xi. According to the records of the Company examined by us, and information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- xiv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For MGB & Co LLP

Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner
Membership Number 048215
UDIN: 20048215AAAABX1519

Mumbai, 4 June 2020

Annexure - B to the Independent Auditor's Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 7(II)(f) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of the Company on the standalone financial statements for the year ended 31 March 2020**

We have audited the internal financial controls over financial reporting of **LKP Securities Limited** ("the Company") as of 31 March 2020 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MGB & Co LLP

Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner
Membership Number 048215
UDIN: 20048215AAAABX1519

Mumbai, 4 June 2020

STANDALONE BALANCE SHEET AS AT 31 MARCH 2020

(Rs. Lakhs)

	Note	31 March 2020	31 March 2019
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	3(a)	2,988.36	1,764.05
(b) Bank Balance other than (a) above	3(b)	1,861.75	3,427.07
(c) Receivables	4		
Trade receivables		2,325.57	5,099.99
(d) Loans	5	26.22	293.04
(e) Investments	6	684.68	619.78
(f) Other Financial assets	7	4,156.04	764.05
Total Financial Assets		12,042.62	11,967.98
(2) Non-Financial Assets			
(a) Current tax assets (net)	8	293.28	275.16
(b) Deferred tax assets (net)	9	460.01	475.96
(c) Property, Plant and Equipment	10	313.96	374.86
(d) Right-of-use assets	10(a)	94.74	-
(e) Intangible assets under development	10(b)	15.30	8.00
(f) Goodwill	11	125.59	125.59
(g) Other Intangible Assets	11	83.34	83.97
(h) Other non-financial assets	12	997.37	1,022.24
Total Non-Financial Assets		2,383.59	2,365.79
TOTAL ASSETS		14,426.21	14,333.77
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) (I) Trade payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		5,077.56	5,051.86
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		0.66	7.91
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		109.68	128.14
(b) Borrowings	14	1,510.25	2,532.08
(c) Deposits	15	265.94	274.07
(d) Other financial liabilities	16	3,066.77	1,940.74
Total Financial Liabilities		10,030.86	9,934.80
(2) Non-Financial Liabilities			
(a) Provisions	17	252.07	201.85
(b) Other non-financial liabilities	18	187.41	388.77
Total Non-financial liabilities		439.48	590.62
(3) Equity			
(a) Equity Share Capital	19	1,478.69	1,478.69
(b) Other Equity	20	2,477.18	2,329.65
Total Equity		3,955.87	3,808.34
TOTAL LIABILITIES AND EQUITY		14,426.21	14,333.77

Notes forming part of the financial statements

1-54

In terms of our report attached

For and on behalf of the board

For MGB & Co. LLP

Chartered Accountants

Firm Registration No. 101169W/W-100035

Sanjay Kothari

Partner

Membership No. 048215

Place : Mumbai

Date : 4 June 2020

Managing Director

Director

Chief Financial Officer

Company Secretary

Pratik Doshi
S.S Gulati
Girish Majrekar
Akshata Vengurlekar

Standalone Statement of Profit and Loss for the year ended 31 March 2020

(Rs.Lakhs)

	Note	31 March 2020	31 March 2019
Revenue from operations	21		
(i) Interest Income		734.55	895.39
(ii) Dividend Income		-	0.11
(iii) Fees and Commission Income		6,436.72	8,342.93
(iv) Net gain on fair value changes		-	4.44
(v) Others		132.84	234.20
Total Revenue from operations		7,304.11	9,477.07
Other Income	22	54.70	36.35
Total Income		7,358.81	9,513.42
Expenses			
(i) Finance Costs	23	465.68	758.12
(ii) Fees and commission Expense	24	2,180.97	3,322.73
(iii) Net loss on fair value changes	25	64.16	-
(iv) Impairment on financial instruments	26	54.34	39.23
(v) Employee benefits expense	27	3,110.20	3,822.24
(vi) Depreciation, amortisation and impairment	28	115.85	88.32
(vii) Other expenses	29	1,148.00	1,404.37
Total Expenses		7,139.20	9,435.01
Profit before exceptional items and tax		219.61	78.41
Exceptional Items		-	-
Profit Before Tax		219.61	78.41
Tax expenses	30		
Current tax		85.96	33.19
Deferred tax (Assets) / Liabilities		(23.10)	(95.96)
MAT Credit entitlement-current year		-	(14.25)
- earlier year		-	(34.27)
Total tax expenses		62.86	(111.29)
Profit for the year		156.75	189.70
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement gains/(losses) on defined benefit plan		1.04	(103.09)
- Fair value change on equity instruments through other comprehensive income		(11.79)	(11.16)
- Income tax relating to items that will not be reclassified to profit or loss		(0.29)	31.78
Other Comprehensive Income/ (loss) for the year		(11.04)	(82.47)
Total comprehensive Income for the year		145.71	107.23
Earning per equity share (face value of Rs. 2 each)	41		
Basic (in Rs.)		0.21	0.26
Diluted (in Rs.)		0.21	0.26

Notes forming part of the financial statements
1-54

In terms of our report attached

For and on behalf of the board
For MGB & Co. LLP

Chartered Accountants

Firm Registration No. 101169W/W-100035

Sanjay Kothari

Partner

Membership No. 048215

Managing Director

Director

Chief Financial Officer

Company Secretary

Pratik Doshi
S.S Gulati
Girish Majrekar
Akshata Vengurlekar

Place : Mumbai

Date : 4 June 2020

Statement of Changes in Equity for the year ended 31 March 2020

		Rs in Lakhs
A. Equity Share Capital		
Balance as at 1 April 2018		1,464.43
Changes in equity share capital during the year		14.26
Balance ss at 31 March 2019		1,478.69
Changes in equity share capital during the year		-
Balance as at 31 March 2020		1,478.69

B. Other Equity

	Reserves and Surplus				Other Comprehensive Income	Total other Equity
	Preference Share Redemption Reserves	Share based payment reserve	Retained Earnings	Securities Premium		
Balance as at 1 April 2018	1,960.39	94.61	218.64	-	(117.95)	2,155.69
Profit for the year	-	-	189.70	-	-	189.70
Remeasurement of defined benefit plan (net of deferred tax)	-	-	(74.41)	-	-	(74.41)
Dividend paid (including tax)	-	-	(88.27)	-	-	(88.27)
Share based payments	-	119.32	-	-	-	119.32
Premium on issue of ESOP	-	(53.86)	-	89.54	-	35.67
Other comprehensive income	-	-	-	-	-	-
Loss on fair value asset (net of deferred tax)	-	-	-	-	(8.05)	(8.05)
Total comprehensive income	1960.39	160.07	245.66	89.54	(126.00)	2,329.64
Balance as at 31 March 2019	1,960.39	160.07	245.66	89.54	(126.00)	2,329.65
Profit for the year	-	-	156.75	-	-	156.75
Remeasurement of defined benefit plan (net of deferred tax)	-	-	0.75	-	-	0.75
Share based payments	-	1.81	-	-	-	1.81
Premium on issue of ESOP	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
Loss on fair value asset	-	-	-	-	(11.79)	(11.79)
Total comprehensive income	1,960.39	161.88	403.16	89.54	(137.79)	2,477.18
Balance as at 31 March 2020	1,960.39	161.88	403.16	89.54	(137.79)	2,477.18

Notes forming part of the standalone financial statements 1-54

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

In terms of our report attached

For and on behalf of the board

For MGB & Co. LLP

Chartered Accountants

Firm Registration No. 101169W/W-100035

Sanjay Kothari

Partner

Membership No. 048215

Place : Mumbai

Date : 4 June 2020

Managing Director

Director

Chief Financial Officer

Company Secretary

Pratik Doshi

S.S Gulati

Girish Majrekar

Akshata Vengurlekar

Standalone Cash flow statement for the year ended 31 March 2020

(Rs Lakhs)

	31 March 2020	31 March 2019
A. Cash flow from operating activities		
Profit before tax	219.61	78.41
Adjustments for:		
Depreciation and amortization expense	115.85	88.32
Loss on sale/ discard of property, plant and equipment/ intangibles	(0.14)	(0.09)
Interest expense	366.96	680.45
Interest Income	(734.55)	(895.39)
Dividend Income	-	(0.11)
Net loss/ (gain) on Investments carried at fair value through profit and loss	64.16	-
Share based expenses	1.81	119.32
(Profit) / Loss on Sale of Investment (net)	(132.84)	(238.64)
Operating profit before working capital changes	(99.12)	(167.72)
Adjustments for:		
Decrease / (increase) in Trade and other Receivables	(553.84)	3,333.24
(Decrease) /increase in Trade and other payables	873.47	1,428.05
Cash generated from operations	220.51	4,593.57
Direct tax paid (net of refunds)	(65.32)	(159.66)
Net cash from/ (used in) operating activities (A)	155.19	4,433.90
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(45.63)	(205.00)
Sale of Property, plant and equipment and intangible assets	0.15	0.12
Purchase of investments	(29,954.09)	(19,160.32)
Sale of investments	29,946.08	19,153.34
Loans given	0	(273.28)
Loans repaid	266.82	-
(Increase)/ decrease in bank deposits	1,565.31	(45.61)
Interest received	695.70	895.39
Dividend received	-	0.11
Net cash from/ (used in) investing activities (B)	2,474.35	364.75
C. Cash flow from financing activities		
Proceeds from issues of shares on ESOP	-	49.94
Dividend Paid	-	(88.27)
Payment of Lease Liabilities	(20.27)	-
Repayments of borrowings (net)	(1,031.50)	(3,812.25)
Interest paid	(353.46)	(680.45)
Net cash from/ (used in) financing activities (C)	(1,405.23)	(4,531.03)
Net changes in cash and cash equivalents (A+B+C)	1,224.31	267.62
Cash and cash equivalents at the beginning of the year	1,764.05	1,496.43
Cash and bank balances at the end of the year	2,988.36	1,764.05
Notes:		
1. Previous year figures have been regrouped or recast wherever, considered necessary		
2. As required by Ind AS 7 "Statement of Cash Flows", a reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in note 42		
3. Cash and cash equivalents consists of :		
Cash on hand	1.10	0.38
Balances with banks:		
in current accounts	2,987.26	1,763.67
Total	2,988.36	1,764.05

In terms of our report attached

For and on behalf of the board

For MGB & Co. LLP

Chartered Accountants

Firm Registration No. 101169W/W-100035

Sanjay Kothari

Partner

Membership No. 048215

Place : Mumbai

Date : 4 June 2020

Managing Director

Director

Chief Financial Officer

Company Secretary

Pratik Doshi
S.S Gulati
Girish Majrekar
Akshata Vengurlekar

Notes forming part of the financial statements

1 Company information

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

The separate financial statement (hereinafter referred to as "Financial Statements") of the Company for the year ended 31 March 2020 were authorised for issue by the Board of Directors at the meeting held on 4 June 2020.

2 Significant accounting policies

(a) Basis of preparation

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

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

The Company presents its Balance sheet in the order of Liquidity.

Rounding of amounts

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

New standards and interpretations

The Company has adopted all of the relevant new, revised, or amended Accounting Standards and interpretations issued by the AASB that are mandatory for the current reporting period.

(b) Property, plant and equipment

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

Right to Use Assets (ROU): The Company as a lessee records an ROU asset for each lease with an original term greater than 12 months. ROU assets are included in premises , with the corresponding lease liabilities included in financial liabilities. Depreciation on ROU asset is being charged on the basis of Lease term

(c) Intangible assets

Intangible assets acquired or developed are measured on initial recognition at cost and stated at cost less accumulated amortisation and impairment loss, if any. Expenditure incurred on acquisition / development of intangible assets which are not put / ready to use at the reporting date is disclosed under intangible assets under development.

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

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

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

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

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

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

(f) Goodwill

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

(g) Leases

The Company's lease asset classes primarily consist of leases for building premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Transition:

Ind AS 116 Lease is applicable for financial reporting periods beginning on or after 1 April 2019 and replaces existing lease accounting guidance, namely Ind AS 17 Leases. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a Right-of-Use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as Ind AS 116 replaces the operating lease expense (i.e., rent) with depreciation charge for ROU assets and interest expense on lease liabilities. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

Accordingly, the Company has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on 1 April, 2019 using the modified retrospective method. Consequently, the cumulative

adjustment has been taken on the date of initial application i.e. 1 April, 2019. Based on the same and as permitted under the specific transitional provisions in the standard, the Company is not required to restate the comparative figures. On transition, due to the adoption of the new Ind AS, it resulted in recognition of Right-of-Use asset (ROU) of Rs. 11.32 lakhs and a lease liability of Rs. 11.32 Lakhs. Since the company has adopted modified retrospective method, no impact would arise in the opening retained earnings. The effect of this adoption is not material to the profit for the period and earnings per share.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(h) Cash and cash equivalents

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

(i) Fair value measurement

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

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

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

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

(l) Financial instruments

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

Financial assets

i Initial recognition

Financial assets are recognized when the company becomes a party to the contractual provisions of the financial instrument.

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

ii Subsequent measurement

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

Debt Instrument

Amortised Cost

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

Fair value through other comprehensive income (FVTOCI)

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

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

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

Fair value through Profit and Loss (FVTPL)

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

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

Equity investments

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

Investment in subsidiary

Investment in subsidiary are carried at cost less impairment loss in accordance with IND AS 27 on "Separate Financial Statements". Refer note 6 for list of investments.

Derivative financial instruments

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

iii Derecognition of financial assets

A financial asset is derecognised only when

- i) The Company has transferred the rights to receive cash flows from the asset or the rights have expired or

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

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

Impairment of financial assets

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

Financial liabilities and equity instruments

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

Equity instruments

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

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

Financial liabilities

i Classification

Financial liabilities are recognized when company becomes party to contractual provisions of the instrument.

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

ii Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

iii De-recognition of financial liabilities

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

(j) Borrowings and Borrowing costs

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

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

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

(k) Provisions, contingent liabilities and contingent assets

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

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

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

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

(l) Revenue recognition

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognized. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments as well as assets recognized from costs incurred to fulfill these contracts.

A. Revenue - Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the Company.

- a) Company recognizes Brokerage income as per contracted rates on the execution of transactions on behalf of the clients on trade date on the basis of the date of settlement of respective exchanges.
- b) Account maintenance charges included in other fees are recognized on time basis over the period of the contract.
- c) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.
- d) Dividend income is recognised when the Company's right to receive dividend is established.

Transaction price is accounted net of GST. Since GST is not received by the company on its own account, rather, it is collected by the Company on behalf of the government. Accordingly, it is excluded from revenue.

B. Contract Costs

In accordance with Ind AS - 115, incremental costs to obtain a contract are capitalized and amortized over the contract term if the cost are expected to be recoverable. The Company does not capitalize incremental costs to obtain a contract where the contract duration is expected to be one year or less.

C. Arrangements with Multiple Performance Obligations

The Company's contracts with customers may include multiple performance obligations. For such arrangements, the Company allocates revenue to each performance obligation based on its relative standalone selling price, which is generally determined based on the price charged to customers.

D. Contract assets and liabilities

Contract assets relate primarily to the Company's rights to consideration for work completed but not billed at each reporting date. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to a customer.

Contract liabilities primarily relate to consideration received in advance from customers, for which the performance obligation is yet to be satisfied.

(m) Retirement and other employee benefits

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

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

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

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

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

(n) Transactions in foreign currencies

(i) The functional currency of the Company is Indian Rupees ("Rs."). Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.

(ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.

(iii) Non-monetary foreign currency items are carried at historical cost and translated at the exchange rate prevalent at the date of the transaction.

(o) Accounting for taxes on income

Tax expense comprises of current and deferred tax.

Current tax

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

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

Deferred tax

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

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

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

Presentation of current and deferred tax

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

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

(p) Impairment of non-financial assets

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

(q) Earnings per share

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

(r) Share based payments

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

(s) Dividend

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

(t) Contributed equity

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

(u) Exceptional items

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

Critical accounting judgment and estimates

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

a Contingencies

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

b Useful lives and residual values

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

c Impairment testing

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

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

d Tax

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

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

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

e Fair value measurement

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

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

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

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

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

f Defined benefit obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 39, 'Employee benefits'.

g) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There are no such notification which would have been applicable from April 1, 2020.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Rs.Lakhs)

	31 March 2020	31 March 2019
3(a) Cash and Cash Equivalents		
Cash on hand	1.10	0.38
Balances with bank - In Current accounts	2,987.26	1,763.67
Total	2,988.36	1,764.05
3(b) Bank Balances other than (a) above *		
Bank deposit having original maturity period of more than three months but less than twelve months	955.89	2,874.66
Bank deposit having original maturity period of more than twelve months	905.87	552.40
Total	1,861.75	3,427.07

*Bank deposit of Rs.870 lakhs (Rs.2,714.85 lakhs) are marked as lien for meeting margin requirements and Rs.246 lakhs (Rs.638.23) are provided as security against Overdraft

	31 March 2020	31 March 2019
4 Receivables		
Trade receivables		
Considered good - Secured	600.69	3,475.46
Considered good - Unsecured	423.38	1,624.54
-Significant increase in credit risk*	1,301.50	-
Credit Impaired	469.84	415.99
Less: Impairment Loss Allowance	(469.84)	(415.99)
Total	2,325.57	5,099.99

Trade receivables are non-interest bearing till settlement date

For related party transactions refer note 40

*Rs. 1,301.50 Lakhs due from a party wherein vide a memorandum of settlement certain land is provided as security against the receivables.

	31 March 2020	31 March 2019
5 Loans (Unsecured)		
Others - At Amortized Cost		
Intercorporate deposits	-	269.12
Loans to employees		
- Considred Good	26.22	23.92
- Credit Impaired	11.00	11.00
	37.22	304.04
Less: Impairment Loss Allowance	(11.00)	(11.00)
Total	26.22	293.04

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
6 Investments

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
A Investments carried at cost		
Investments in equity instruments- unquoted		
In Wholly owned subsidiary- equity shares of Rs 10 each		
760,000 (760,000) LKP Wealth Advisory Limited	76.00	76.00
	76.00	76.00
B Investment carried at Fair value through other comprehensive income		
Investment in equity shares -quoted		
Equity shares of face value of Rs 10 each		
8,900 (8,900) Roopa Industries Limited	0.80	0.97
17,440 (17,440) Reliance Power Limited	0.21	1.98
149 (149) D. S. Kulkarni Developers Limited*	-	-
10,000 (10,000) Gold Crest Finance (India) Limited*	-	-
149,000 (149,000) Infra Industries Limited*	-	-
Equity shares of face value of Rs 5 each		
72 (72) Oil and Natural Gas Corporation Limited#	0.00	0.00
Equity shares of face value of Rs 2 each		
5,000 (5,000) TV 18 Limited	0.78	1.78
Investment in equity shares -unquoted		
Equity shares of face value of Rs 10 each		
11,200(11,200) Gobind Sugar Mills Limited	8.85	8.85
Less: Provision for Impairment	(8.85)	-
	-	8.85
	1.79	13.58
C Investment carried at Fair value through profit and loss		
i Investment in Mutual Funds		
face value of Rs 100 each		
51 (51) liquidbees Reliance ETF Gold Bees	0.53	0.51
ii Investment in Debt Securities		
Investment in Bonds of face value of Rs 1,000 each		
50,000 (50,000), bonds of 10.00% Edelweiss Housing Finance Limited	459.97	514.93
Investment in Bonds of face value of Rs 10 Lakh each		
2 (Nil)8.57% Centrl Bank of India 2025	20.55	-
1 (Nil) 8.70% Power Finance Corporation Limited 2020	10.66	-
iii Investment in equity shares (quoted)		
Equity shares of face value of Rs 10 each		
1 (1) Adani Ports Limited #	0.00	0.00
1 (1) Chemfab Alkies Limited#	0.00	0.00
658 (214) Reliance Industries Limited	7.77	5.83
48,890 (Nil) Greycells Education Limited	18.09	-
1200 (Nil) Agri-Tech India Limited	0.23	-
1,320 (Nil)Nath Bio Genes India Limited	1.79	-
3,480 (Nil)Techindia Nirman Limited	0.07	-
165 (Nil)Vision Cinemas Limited*	-	-
4,650 (Nil)Manglore Chemicals & Fertilizers Limited	1.13	-
20,518 (Nil) United Brew Holdings Limited	2.05	-
2,08,403 (Nil) Shree Rama Newsprint Limited	23.63	-
1,500 (1,500) Divine Multimedia (India) Limited*	-	-
100 (100) Alacrity Electronics Limited*	-	-
200 (200) Gujarat Fiscon Limited*	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(Rs. Lakhs)

	31 March 2020	31 March 2019
1 (1) Healthfore Technologies Limited*	-	-
190 (190) Indo-French Biotech Enterprises Limited*	-	-
1,000 (1,000) Maars Software International Limited*	-	-
5,000 (5,000) Manna Glass-Tech Industries Limited*	-	-
400 (400) Mardia Chemical Limited*	-	-
2 2) MMS Infrastructure Limited*	-	-
82,300 (81,800) Motorola Speciality Oils Limited*	-	-
41(41) Norben Tea & Exports Limited*	-	-
2,500 (500) Ojas Technochem Products Limited*	-	-
2,608 (2,350) Origin Agrostar Limited*	-	-
2,500 (2,500) Padmini Technologies Limited*	-	-
500 (500) Sanghi Polyesters Limited*	-	-
1,000 (1,000) SBI Home Finance Limited*	-	-
51 (51) Simplex Mills Company Limited*	-	-
1 1) Simplex Papers Limited*	-	-
100 (100) Sriven Multi-Tech Limited*	-	-
3,000 (3,000) Supreme Telecom and Network India Limited*	-	-
415(415) Silverline Technologies Limited*	-	-
Equity shares of face value of Rs 5 each		
17,600 (Nil)Hindustan Motors Limited	0.54	-
Equity shares of face value of Rs 2 each		
450 (450) Housing Development Finance Corp.Limited	7.35	8.85
1 (1) ICICI Bank Limited#	0.00	0.00
1 (Nil) Larsen & Toubro Limited	0.01	0.01
5 (5) Indiabulls Ventures Limited#	-	0.02
Equity shares of face value of Re 1 each		
235,610 (Nil) Vakrangee Limited	46.65	-
8,250 (Nil) Tata Motors Limited	5.86	-
1 (1) ITC Limited#	0.00	0.00
10 (10) JSW Steel Limited	0.01	0.03
1 (1) Motherson Sumi Limited#	0.00	0.00
2500 (2500) Interface Financial Services Limited*	-	-
16,920 (6,920) MOH Limited*	-	-
	606.89	530.20
Total Investments (A+B+C)	684.68	619.78
* The fair value of shares considered as "0" (-) as the company's shares are suspended from trading.		
# "0" (Zero) denotes amounts less than thousand		
Total Investments	684.68	619.78
Aggregate book value of quoted investments	608.68	534.93
Aggregate book value of unquoted investments	76.00	84.85
Aggregate market value of quoted investments	608.68	534.93
Aggregate market value of unquoted investments	-	8.85
Subsidiary stated at cost	76.00	76.00
Provision for impairment	8.85	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

7 Other Financial Assets	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Deposits- (unsecured and considered good)		
- related parties	300.00	300.00
- others	234.86	335.84
Balance with exchange and clearing members	3,557.58	100.00
Other Advances - unsecured	24.76	28.20
Interest accrued and due	38.85	-
Total	4,156.04	764.05

8 Current Tax assets (net)	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Balance with Government Authorities		
Advance Direct Tax (net of provisions)	293.28	275.16
Total	293.28	275.16

9 Deferred tax assets (net)	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Deferred tax assets/ (liabilities)		
Depreciation and amortisation	28.48	35.97
Employee retirement benefits	70.13	56.16
Allowances for credit losses	133.77	118.13
Other timing differences	2.56	1.87
MAT Credit Entitlement*	225.08	263.83
Total	460.01	475.96

* Minimum Alternate Tax paid in accordance with tax laws, give rise to future economic benefits in the form of adjustment of future tax liability.

10 Property, Plant and Equipments	(Rs. Lakhs)						
Description of Assets	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold Improvement	Computers	Electrical Fittings	Total
I. Gross Block							
At cost as at 1 April 2018	59.76	99.70	101.04	89.53	107.73	2.13	459.89
Additions	17.68	120.36	8.61	-	10.87	-	157.52
Disposals	-	-	-	-	0.29	-	0.29
At cost as at 31 March 2019	77.44	220.06	109.65	89.53	118.31	2.13	617.11
Additions	0.22	-	2.92	-	9.47	-	12.61
Disposals	-	-	0.30	-	-	-	0.30
At cost as at 31 March 2020	77.66	220.06	112.27	89.53	127.78	2.13	629.43
II. Accumulated Depreciation							
Balance as at 1 April, 2018	22.57	22.27	31.05	32.30	62.64	0.77	171.60
Depreciation charged for the year	8.28	20.51	14.13	15.68	12.02	0.28	70.90
Disposals	-	-	-	-	0.26	-	0.26
Balance as at 31 March, 2019	30.85	42.78	45.18	47.98	74.41	1.05	242.24
Depreciation charged for the year	7.21	26.84	11.84	13.47	13.96	0.19	73.51
Disposals	-	-	0.28	-	-	-	0.28
Upto 31 March 2020	38.06	69.62	56.74	61.45	88.37	1.24	315.48
Net book value							
As at 31 March 2020	39.60	150.44	55.54	28.08	39.41	0.89	313.96
As at 31 March 2019	46.59	177.28	64.47	41.55	43.90	1.08	374.86

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
10(a) Right of use assets

(Rs. Lakhs)

Description of Assets	Leased Premises
I. Gross Block	
At cost as at 1 April 2019	
Additions (refer note 32)	110.73
Disposals	-
Balance as at 31 March 2020	110.73
II. Accumulated Depreciation	
Balance as at 1 April , 2019	
Depreciation charged for the year	15.99
Disposals	-
Upto 31 March 2020	15.99
Net book value	
As at 31 March 2020	94.74
As at 31 March 2019	-

10(b) Intangibles under development

Description of Assets	Computer Software
As on 1 April 2018	-
Additions	8.00
Disposals	-
Balance as at 31 March 2019	8.00
Additions	7.30
Disposals	-
Balance as at 31 March 2020	15.30
Net book value	
As at 31 March 2020	15.30
As at 31 March 2019	8.00

11 Other Intangible Assets

(Rs Lakhs)

Description of Assets	Computer Software	Total
I. Gross Block		
At cost at 1 April 2018	84.07	84.07
Additions	47.48	47.48
Disposals	-	-
At cost at 31 March 2019	131.55	131.55
Additions	25.72	25.72
Disposals	-	-
At cost at 31 March 2020	157.27	157.27
II. Accumulated Amortization		
Balance as on 1 April 2018	30.16	30.16
Amortization charged for the year	17.42	17.42
Disposals	-	-
Balance as on 31 March 2019	47.58	47.58
Amortization charged for the year	26.35	26.35
Disposals	-	-
Upto 31 March 2020	73.93	73.93
Net book value		
As at 31 March 2020	83.34	83.34
As at 31 March 2019	83.97	83.97
	31 March 2020	31 March 2019
Goodwill	125.59	125.59
Other Intangible assets	83.34	83.97

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
12 Other Non-Financial Assets

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Others Assets		
Prepaid expenses	49.94	86.80
Other Advances		
- Considered Good*	929.84	924.10
- Considered Doubtful	79.00	79.00
	1,008.84	1,003.10
Less : Impairment loss allowance	(79.00)	(79.00)
	929.84	924.10
Balance with Government authorities		
- Advance indirect taxes	17.60	11.34
Total	997.37	1,022.24

*Other Advances includes Rs. 924.10 Lakhs (Rs. 924.10 Lakhs) due from Related Party.

13 Financial Liabilities

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
I) Trade Payables (refer note 36)		
i) total outstanding dues of micro enterprises and small enterprises	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises*	5,077.56	5,051.86
Total	5,077.56	5,051.86
II) Other Payables (refer note 36)		
i) total outstanding dues of micro enterprises and small enterprises	0.66	7.91
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	109.68	128.15
Total	110.34	136.05

Trade payables and other payables are non-interest bearing and are normally settled as per payment terms mentioned in the contract. For transactions relating to related party payables refer note 40.

* margin money shown separately in other financial liabilities

14 Borrowings:

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
i) Loans taken *		
- Corporate	-	10.00
	-	10.00
ii) Loans repayable on demand		
From Banks	1,510.25	2,522.08
	1,510.25	2,522.08
Total	1,510.25	2,532.08

* Interest free, repayable on demand and loan is repaid during the year.

Loans from Banks

Loan of Rs 542.58 lakhs (Rs. 494.39 lakhs) from Bank of India secured by first pari passu charge on book debts both present and future. The facility carries interest @ 11.70% presently (8.70 MCLR + 0.30% BSS + 2.70% CRP)

Loan of Rs 967.67 Lakhs (Rs. 1596.65 Lakhs) from Yes Bank is secured by first pari passu charge on on all current assets of the company and personal guarantee of Promoters. The facility carries interest @12.70 % presently .

Loan of Rs Nil (Rs. 431.04 Lakhs) from South Indian Bank is secured against fixed deposit of the company. The loan carries interest rates which ranges from @ 7.75 % to 8.60% (FD Rate + 1 %) The loan is repaid during the year.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
15 Deposits

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Security Deposits from Sub Brokers	265.94	274.07
Total	265.94	274.07

16 Other Financial Liabilities

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Current maturities of long term borrowings	-	9.67
Margin money	2,962.78	1,931.07
Lease Liability	95.81	-
Interest accrued and due*	8.18	-
Total	3,066.77	1,940.74

* for related party transactions refer note 40

17 Provisions

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Provision for Employee Benefits	252.07	201.85
Total	252.07	201.85

18 Other Non-Financial Liabilities

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Statutory dues payable	177.07	388.77
Income received in Advance	10.34	-
Total	187.41	388.77

19 Equity Share Capital

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Authorised		
12,50,00,000 (12,50,00,000) Equity shares of Rs.2/- each	2,500.00	2,500.00
1,00,00,000(1,00,00,000) Unclassified shares of Rs 10/- each	1,000.00	1,000.00
	3,500.00	3,500.00
Issued, subscribed and fully paid up		
7,39,34,736 (7,39,34,636) Equity shares of Rs.2/- each	1,478.69	1,478.69

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

	31 March 2020		31 March 2019	
	Number of Equity shares	Rs.	Number of Equity shares	Rs.
At the beginning of the year	7,39,34,736	1,478.69	7,32,21,296	1,464.43
Add: Share Issued on exercise of ESOP employee Stock Options	-	-	713,440	14.26
Add: Share issued during the year	-	-	-	-
Outstanding at the end of the year	7,39,34,736	1,478.69	7,39,34,736	1,478.69

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.2 per share. Each holder of equity shares is entitled to one vote per share. The dividend, incase proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except incase of interim dividend.

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

c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL
d) Details of shareholders holding more than 5% shares in the company:

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Name of shareholders	31 March 2020		31 March 2019	
	No. of shares	% Holding	No. of shares	% Holding
Mr. Mahendra V Doshi	91,61,700	12.39%	91,61,700	12.39%
Mr Mahendra V Doshi-Partner M/s L K Panday	1,30,89,354	17.70%	1,30,89,354	17.70%
Sea Glimpse Investments Private Limited	1,59,40,090	21.56%	1,52,85,090	20.67%
Bhavana Holdings Private Limited	87,22,030	11.80%	87,21,606	11.80%
Agrud Capital PTE Limited	43,64,934	5.90%	43,64,934	5.90%
	5,12,78,108	69.35%	5,06,22,684	68.47%

e) Employees Stock Option Scheme (ESOP)

The Company had instituted an Employee Stock Option Plan ("ESOP 2017 or "the Scheme") as approved by Board of Directors and Shareholders of the Company. Under the scheme, 38,85,000 Stock Options were granted(including 1,85,000 options granted during the year) at a price of Rs. 7/- per option to the employees of the Company. As per the scheme, 33%, 33% and 34% of the total grant shall be vested at the end of every year from the original grant dates. The options vested would be exercisable at any time within a period of one year from the date of vesting and the equity shares arising on exercise of options shall not be subject to any lock in. There are 21,86,960 Options outstanding as at 31 March 2020 The said Scheme is administered by the Nomination and Remuneration Committee of the Board.

f) Summary of Options granted under the scheme

	31 March 2020	31 March 2019
Options outstanding at the beginning of the year	2,596,200	3,700,000
Option issued during the year	185,000	-
Options exercised during the year	-	713,440
Options lapsed during the year	594,240	390,360
Option outstanding at the end of the year	2,186,960	2,596,200

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

Grant date	Expiry date	Exercise price (Rs.)	Share options	
			31 March 2020	31 March 2019
29 September 2017	29 September 2021	7.00	2,001,960	2,596,200
2 May 2019	2 May 2023	7.00	185,000	-

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

Scheme	Grant 2 May 2019	Grant 29 September 2017
Grant date	02-May-2019	29-Sep-2017
Weighted average fair value of options granted (Rs.)	5.76	8.21
Exercise price (Rs.)	7.00	7.00
Expected volatility	62.15%	54.20%
Risk free interest rate	6.90%	6.31%
Dividend yield	0.00%	0.00%

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

i) Expense arising from share based payment transactions

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Gross Expense/ (reversal) arising from share based payments	1.81	119.32
Employee share based payment expense/ (reversal) recognised in statement of profit / loss (Refer note no 27)	1.81	119.32

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
20 Other Equity

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Preference shares redemption Reserve		
As per Last Balance Sheet	1,960.39	1,960.39
	1,960.39	1,960.39
Securities Premium		
As per Last Balance Sheet	89.54	-
Add : Premium on issue of ESOP	-	89.54
	89.54	89.54
Shares Based Payment Reserve		
As per Last Balance Sheet	160.07	94.61
Add : Share based payments	1.81	119.32
Less : Premium on issue of ESOP	-	(53.86)
	161.88	160.07
Retained Earnings		
Balance as per the last financial statements	245.66	218.64
Profit for the year	156.75	189.70
Gain/ (loss) on Remeasurement of Defined benefit plan	1.04	(103.09)
Income tax impact thereon	(0.29)	28.68
Dividend Paid (Including Tax)	-	(88.27)
	403.16	245.66
Other Comprehensive income		
As per last balance sheet	(126.00)	(117.95)
Gain/(loss) on fair value of financial asset through other comprehensive income	(11.79)	(11.16)
Income tax impact thereon	-	3.10
	(137.79)	(126.00)
Total Other Equity	2,477.18	2,329.65

21 Revenue from Operations

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
(i) Interest Income		
Interest- Loans	21.85	19.12
-Deposits with banks	200.57	235.74
- Others (including broking activities)	512.13	640.54
Total	734.55	895.39
(ii) Dividend Income on Investments		
	-	0.11
Total	-	0.11
(iii) Fees and Commission Income		
Brokerage Income	6,132.87	7,933.66
Other fees	303.85	409.26
Total	6,436.72	8,342.93
(iv) Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss	-	4.44
Total	-	4.44
(v) Others		
Net gain on sale of securities	132.84	234.20
Total	132.84	234.20

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

22 Other Income		(Rs. Lakhs)	
	31 March 2020	31 March 2019	
Unwinding of discounting of deposits	-	2.77	
Other non operating income	54.57	33.49	
Profit on sale of property, plant and equipment	0.14	0.09	
Total	54.70	36.35	
23 Finance Costs		(Rs. Lakhs)	
	31 March 2020	31 March 2019	
Expenses			
Interest- on borrowings	349.75	680.45	
- on retirement benefits	11.87	10.01	
- on leased liability	5.34	-	
Other financial charges	98.72	67.65	
Total	465.68	758.12	
24 Fees and commission expense		(Rs. Lakhs)	
	31 March 2020	31 March 2019	
Commission and sub-brokerage	2,180.97	3,322.73	
Total	2,180.97	3,322.73	
25 Net loss on fair value changes		(Rs. Lakhs)	
	31 March 2020	31 March 2019	
Net loss on financial instruments carried at fair value through profit or loss	64.16	-	
Total	64.16	-	
26 Impairment on financial instruments		(Rs. Lakhs)	
	31 March 2020	31 March 2019	
At amortised cost			
Trade Receivables	53.85	39.23	
Bad debts written off	0.48	-	
Total	54.34	39.23	
27 Employee benefits expense		(Rs. Lakhs)	
	31 March 2020	31 March 2019	
Salaries and wages	2,884.29	3,624.74	
Contribution to provident and other funds	106.61	98.63	
Shares based payment to employees	1.81	119.32	
Staff welfare expenses	37.88	59.72	
Gratuity expense	79.60	(80.17)	
Total	3,110.20	3,822.24	
28 Depreciation, amortisation and impairment		(Rs. Lakhs)	
	31 March 2020	31 March 2019	
Depreciation of property, plant and equipment	73.51	70.90	
Depreciation on leased premises	15.99	-	
Amortization of intangible assets	26.35	17.42	
Total	115.85	88.32	

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

29 Other expenses	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Rent , Rates and taxes	287.34	339.31
Repairs and maintenance	44.92	66.64
Electricity expenses	40.55	51.82
Communication expenses	127.48	160.22
Travelling and Conveyance expenses	68.87	112.48
Printing and stationery	184.39	212.51
Legal and professional charges	175.42	258.21
Directors sitting fees	1.40	1.10
Subscription and Membership fees	30.94	26.91
Payments to auditors (refer note 35)	10.00	10.32
Corporate Social responsibility expenses (refer note 47)	-	8.50
Business Promotion expenses	78.56	98.75
Office expenses	38.86	34.20
Sundry Balances written off (net)	24.69	-
Miscellaneous expenses	34.57	23.41
Total	1,148.00	1,404.37

For transactions relating to related party refer note 40

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

Income tax related to items recognised directly in the statement of profit and loss

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Current tax		
Current tax on profits for the year	85.96	33.19
Deferred tax (Credit) / Charge		
Relating to origination and reversal of temporary differences	(23.10)	(95.96)
MAT Credit entitlement- current year	-	(14.25)
MAT Credit entitlement- earlier years	-	(34.27)
Total	62.86	(111.29)
Effective tax rate #	28.62%	-141.93%

A reconciliation of income tax expense applicable to profit before income tax at statutory rate to the income tax expense at Company's effective income tax rate for the year ended 31 March 2020

ii) Deferred tax related to items recognised in the other comprehensive income (OCI) during the year	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Deferred tax on remeasurement (gains)/losses on defined benefit plan	(0.29)	31.78
Deferred tax charged to OCI	(0.29)	31.78
(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Accounting Profit/(Loss) before tax	219.61	78.41
Income tax expense calculated at corporate tax rate*	61.10	21.81
Tax effect on non-deductible expenses	4.87	-
Other permanent difference	(3.10)	-
Effect of exempt income and income tax at Lower rates	-	(0.03)
Other temporary differences	-	(84.55)
MAT Credit adjustment	-	(48.52)
Tax expense recognized in the statement of profit and loss	62.86	(111.29)

*The applicable tax rate is the standard effective corporate income tax rate in India. The tax rate is 27.82% for the year ended 31 March 2020.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. For analysis of the deferred tax balances (after offset) for financial reporting purposes refer note 9.

(c) Deferred tax relates to the following: (Rs. Lakhs)

Reconciliation of deferred tax assets / (liabilities) net:	31 March 2020	31 March 2019
Opening balance	475.96	299.70
Deferred tax (charge)/credit recognised in		
- Statement of profit and loss	23.10	144.48
- Recognised in other comprehensive income	(0.29)	31.78
MAT Credit availed	(38.75)	-
Total	460.01	475.96

Deferred tax recognized in statement of profit or loss (Rs. Lakhs)

For the year ended	31 March 2020	31 March 2019
Depreciation and amortisation	(7.49)	103.59
Employee retirement benefits obligation	14.26	(11.58)
Allowance for credit losses	15.64	2.91
Other timing differences	0.69	1.04
MAT credit entitlement	-	48.52
Total	23.10	144.48

Deferred tax recognized in statement of Other Comprehensive Income (Rs. Lakhs)

For the year ended	31 March 2020	31 March 2019
Employee retirement benefits obligation	(0.29)	31.78
Total	(0.29)	31.78

31 Operating Leases

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

-The initial tenure of the lease is generally ranging from 12 months to 84 months.

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Lease rental charges for the year	-	245.13
Future lease rental obligation Payable (under non-cancellable operating lease)		
Not later than one year	-	39.82
Later than one year but not later than five years	-	37.49

32 Disclosure under IND AS 116
Right of Use Asset- leased premises

a) ROU asset' comprises leased assets of office/branch premises that do not meet the definition of investment property.

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Opening Balance		
Assets created on transition date	11.32	-
Additions during the year	99.41	-
Depreciation / Amortisation	15.99	-
Closing Balance	94.74	-

The aggregate depreciation/ amortisation expense on right-of-use asset is included under depreciation and amortisation expense in the Statement of Profit and Loss.

Effective 1 April, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method on the date of initial application. Consequently, the Company recorded the lease liability and right of use at the present value of the lease payments discounted at the incremental borrowing rate.

On transition to Ind AS 116, the Company recognised Rs 11.32 Lakhs of right-of-use assets and Rs 11.32 Lakhs of lease liabilities. When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at 1 April 2019. The weighted-average rate applied is 12.00%.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
b) The following is the break-up of current and non-current lease liabilities

(Rs. Lakhs)

	31 March 2020	31 March 2019
Current	16.93	-
Non Current Lease Liabilities	78.88	-
Total	95.81	-

c) The following is the movement in lease liabilities

(Rs. Lakhs)

	31 March 2020	31 March 2019
Opening Balance		
Additions	110.73	-
Finance Cost incurred during the period	5.34	-
Payment of lease liabilities	20.26	-
Closing Balance	95.81	-

d) Lease liabilities Maturity Analysis

(Rs. Lakhs)

	31 March 2020
Maturity analysis - contractual undiscounted cash flows	
Less than one year	26.25
One to five years	96.27
More than five years	-
Total undiscounted lease liabilities at 31 March 2020	122.52

e) Lease rentals of Rs. 45 lakhs pertaining to short term leases and low value asset has been charged to statement of profit and loss

33 (i) Contingent Liabilities

(Rs .Lakhs)

	31 March 2020	31 March 2019
a) Bank Guarantee *	960.00	5,410.00
b) Disputed Direct Taxes	6.82	6.82
c) Legal cases against the Company#	126.51	130.20

* Bank guarantee issued by bank for and on behalf of Company to stock exchanges, clearing corporation towards base capital and margin (issued against 50% as a cash collateral in the form of fixed deposit) .

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

(ii) Litigation

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

(iii) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) is Rs. 3.20 lakhs (Rs. 8.00 lakhs)

34 Segment Informations

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

35 Payment to Auditors

(Rs Lakhs)

	31 March 2020	31 March 2019
Audit fees	10.00	10.00
Other matters	-	0.32
Total	10.00	10.32

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
36 Micro, small and medium enterprises

Trade payables and other payables include amount payable to Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from 02 October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

(Rs. Lakhs)

	31 March 2020	31 March 2019
Principal amount remaining unpaid to any supplier as at the year end	0.66	7.91
Interest due thereon	-	-
Amount of interest paid by the company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

37 Financial Instruments
i) Financial risk management objective and policies

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

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

a) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, other financial instruments.

1) Interest rate risk:

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

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

Interest rate risk exposure

(Rs. Lakhs)

	As at 31 March 2020	As at 31 March 2019
Variable rate borrowings	1,510.25	2,522.08

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

(Rs. Lakhs)

	Increase / decrease in basis points	Effect on Profit before tax
As on 31 March 2020	+ 50 / - 50	7.55
As on 31 March 2019	+ 50 / - 50	12.61

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
2) Foreign currency risk:

The company enters into transactions in currency other than its functional currency and is therefore exposed to foreign currency risk. The Company analyses currency risk as to which balances outstanding in currency other than the functional currency of that company. The management has taken a position not to hedge this currency risk.

The company undertakes transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are not hedged considering the insignificant impact and period involved on such exposure.

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

3) Credit Risk:

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

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

(Rs. Lakhs)

Trade Receivables	Year ended 31 March 2020	Year ended 31 March 2019
More than Six months	2,025.47	2,260.71
Others	769.94	3,255.27
Total	2,795.41	5,515.98

	As at 31 March 2020	As at 31 March 2019
Movement in allowance for credit loss during the year was as follows :		
Opening Balance	(415.99)	(415.35)
Add :- Provided during the year	(53.85)	(0.64)
Less :- Reversal during the year	-	-
Balance as at 31 March	(469.84)	(415.99)
Net Trade receivable	2,325.57	5,099.99

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

b) Liquidity Risk:

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

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at :
(Rs. Lakhs)

	Carrying Amount	31 March 2020			
		Less than 1 year	2-5 years	More than 5 years	Total
Financial Liabilities :					
Borrowings	1,510.25	1,510.25	-	-	1,510.25
Deposits *	265.94	-	-	265.94	265.94
Trade payables	5,077.56	5,077.56	-	-	5,077.56
Other payables	110.34	110.34	-	-	110.34
Other financial liabilities	3,066.77	2,987.89	78.88	-	3,066.77
	10,030.86	9,686.04	78.88	265.94	10,030.85

	Carrying Amount	31 March 2019			
		Less than 1 year	2-5 years	More than 5 years	Total
Financial Liabilities :					
Borrowings	2,532.08	2,532.08	-	-	2,532.08
Deposits *	274.07	-	-	274.07	274.07
Trade payables	5,051.86	5,051.86	-	-	5,051.86
Other payables	136.05	136.05	-	-	136.05
Other financial liabilities	1,940.74	1,940.74	-	-	1,940.74
	9,934.80	9,660.73	-	274.07	9,934.80

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
ii) Capital Management

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

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

(Rs. Lakhs)

	As at 31 March 2020	As at 31 March 2019
Gross debt (inclusive of long term and short term borrowing)	10,030.86	9,934.80
Less: Cash and bank balances	4,850.12	5,191.11
Net debt	5,180.74	4,743.69
Total equity	3,955.87	3,808.34
Total capital	9,136.61	8,552.03
Gearing ratio	56.70%	55.47%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

iii) Categories of financial instruments and fair value thereof

(Rs Lakhs)

	31 March 2020		31 March 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
A) Financial Assets (other than investment in subsidiaries, associates and joint venture companies at cost):				
i) Measured at amortised cost				
Cash and cash equivalents	2,988.36	2,988.36	1,764.05	1,764.05
Bank Balances other than cash & cash equivalents	1,861.75	1,861.75	3,427.07	3,427.07
Trade receivables	2,325.57	2,325.57	5,099.99	5,099.99
Loans	26.22	26.22	293.04	293.04
Other Financial assets	4,156.04	4,156.04	764.05	764.05
ii) Measured at Fair value through other comprehensive income				
Investments	1.79	1.79	13.58	13.58
iii) Measured at Fair value through profit and loss account				
Investments	606.89	606.89	530.20	530.20
B) Financial liabilities				
i) Measured at amortised cost				
Borrowings	1,510.25	1,510.25	2,532.08	2,532.08
Trade payables	5,077.56	5,077.56	5,051.86	5,051.86
Other Financial Liabilities	3,443.05	3,443.05	2,350.86	2,350.86

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

38 Fair Value Hierarchy :

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

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

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

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

The Following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31 March 2020

(Rs. Lakhs)

Financial Assets	Assets as at		Fair Value Hierarchy	Valuation technique(s) & key inputs used
	31 March 2020	31 March 2019		
Investments in equity shares- Non-current Investments	1.79	4.73	Level 1	Quoted in an active market
Investments in equity shares- Current Investments	115.19	14.76	Level 1	Quoted in an active market
Investments in equity shares- Non-current Investments	-	8.85	Level 3	Unobservable inputs
Investments in Mutual Fund- Current Investments	0.53	0.51	Level 1	Quoted in an active market
Investments in Bonds- Current Investments	491.17	514.93	Level 2	Inputs other than quoted prices
	608.68	543.78		

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

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

Reconciliation of Level 3 category of financial assets

(Rs Lakhs)

	31 March 2020	31 March 2019
Opening Balance	8.85	8.85
Fund Invested	-	-
Net Gain/ (loss) recognised	(8.85)	-
Closing Balances	-	8.85

39 Gratuity and other post employment benefit plans

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

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

(Rs Lakhs)

	31 March 2020	31 March 2019
Current service cost	61.28	53.74
Interest cost (net)	11.87	17.38
Net expenses	73.15	71.12

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

(Rs Lakhs)

	31 March 2020	31 March 2019
Actuarial (gains)/ losses arising from changes in demographic assumptions	9.98	(35.75)
Actuarial (gains)/ losses arising from changes in financial assumptions	(9.35)	(4.53)
Actuarial (gains)/ losses arising from changes in experience assumptions	(1.68)	150.46
Recognised during the year	-1.04	110.18

III Net liability recognised in the balance sheet

(Rs Lakhs)

	31 March 2020	31 March 2019
Fair value of plan assets	(246.80)	(214.28)
Present value of obligation	498.87	416.13
Liability recognized in balance sheet	252.07	201.85

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
IV Reconciliation of opening and closing balances of defined benefit obligation

(Rs Lakhs)

	31 March 2020	31 March 2019
Defined benefit obligation as at the beginning of the year	416.13	239.34
Current Service Costs	61.28	53.74
Interest Costs	25.67	17.38
Actuarial (gain)/ loss on obligation	(1.04)	110.18
Benefits paid	(3.17)	(4.51)
Past service costs	-	-
Defined benefit obligation at the end of the year	498.87	416.13

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

(Rs Lakhs)

	31 March 2020	31 March 2019
Fair value of plan assets at the beginning of the year	214.28	1.20
Interest income	13.80	7.37
Contributions paid	21.89	203.14
Benefits paid	(3.17)	(4.51)
Actuarial gain/(losses)	-	7.08
Fair value of plan assets at year end	246.80	214.28

VI Actuarial Assumptions

(Rs Lakhs)

	31 March 2020	31 March 2019
Discount rate (Per annum)	6.25%	6.44%
Rate of escalation in salary (per annum)	7.00%	8.00%
Attrition rate	PS : 0 to 42 : 36% & 16.67%	PS : 0 to 42 : 35% & 10%
Mortality Table	Indian Assured Lives mortality (2012-14)Ultimate	Indian Assured Lives mortality (2012-14)Ultimate

VII Quantitative Sensitivity Analysis

(Rs Lakhs)

	31 March 2020	31 March 2019
Projected benefit obligation on current assumptions		
Increase by 1% in Discount rate	484.54	400.21
Decrease by 1% in Discount rate	513.95	433.72
Increase by 1% in Rate of salary increase	510.97	426.15
Decrease by 1% in Rate of salary increase	488.77	406.55

VIII Maturity analysis of projected benefit obligation : from the fund

(Rs Lakhs)

Projected benefits payable in future years from the date of reporting	31 March 2020	31 March 2019
1st Following Year	138.06	96.39
2nd Following Year	120.43	78.85
3rd Following Year	79.85	73.23
4th Following Year	59.18	46.74
5th Following Year	47.30	36.29
Sum of years 6 to 10	127.48	126.74

Notes:

- (a) The current service cost recognized as an expense is included in the Note 27 'Employee benefits expense' as gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.
- (b) The estimate of future salary increases considered in the actuarial valuation takes into account the rate of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
40 Related party transactions
Subsidiary Company

LKP Wealth Advisory Limited

Key Management Personnel

Mr Pratik Doshi

Nature of relationship

Managing Director

Other related parties with whom transactions have taken place during the year.

LKP Finance Limited
 Bhavna Holdings Private Limited
 Gayatri Cements and Chemicals Private Limited
 MKM Share & Stock Brokers Limited
 Peak Plastonics Private Limited
 Sea Glimpse Investments Private Limited
 Solar Ex PV Solutions Private Limited
 Alpha Commodity Private Limited
 M/s L K Panday
 M/s Agrud Partners

Transactions with Related parties:

(Rs. Lakhs)

	31 March 2020	31 March 2019
Remuneration to Key Management Personnel		
Key Management Personnel	66.14	64.22
Brokerage Income		
Other Related Parties	32.81	25.53
Fees and commission expense		
Subsidiary Company	29.32	42.81
Interest Expenses		
Other related parties	67.04	33.70
Legal Professional Fees		
Other related parties	20.76	30.14
Purchase of Property, Plant and Equipments		
Other related parties	-	118.41
Loans Taken/ Repayment		
Other related parties	66,601	46,060

Balances as at 31 March 2020

(Rs Lakhs)

	31 March 2020	31 March 2019
Trade and other Payables*		
Other related parties	9.52	-
Other Advances		
Other related parties	924.10	924.10
Trade Receivables*		
Other related parties	134.87	139.76
Investments		
Subsidiary Company	76.00	76.00
Deposits		
Other related parties	300.00	300.00

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
41 Earnings per share

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Profit/(Loss) after tax (Rs.)	156.75	189.70
Weighted average number of equity shares		
- for Basic Earnings per share	7,39,34,736	7,32,89,708
- for Diluted Earnings per share	7,39,34,736	7,43,53,686
Face value of equity share (Rs/ share)	2	2
Basic earnings per share (Rs/share)	0.21	0.26
Diluted Earnings per share (Rs/share)	0.21	0.26

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

	(Rs. Lakhs)					
	As at 31 March 2019	Cash Inflows	Cash outflows	Non Cash Changes		As at 31 March 2020
				Interest Accrued	Other Charges	
Long Term Borrowings (Including Current maturities)	9.67	-	(9.67)	-	-	-
Short Term Borrowings (From Bank, Financial Institution and intercorporate deposits etc.)	2,532.08	66,601.00	(67,622.83)	-	-	1,510.25

43 Disclosures as required by Ind AS 115
Revenue Consist of following

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Interest Income	880.10	959.32
Dividend Income	-	0.11
Fees and Commission Income	5,987.32	7,869.73
Net Gain/loss on sale of securities	132.84	238.64
Other operating revenue	303.85	409.26
Total	7,304.12	9,477.07

Revenue Disaggregation by Industrial Vertical & Geography is as follows

Revenue by offerings	31 March 2020	31 March 2019
Financial Services/ India	7,304.12	9,477.07
Total	7,304.12	9,477.07

Timing of Revenue Recognition

	31 March 2020	31 March 2019
Services transferred at point in time	6,288.81	8,453.81
Services transferred over period in time	1,015.31	1,023.25
Total	7,304.12	9,477.07

44 There are no unclaimed dividend for a period of more than seven years. Further, there are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as on 31 March 2020

45 The Company, has no long-term contracts including derivative contracts having material foreseeable losses as at 31 March 2020.

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

47 As per section 135 of the Companies Act, 2013, no amount is required to be spend by the company during the year ended March 31, 2020 on Corporate Social Responsibility (CSR). The Company incurred an amount of Rs. 8.50 lakhs during the year ended 31 March, 2019 towards CSR expenditure for purposes other than construction / acquisition of any asset.

48 Dividend

The Company has not declared any dividend during the current year and previous year.

49 Information required under Section 186(4) of the Companies Act, 2013
a) Loans given

	(Rs. Lakhs)			
Name of Party	Opening as at 1 April 2019	Given during the year	Repaid during the year	Closing balance as at 31 March 2020
In the form of unsecured short term inter corporate deposits *	250 Nil	- 250	250 Nil	- 250

* Loan is repayable on demand and carries interest @ 10% (10%) and balance does not include interest.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

- b) There are no investments made other than disclosed in Note 6.
 c) There are no corporate guarantee given on behalf of others
 d) There are no securities provided during the year.

50 Maturity Analysis of Assets and Liabilities

(Rs. Lakhs)

	As at 31 Mar 2020			As at 31 Mar 2019		
	Within 12 months	After 12 Months	Total	Within 12 months	After 12 Months	Total
I ASSETS						
(1) Financial Assets						
(a) Cash and cash equivalents	2,988.36	-	2,988.36	1,764.05	-	1,764.05
(b) Bank Balance other than (a) above	1,861.75	-	1,861.75	3,427.07	-	3,427.07
(c) Receivables						
(i) Trade receivables	2,325.57	-	2,325.57	5,099.99	-	5,099.99
(ii) Other receivables	-	-	-	-	-	-
(d) Loans	26.22	-	26.22	-	-	293.04
(e) Investments	606.89	77.79	684.68	530.20	89.58	619.78
(f) Other financial assets	4,147.32	8.73	4,156.04	742.35	21.70	764.05
Total Financial Assets	11,956.12	86.52	12,042.62	10,821.31	111.28	11,967.98
(2) Non-Financial Assets						
(a) Current tax assets (net)	-	293.28	293.28	-	275.16	275.16
(b) Deferred Tax Asset	-	460.01	460.01	-	475.96	475.96
(c) Property, plant and Equipment	-	313.96	313.96	-	374.86	374.86
(d) Right to Use Asset	-	94.74	94.74	-	-	-
(e) Intangible assets under development	-	15.30	15.30	-	8.00	8.00
(f) Goodwill	-	125.59	125.59	-	125.59	125.59
(e) Other Intangible Assets	-	83.34	83.34	-	83.97	83.97
(f) Other non-financial assets	974.04	23.33	997.37	1,010.90	11.34	1,022.24
Total Non-Financial Assets	974.04	1,409.55	2,383.59	1,010.90	1,354.89	2,365.79
II LIABILITIES AND EQUITY						
LIABILITIES						
(1) Financial Liabilities						
(a) (I) Trade payable						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	5,077.56	-	5,077.56	5,051.86	-	5,051.86
(II) Other payable						
(i) total outstanding dues of micro enterprises and small enterprises	0.66	-	0.66	-	7.91	7.91
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	109.68	-	109.68	128.15	-	128.15
(b) Borrowings	1,510.25	-	1,510.25	-	2,532.08	2,532.08
(c) Deposits	-	265.94	265.94	-	274.07	274.07
(d) Other financial liabilities	2,987.89	78.88	3,066.77	1,940.74	-	1,940.74
Total Financial Liabilities	9,686.04	344.82	10,030.86	7,120.75	2,814.05	9,934.80
(2) Non-Financial Liabilities						
(a) Provisions	67.68	184.39	252.07	49.64	152.22	201.85
(b) Other non-financial liabilities	187.41	-	187.41	388.77	-	388.77
Total Non-financial liabilities	255.08	184.39	439.48	438.40	152.22	590.62

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

- 51** Amount of margin money received and outstanding is Rs. 2962.78 Lakhs (Rs.1931.07 Lakhs) from clients .
- 52** The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian Financial Markets and a significant decrease in the economic activities. On 11 March 2020, the COVID-19 outbreak was declared as a global pandemic by the World Health Organisation. On 24 March 2020 the Indian Government had announced a strict 21 day lockdown which kept on getting extended across the country with gradual and modest relaxations. The Company believes that it has taken into account the impact of known events arising out of COVID 19 pandemic in the preparation of financial statements. However the impact assessment of COVID 19 is a continuing process given its nature and duration. The Company will continue to monitor for any material changes to future economic conditions
- 53 Disclosure as required by schedule V (A) (2) of the SEBI (Listing Obligation and Disclosure Requirements)**
The Company has not given any Loans and advances in the nature of loans to firms/companies in which director is interested .
- 54 Prior Year Comparatives**
Previous year's figures have been regrouped / reclassified/rearranged wherever necessary to correspond with the current year's classifications / disclosures. Figures in brackets pertain to previous year

In terms of our report attached

For and on behalf of the board

For MGB & Co. LLP

Chartered Accountants

Firm Registration No. 101169W/W-100035

Sanjay Kothari

Partner

Membership No. 048215

Place : Mumbai

Date : 4 June 2020

Managing Director

Director

Chief Financial Officer

Company Secretary

Pratik Doshi

S.S Gulati

Girish Majrekar

Akshata Vengurlekar

Independent Auditor's Report

To
The Members of
LKP Securities Limited

Report on the Audit of the consolidated financial Statements

1. Opinion

We have audited the accompanying Consolidated financial statements of **LKP Securities Limited** ("the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the consolidated financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of the consolidated affairs of the group as at 31 March 2020, consolidated profit and consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

2. Basis for Opinion

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

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31 March 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matter	Auditor's Response
1.	<p>Accuracy and completeness of revenue recognised and related IT systems</p> <p>The application of revenue recognition accounting standards involves revenue arrangements and relevant contracts.</p> <p>Due to the different revenue arrangements and the degree of complexity of IT systems and processes used, we have considered this matter as a key audit matter.</p> <p>The Group's accounting policies relating to revenue recognition are presented in note 2 to the financial statements.</p>	<p>Principal Audit Procedures</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> - Understanding the significant revenue processes including performance of an end to end walkthrough of the revenue assurance process and identifying the relevant controls (including IT systems, interfaces and reports). - Reviewing sample contracts for accounting treatments opted and testing the related revenues recognised during the year and to have reasonable assurance of adequate IT controls. - Performing data analysis and analytical reviews of significant revenue streams; - Reviewing key reconciliations performed by the Revenue Assurance team; - Performing specific procedures to test the accuracy and completeness of adjustments relating revenue; and - Performing procedures to ensure that the revenue recognition criteria adopted by the Group for all major revenue streams is appropriate and in line with the accounting policies. <p>Conclusion</p> <p>Our procedures did not identify any material exceptions.</p>

4. Other Information

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Management Responsibilities for the Consolidated financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, Consolidated financial performance, Consolidated total comprehensive income, Consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; 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 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.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group and of to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

6. Auditor's Responsibilities for the Audit of the Consolidated financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary Company which is a company incorporated in India has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern. .
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

7. Other Matters

We did not audit the financial statements of a subsidiary company whose financial statements reflect total assets of Rs.146.95 lakhs as at 31 March 2020, total revenues of Rs. 113.57 lakhs, total net profit after tax of Rs.5.94 lakhs and total comprehensive income of Rs.5.94 lakhs for the year ended on that date, as considered in the consolidated financial statements. The financial statement has been audited by other auditor whose report has 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 the subsidiary company 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.

8. Report on Other Legal and Regulatory requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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 including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company is disqualified as on 31 March, 2020 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".
- 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 as amended, 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 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts; and
 - 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 company incorporated in India.

For MGB & Co LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner

Membership Number 048215

UDIN: 20048215AAAABY5488

Mumbai, 4 June 2020

Annexure - A to the Independent Auditor's Report

Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 8(f) under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of the LKP Securities Limited on the consolidated financial statements for the year ended 31 March 2020

We have audited the internal financial controls over financial reporting of **LKP Securities Limited** ("the Company" or "the Holding Company"), and its subsidiary, incorporated in India as of 31 March, 2020, 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 respective Board of Directors of the Holding Company, and its subsidiary incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company, and its subsidiary incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

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

For MGB & Co LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner

Membership Number 048215

UDIN: 20048215AAAABY5488

Mumbai, 4 June 2020

Consolidated Balance Sheet as at 31 March 2020

(Rs. Lakhs)

	Note	31 March 2020	31 March 2019
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	3(a)	3,013.79	1,846.31
(b) Bank Balance other than (a) above	3(b)	1,861.75	3,427.07
(c) Receivables	4		
Trade receivables		2,351.82	5,135.09
(d) Loans	5	26.22	293.04
(e) Investments	6	671.74	543.78
(f) Other Financial assets	7	4,166.04	774.05
Total Financial Assets		12,091.36	12,019.34
(2) Non-Financial Assets			
(a) Current tax assets (net)	8	315.49	293.39
(b) Deferred tax assets (net)	9	460.01	475.96
(c) Property, Plant and Equipment	10	313.96	374.87
(d) Right-of-use assets	10(a)	94.74	-
(e) Intangible assets under development	10(b)	15.30	8.00
(f) Goodwill	11	125.59	125.59
(g) Other Intangible Assets	11	83.34	83.97
(h) Other non-financial assets	12	997.37	1,022.24
Total Non-Financial Assets		2,405.80	2,384.02
TOTAL ASSETS		14,497.16	14,403.36
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) (I) Trade payable	13		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		5,077.57	5,051.86
(II) Other payable			
(i) total outstanding dues of micro enterprises and small enterprises		0.66	7.91
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		115.55	137.51
(b) Borrowings (other than debt securities)	14	1,510.25	2,532.08
(c) Deposits	15	265.94	274.07
(d) Other financial liabilities	16	3,066.76	1,940.74
Total Financial Liabilities		10,036.73	9,944.17
(2) Non-Financial Liabilities			
(a) Provisions	17	252.07	201.85
(b) Other non-financial liabilities	18	190.40	392.85
Total Non-financial liabilities		442.47	594.70
(3) Equity			
(a) Equity Share Capital	19	1,478.69	1,478.69
(b) Other Equity	20	2,539.27	2,385.80
Total Equity		4,017.96	3,864.49
TOTAL LIABILITIES AND EQUITY		14,497.16	14,403.36

Notes forming part of the consolidated financial statements
1-53

In terms of our report attached

For and on behalf of the board
For MGB & Co. LLP

Chartered Accountants

Firm Registration No. 101169W/W-100035

Pratik Doshi

Managing Director

S.S Gulati

Director

Sanjay Kothari

Partner

Membership No. 048215

Girish Majrekar

Chief Financial Officer

Akshata Vengurlekar

Company Secretary

Place : Mumbai

Date : 4 June 2020

Consolidated Statement of Profit and Loss for the year ended 31 March 2020

(Rs.Lakhs)

	Note	31 March 2020	31 March 2019
Revenue from operations			
(i) Interest Income	21	734.97	895.39
(ii) Dividend Income		-	0.11
(iii) Fees and Commission Income		6,517.49	8,423.90
(iv) Net gain on fair value changes		-	4.44
(v) Others		132.84	234.20
Total Revenue from operations		7,385.30	9,558.03
Other Income	22	54.70	36.35
Total Income		7,440.00	9,594.38
Expenses			
(i) Finance Costs	23	465.79	758.11
(ii) Fees and commission Expense	24	2,212.69	3,358.00
(iii) Net loss on fair value changes	25	61.10	-
(iv) Impairment on financial instruments	26	54.34	39.23
(v) Employee benefits expense	27	3,110.20	3,822.24
(vi) Depreciation, amortisation and impairment	28	115.85	88.32
(vii) Other expenses	29	1,197.47	1,420.29
Total Expenses		7,217.44	9,486.19
Profit before exceptional items and tax		222.56	108.19
Exceptional Items		-	-
Profit Before Tax		222.56	108.19
Tax expenses	30		
Current tax - Current year		86.71	41.00
- Earlier year		(3.74)	-
Deferred tax (Assets) / Liabilities		(23.10)	(95.95)
MAT Credit entitlement-current year		-	(14.25)
- earlier year		-	(34.27)
Total tax expenses		59.87	(103.47)
Profit for the year		162.69	211.66
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement gains/(losses) on defined benefit plan		1.04	(103.09)
- Fair value change on equity instruments through other comprehensive income		(11.79)	(11.16)
- Income tax relating to items that will not be reclassified to profit or loss		(0.29)	31.78
Other Comprehensive Income/ (loss) for the year		(11.04)	(82.47)
Total comprehensive Income for the year		151.64	129.19
Earning per equity share (face value of Rs. 2 each)	41		
Basic (in Rs.)		0.22	0.29
Diluted (in Rs.)		0.22	0.28

Notes forming part of the consolidated financial statements
1-53

In terms of our report attached

For and on behalf of the board
For MGB & Co. LLP

Chartered Accountants

Firm Registration No. 101169W/W-100035

Pratik Doshi

Managing Director

S.S Gulati

Director

Sanjay Kothari

Partner

Membership No. 048215

Girish Majrekar

Chief Financial Officer

Akshata Vengurlekar

Company Secretary

Place : Mumbai

Date : 4 June 2020

Consolidated Statement of Changes in Equity for the year ended 31 March 2020

Rs in Lakhs

A. Equity Share Capital	
Balance as at 1 April 2018	1,464.43
Changes in equity share capital during the year	14.26
Balance ss at 31 March 2019	1,478.69
Changes in equity share capital during the year	-
Balance as at 31 March 2020	1,478.69

B. Other Equity

	Reserves and Surplus				Other Comprehensive Income	Total other Equity
	Preference Share Redemption Reserves	Share based payment reserve	Retained Earnings	Securities Premium		
Balance as at 1 April 2018	1,960.39	94.61	252.83	-	(117.95)	2,189.88
Profit for the year	-	-	211.66	-	-	211.66
Remeasurement of defined benefit plan (net of deferred tax)	-	-	(74.41)	-	-	(74.41)
Dividend paid (including tax)	-	-	(88.27)	-	-	(88.27)
Share based payments	-	119.32	-	-	-	119.32
Premium on issue of ESOP	-	(53.86)	-	89.54	-	35.67
Other comprehensive income	-	-	-	-	(8.05)	(8.05)
Loss on fair value asset (net of deferred tax)	-	-	-	-	(8.05)	(8.05)
Total comprehensive income	1,960.39	160.07	301.81	89.54	(126.00)	2,385.80
Balance as at 31 March 2019	1,960.39	160.07	301.81	89.54	(126.00)	2,385.80
Profit for the year	-	-	162.69	-	-	162.69
Remeasurement of defined benefit plan (net of deferred tax)	-	-	0.75	-	-	0.75
Other comprehensive income	-	-	-	-	(11.79)	(11.79)
Loss on fair value asset (net of deferred tax)	-	-	-	-	(11.79)	(11.79)
Total comprehensive income for the year	1,960.39	160.07	465.26	89.54	(137.79)	2,537.46
Share based payments	-	1.81	-	-	-	1.81
Premium on issue of ESOP	-	-	-	-	-	-
Balance as at 31 March 2020	1,960.39	161.88	465.26	89.54	(137.79)	2,539.27

Notes forming part of the consolidated financial statements

1-53

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

In terms of our report attached

For and on behalf of the board
For MGB & Co. LLP

Chartered Accountants

Firm Registration No. 101169W/W-100035

Sanjay Kothari

Partner

Membership No. 048215

Place : Mumbai

Date : 4 June 2020

Pratik Doshi

Managing Director

Girish Majrekar

Chief Financial Officer

S.S Gulati

Director

Akshata Vengurlekar

Company Secretary

Consolidated Cash flow statement for the year ended 31 March 2020

(Rs Lakhs)

	31 March 2020	31 March 2019
A. Cash flow from operating activities		
Profit before tax	222.56	108.19
Adjustments for:		
Depreciation and amortization expense	115.85	88.32
Loss on sale/ discard of property, plant and equipment/ intangibles	(0.14)	(0.09)
Interest expense	366.96	680.45
Interest Income	(734.97)	(895.39)
Dividend Income	-	(0.11)
Net loss/ (gain) on Investments carried at fair value through profit and loss	61.10	-
Share based expenses	1.81	119.32
(Profit) / Loss on Sale of Investment (net)	(132.84)	(238.64)
Operating profit before working capital changes	(99.65)	(137.95)
Adjustments for:		
Decrease / (increase) in Trade Receivables	(545.01)	3,439.54
(Decrease) /increase in Trade payables	868.87	1,384.77
Cash generated from operations	224.21	4,686.36
Direct tax paid (net of refunds)	(66.32)	(185.70)
Net cash from/ (used in) operating activities (A)	157.90	4,500.67
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(45.61)	(205.00)
Sale of Property, plant and equipment and intangible assets	0.15	0.12
Purchase of investments	(30,014.09)	(19,160.32)
Sale of investments	29,946.08	19,153.34
Loans given	-	(273.28)
Loans repaid	266.82	-
(Increase)/ decrease in bank deposits	1,565.31	(45.61)
Interest received	696.12	895.39
Dividend received	-	0.11
Net cash from/ (used in) investing activities (B)	2,414.79	364.75
C. Cash flow from financing activities		
Proceeds from issues of shares on ESOP	-	49.94
Dividend Paid	-	(88.27)
Payment of Lease Liabilities	(20.27)	-
Repayments of borrowings (net)	(1,031.50)	(3,812.25)
Interest paid	(353.45)	(680.45)
Net cash from/ (used in) financing activities (C)	(1,405.21)	(4,531.03)
Net changes in cash and cash equivalents (A+B+C)	1,167.47	334.38
Cash and cash equivalents at the beginning of the year	1,846.31	1,511.93
Cash and bank balances at the end of the year	3,013.79	1,846.31
Notes:		
1. Previous year figures have been regrouped or recast wherever, considered necessary		
2. As required by Ind AS 7 "Statement of Cash Flows", a reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in note 42		
3. Cash and cash equivalents consists of :		
Cash on Hand	1.22	0.39
Balances with banks:		
in current accounts	3,012.57	1,845.92
Total	3,013.79	1,846.31

In terms of our report attached

For and on behalf of the board

For MGB & Co. LLP
 Chartered Accountants
 Firm Registration No. 101169W/W-100035

Pratik Doshi
 Managing Director

S.S Gulati
 Director

Sanjay Kothari
 Partner
 Membership No. 048215

Girish Majrekar
 Chief Financial Officer

Akshata Vengurlekar
 Company Secretary

 Place : Mumbai
 Date : 4 June 2020

Notes to Consolidated Financial Statements for the year ended 31 March, 2020

1 Company information

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

The consolidated financial statement (hereinafter referred to as "CFS") of the Group for the year ended 31 March 2020 were authorised for issue by the Board of Directors at the meeting held on 4 June 2020.

2 Significant accounting policies

(a) Basis of preparation

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

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

The Group presents its Balance sheet in the order of Liquidity.

Rounding of amounts

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

New standards and interpretations

The Group has adopted all of the relevant new, revised, or amended Accounting Standards and interpretations issued by the AASB that are mandatory for the current reporting period.

Principles of Consolidation

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

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

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

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

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

(b) Property, plant and equipment

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

Right to Use Assets (ROU): The Group as a lessee records an ROU asset for each lease with an original term greater than 12 months. ROU assets are included in premises , with the corresponding lease liabilities included in financial liabilities. Depreciation on ROU asset is being charged on the basis of Lease term

(c) Intangible assets

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

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

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

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

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

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

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

(f) Goodwill

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

(g) Leases

The Group's lease asset classes primarily consist of leases for building premises . The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for

Notes to Consolidated Financial Statements for the year ended 31 March, 2020

consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Transition:

Ind AS 116 Lease is applicable for financial reporting periods beginning on or after 1 April 2019 and replaces existing lease accounting guidance, namely Ind AS 17 Leases. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a Right-of-Use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as Ind AS 116 replaces the operating lease expense (i.e., rent) with depreciation charge for ROU assets and interest expense on lease liabilities. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

Accordingly, the Group has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on April 01, 2019 using the modified retrospective method. Consequently, the cumulative adjustment has been taken on the date of initial application i.e. April 01, 2019. Based on the same and as permitted under the specific transitional provisions in the standard, the Group is not required to restate the comparative figures. On transition, due to the adoption of the new Ind AS, it resulted in recognition of Right-of-Use asset (ROU) of Rs 11.32 Lakhs and a lease liability of Rs. 11.32 Lakhs. Since the group has adopted modified retrospective method, no impact would arise in the opening retained earnings. The effect of this adoption is not material to the profit for the period and earnings per share.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(h) Cash and cash equivalents

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

(i) Fair value measurement

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

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

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

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

(l) Financial instruments

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

Financial assets

i Initial recognition

Financial assets are recognized when the group becomes a party to the contractual provisions of the financial instrument.

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

ii Subsequent measurement

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit and loss' (FVTPL), 'Fair value through other

Notes to Consolidated Financial Statements for the year ended 31 March, 2020

comprehensive income' (FVTOCI). The classification depends on the Group's business model for managing the financial assets and the contractual terms of cash flows.

Debt Instrument

Amortised Cost

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

Fair value through other comprehensive income (FVTOCI)

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

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

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

Fair value through Profit and Loss (FVTPL)

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

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

Equity investments

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

Derivative financial instruments

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

iii Derecognition of financial assets

A financial asset is derecognised only when

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

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

Impairment of financial assets

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

Financial liabilities and equity instruments

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

Equity instruments

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

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

Financial liabilities

i Classification

Financial liabilities are recognized when Group becomes party to contractual provisions of the instrument.

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

ii Subsequent measurement

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

Notes to Consolidated Financial Statements for the year ended 31 March, 2020

Financial liabilities at fair value through profit or loss

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

iii De-recognition of financial liabilities

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

(j) Borrowings and Borrowing costs

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

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

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

(k) Provisions, contingent liabilities and contingent assets

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

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

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

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

(l) Revenue recognition

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provide a single, comprehensive model for all contracts with customers. The standard contains principles to determine the measurement of revenue and timing of when it is recognized. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments as well as assets recognized from costs incurred to fulfil these contracts.

A. Revenue - Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the Group.

- a) Group recognizes Brokerage income as per contracted rates on the execution of transactions on behalf of the clients on trade date on the basis of the date of settlement of respective exchanges.
- b) Account maintenance charges are recognized on time basis over the period of the contract.
- c) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.
- d) Dividend income is recognised when the Group's right to receive dividend is established.

Transaction price is accounted net of GST. Since GST is not received by the Group on its own account, rather, it is collected by the Group on behalf of the government. Accordingly, it is excluded from revenue.

B. Contract Costs

In accordance with Ind AS - 115, incremental costs to obtain a contract are capitalized and amortized over the contract term if the cost are expected to be recoverable. The Group does not capitalize incremental costs to obtain a contract where the contract duration is expected to be one year or less.

C. Arrangements with Multiple Performance Obligations

The Group's contracts with customers may include multiple performance obligations. For such arrangements, the Group allocates revenue to each performance obligation based on its relative standalone selling price, which is generally determined based on the price charged to customers.

D. Contract assets and liabilities

Contract assets relate primarily to the Group's rights to consideration for work completed but not billed at each reporting date. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to a customer.

Contract liabilities primarily relate to consideration received in advance from customers, for which the performance obligation is yet to be satisfied.

Notes to Consolidated Financial Statements for the year ended 31 March, 2020

(m) Retirement and other employee benefits

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

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

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

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

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

(n) Transactions in foreign currencies

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

(o) Accounting for taxes on income

Tax expense comprises of current and deferred tax.

Current tax

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

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

Deferred tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets

and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

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

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

Presentation of current and deferred tax

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

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

(p) Impairment of non-financial assets

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

(q) Earnings per share

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

(r) Share based payments

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

(s) Dividend

Provision is made for the amount of any dividend declared on or before the end of the reporting period but remaining

Notes to Consolidated Financial Statements for the year ended 31 March, 2020

undistributed at the end of the reporting period, where the same has been appropriately authorised and is no longer at the discretion of the entity.

(t) Contributed equity

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

(u) Exceptional items

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

Critical accounting judgment and estimates

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

a Contingencies

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

b Useful lives and residual values

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

c Impairment testing

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

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

d Tax

The Group's tax charge is the sum of the total current and deferred tax charges. The calculation of the Group's total tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment

cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

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

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

e Fair value measurement

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

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

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

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

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

f Defined benefit obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 39, 'Employee benefits'.

g Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There are no such notification which would have been applicable from April 1, 2020.

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
3(a) Cash and Cash Equivalents

(Rs.Lakhs)

	31 March 2020	31 March 2019
Cash on hand	1.22	0.39
Balances with bank -		
- In Current accounts	3,012.57	1,845.92
Total	3,013.79	1,846.31

3(b) Bank Balances other than (a) above *

(Rs.Lakhs)

	31 March 2020	31 March 2019
Bank deposit having original maturity period of more than three months but less than twelve months	955.89	2,874.66
Bank deposit having original maturity period of more than twelve months	905.87	552.40
Total	1,861.75	3,427.07

*Bank deposit of Rs.870 lakhs (Rs.2,714.85 lakhs) are marked as lien for meeting margin requirements and Rs.246 lakhs (Rs.638.23) are provided as security against Overdraft

4 Receivables

(Rs.Lakhs)

	31 March 2020	31 March 2019
Trade receivables		
Considered good - Secured	600.69	3,475.46
Considered good - Unsecured	449.63	1,659.64
- Significant increase in credit risk	1,301.50	-
Credit Impaired	469.84	415.99
Less: Impairment Loss Allowance	(469.84)	(415.99)
Total	2,351.82	5,135.09

Trade receivables are non-interest bearing till settlement date

For related party transactions refer note 40

*Rs. 1,301.50 Lakhs due from a party wherein vide a memorandum of settlement certain land is provided as security against the receivables.

5 Loans (Unsecured)

(Rs.Lakhs)

	31 March 2020	31 March 2019
Others - At Amortized Cost		
Intercompany deposits	-	269.12
Loans to employees		
- Considered Good	26.22	23.92
- Credit Impaired	11.00	11.00
	37.22	304.04
Less: Impairment Loss Allowance	(11.00)	(11.00)
Total	26.22	293.04

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
6 Investments

	(Rs.Lakhs)	
	31 March 2020	31 March 2019
A Investment carried at Fair value through other comprehensive income		
Investment in equity shares -quoted		
Equity shares of face value of Rs 10 each		
8,900 (8,900) Roopa Industries Limited	0.80	0.97
17,440 (17,440) Reliance Power Limited	0.21	1.98
149 (149) D. S. Kulkarni Developers Limited*	-	-
10,000 (10,000) Gold Crest Finance (India) Limited*	-	-
149,000 (149,000) Infra Industries Limited*	-	-
Equity shares of face value of Rs 5 each		
72 (72) Oil and Natural Gas Corporation Limited#	0.00	0.00
Equity shares of face value of Rs 2 each		
5,000 (5,000) TV 18 Limited	0.78	1.78
Investment in equity shares -unquoted		
Equity shares of face value of Rs 10 each		
11,200(11,200) Gobind Sugar Mills Limited	8.85	8.85
Less: Provision for Impairment	(8.85)	-
	-	8.85
	1.79	13.58
B Investment carried at Fair value through profit and loss		
i Investment in Mutual Funds		
face value of Rs 100 each		
51 (51) liquidbees Reliance ETF Gold Bees	0.53	0.51
1623.742 (Nil) HDFC Liquid Fund	63.06	0.00
ii Investment in Debt Securities		
Investment in Bond of face value of Rs 1,000 each		
50,000 (50,000), bonds of 10.00% Edelweiss Housing Finance Limited	459.97	514.93
Investment in Bonds of face value of Rs 10 Lakh each		
2 (Nil)8.57% Centrl Bank of India 2025	20.55	-
1 (Nil) 8.70% Power Finance Corporation Limited 2020	10.66	-
iii Investment in equity shares (quoted)		
Equity shares of face value of Rs 10 each		
1 (Nil) Adani Ports Limited #	0.00	0.00
1 (Nil) Chemfab Alkies Limited#	0.00	0.00
1,500 (1,500) Divine Multimedia (India) Limited*	-	-
100 (100) Alacrity Electronics Limited*	-	-
200 (200) Gujarat Fiscon Limited*	-	-
1 (1) Healthfore Technologies Limited*	-	-
190 (190) Indo-French Biotech Enterprises Limited*	-	-
1,000 (1,000) Maars Software International Limited*	-	-
5,000(2019 :5,000) Manna Glass-Tech Industries Limited*	-	-
400 (400) Mardia Chemical Limited*	-	-
2 (2) MMS Infrastructure Limited*	-	-
82,300 (81,800) Motorola Speciality Oils Limited*	-	-
41(41)Norben Tea & Exports Limited*	-	-
2,500 (500) Ojas Technochem Products Limited*	-	-
2,608 (2,350) Origin Agrostar Limited*	-	-
2,500 (2,500) Padmini Technologies Limited*	-	-
658 (214) Reliance Industries Limited	7.77	5.83
500 (500) Sanghi Polyesters Limited*	-	-
1,000 (1,000) SBI Home Finance Limited*	-	-

Notes to Consolidated Financial Statements for the year ended 31 March, 2020

	(Rs.Lakhs)	
	31 March 2020	31 March 2019
51 (51) Simplex Mills Company Limited*	-	-
1 (1) Simplex Papers Limited*	-	-
100 (100) Sriven Multi-Tech Limited*	-	-
3000 (3000) Supreme Telecom and Network India Limited*	-	-
415(415) Silverline Technologies Limited*	-	-
48,890 (Nil) Greycells Education Limited	18.09	-
1200(Nil)Agri-Tech India Limited	0.23	-
1,320 (Nil)Nath Bio Genes India Limited	1.79	-
3,480 (Nil)Techindia Nirman Limited	0.07	-
165 (Nil)Vision Cinemas Limited*	-	-
4,650 (Nil)Manglore Chemicals & Fertilizers Limited	1.13	-
20,518 (Nil)United Brew Holdings Limited	2.05	-
2,08,403 (Nil) Shree Rama Newsprint Limited	23.63	-
Equity shares of face value of Rs 5 each		
17,600 (Nil)Hindustan Motors Limited	0.54	-
Equity shares of face value of Rs 2 each		
450 (450) Housing Development Finance Corp.Limited	7.35	8.85
1 (1) ICICI Bank Limited	0.00	0.00
1 (Nil) Larsen & Toubro Limited#	0.01	0.01
5 (5) Indiabulls Ventures Limited#	0.00	0.02
Equity shares of face value of Re 1 each		
1 (1) ITC Limited#	0.00	0.00
2500 (2500) Interface Financial Services Limited*	-	-
10 (10) JSW Steel Limited	0.01	0.03
16,920(6,920) MOH Limited*	-	-
1 (1) Motherson Sumi Limited#	0.00	0.00
2,35,610 (Nil) Vakrangee Limited	46.65	-
8,250 (Nil)Tata Motors Limited	5.86	-
	669.95	530.20
Total Investments (A+B+C)	671.74	543.78
* The fair value of shares considered as "0" (-) as the company's shares are suspended from trading.		
# "0" (Zero) denotes amounts less than thousand		
Total Investments	671.74	543.78
Aggregate book value of quoted investments	671.74	534.93
Aggregate book value of unquoted investments	8.85	8.85
Aggregate market value of quoted investments	671.74	534.93
Aggregate market value of unquoted investments	-	8.85
Provision for impairment	8.85	-

7 Other Financial Assets

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Deposits- (unsecured and considered good)		
- related parties	300.00	300.00
- others	244.86	345.84
Balance with exchange and clearing members	3,557.58	100.00
Other Advances - unsecured	24.76	28.20
Interest Accrued and due	38.85	-
Total	4,166.04	774.05

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
8 Current Tax assets (net)

(Rs. Lakhs)

	31 March 2020	31 March 2019
Balance with Government Authorities		
Advance Direct Tax (net of Provisions)	315.49	293.39
Total	315.49	293.39

9 Deferred tax assets (net)

(Rs. Lakhs)

	31 March 2020	31 March 2019
Deferred tax assets/ (liabilities)		
Depreciation and amortisation	28.48	35.97
Employee retirement benefits	70.13	56.16
Allowances for credit losses	133.77	118.13
Other timing differences	2.56	1.87
MAT Credit Entitlement*	225.08	263.83
Total	460.01	475.96

* Minimum Alternate Tax paid in accordance with tax laws, give rise to future economic benefits in the form of adjustment of future tax liability.

10 Property, Plant and Equipments

(Rs. Lakhs)

Description of Assets	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold Improvement	Computers	Electrical Fittings	Total
I. Gross Block							
At cost as at 1 April 2018	59.76	99.70	101.04	89.53	107.73	2.13	459.89
Additions	17.68	120.36	8.61	-	10.87	-	157.52
Disposals	-	-	-	-	(0.29)	-	(0.29)
At cost as at 31 March 2019	77.44	220.06	109.65	89.53	118.31	2.13	617.11
Additions	0.22	-	2.92	-	9.47	-	12.61
Disposals	-	-	0.30	-	-	-	0.30
At cost as at 31 March 2020	77.66	220.06	112.27	89.53	127.78	2.13	629.43
II. Accumulated Depreciation							
Balance as at 1 April, 2018	22.57	22.27	31.05	32.30	62.64	0.77	171.60
Depreciation charged for the year	8.28	20.51	14.13	15.68	12.02	0.28	70.90
Disposals	-	-	-	-	0.26	-	0.26
Balance as at 31 March, 2019	30.85	42.78	45.18	47.98	74.41	1.05	242.24
Depreciation charged for the year	7.21	26.84	11.84	13.47	13.96	0.19	73.51
Disposals	-	-	0.28	-	-	-	0.28
Upto 31 March 2020	38.06	69.62	56.74	61.45	88.37	1.24	315.48
Net book value							
As at 31 March 2020	39.60	150.44	55.54	28.08	39.41	0.89	313.96
As at 31 March 2019	46.59	177.28	64.47	41.55	43.98	1.08	374.87

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
10 (a) Right of use assets

		(Rs. Lakhs)
Description of Assets	Leased Premises	
I. Gross Block		
At cost as at 1 April 2019		
Additions (refer note 32)		110.73
Disposals		-
Balance as at 31 March 2020		110.73
II. Accumulated Depreciation		
Balance as at 1 April, 2019		
Depreciation charged for the year		15.99
Disposals		-
Upto 31 March 2020		15.99
Net book value		
As at 31 March 2020		94.74
As at 31 March 2019		-

10 (b) Intangibles under development

		(Rs. Lakhs)
Description of Assets	Leased Premises	
As on 1 April 2018		
Additions		8.00
Disposals		-
Balance as at 31 March 2019		8.00
Additions		7.30
Disposals		-
Balance as at 31 March 2020		15.30
Net book value		
As at 31 March 2020		15.30
As at 31 March 2019		8.00

11 Other Intangible Assets

		(Rs Lakhs)	
Description of Assets	Computer Software	Total	
I. Gross Block			
At cost at 1 April 2018	84.07	84.07	
Additions	47.48	47.48	
Disposals	-	-	
At cost at 31 March 2019	131.55	131.55	
Additions	25.72	25.72	
Disposals	-	-	
At cost at 31 March 2020	157.27	157.27	
II. Accumulated Amortization			
Balance as on 1 April 2018	30.16	30.16	
Amortization charged for the year	17.42	17.42	
Disposals	-	-	
Balance as on 31 March 2019	47.58	47.58	
Amortization charged for the year	26.35	26.35	
Disposals	-	-	
Upto 31 March 2020	73.93	73.93	
Net book value			
As at 31 March 2020	83.34	83.34	
As at 31 March 2019	83.97	83.97	
	31 March 2020	31 March 2019	
Goodwill	125.59	125.59	
Other Intangible assets	83.34	83.97	

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
12 Other Non-Financial Assets

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Others Assets		
Prepaid expenses	49.94	86.80
Other Advances		
- Considered Good*	929.84	924.10
- Considered Doubtful	79.00	79.00
	1,008.84	1,003.10
Less : Impairment loss allowance	(79.00)	(79.00)
	929.84	924.10
Balance with Government authorities		
- Advance indirect taxes	17.60	11.34
Total	997.37	1,022.24

*Other Advances includes Rs./ Lakhs 924.10 (Rs. Lakhs 924.10) due from Related Party.

13 Financial Liabilities

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
I) Trade Payables (refer note 36)		
i) total outstanding dues of micro enterprises and small enterprises	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises*	5,077.57	5,051.86
Total	5,077.57	5,051.86
II) Other Payables (refer note 36)		
i) total outstanding dues of micro enterprises and small enterprises	0.66	7.91
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	115.55	137.51
Total	116.21	145.42

Trade payables and other payables are non-interest bearing and are normally settled as per payment terms mentioned in the contract.

For transactions relating to related party payables refer note 40.

* margin money shown separately in other financial liabilities

14 Borrowings:

	31 March 2020	31 March 2019
i) Loans taken *		
- Corporate	-	10.00
	-	10.00
ii) Loans repayable on demand		
From Banks	1,510.25	2,522.08
	1,510.25	2,522.08
Total	1,510.25	2,532.08

* Interest free, repayable on demand

Loans from Banks

Loan of Rs 542.58 lakhs (Rs. 494.39 lakhs) from Bank of India secured by first pari passu charge on book debts both present and future. The facility carries interest @ 11.70% presently (8.70 MCLR + 0.30% BSS + 2.70% CRP)

Loan of Rs 967.67 Lakhs (Rs. 1596.65 Lakhs) from Yes Bank is secured by first pari passu charge on on all current assets of the Holding Company and personal guarantee of Promoters of Holding Company . The facility carries interest @12.70 % presently .

Loan of Rs Nil (Rs. 431.04 Lakhs) from South Indian Bank is secured against fixed deposit of the Holding Company. The loan carries interest rates which ranges from @ 7.75 % to 8.60% (FD Rate +1 %) The loan is repaid during the year.

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
15 Deposits

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Security Deposits from Sub Brokers	265.94	274.07
Total	265.94	274.07

16 Other Financial Liabilities

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Current maturities of long term borrowings	-	9.67
Margin money	2,962.78	1,931.07
Lease Liability	95.81	-
Interest Accrued and Due	8.17	-
Total	3,066.76	1,940.74

* for related party transactions refer note 40

17 Provisions

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Provision for Employee Benefits	252.07	201.85
Total	252.07	201.85

18 Other Non-Financial Liabilities

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Statutory dues payable	180.07	392.25
Income received in Advance	10.34	-
Other Advances	-	0.60
Total	190.40	392.85

19 Equity Share Capital

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Authorised		
12,50,00,000 (12,50,00,000) Equity shares of Rs. 2/- each	2,500.00	2,500.00
1,00,00,000 (1,00,00,000) Unclassified shares of Rs. 10/- each	1,000.00	1,000.00
	3,500.00	3,500.00
Issued, subscribed and fully paid up		
7,39,34,736 (7,39,34,636) Equity shares of Rs. 2/- each	1,478.69	1,478.69

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

	31 March 2020		31 March 2019	
	Number of Equity shares	Rs.	Number of Equity shares	Rs.
At the beginning of the year	7,39,34,736	1,478.69	7,32,21,296	1,464.43
Add: Share Issued on exercise of ESOP employee Stock Options	-	-	7,13,440	14.26
Add: Share issued during the year	-	-	-	-
Outstanding at the end of the year	7,39,34,736	1,478.69	7,39,34,736	1,478.69

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.2 per share. Each holder of equity shares is entitled to one vote per share. The dividend, incase proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except incase of interim dividend.

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

Notes to Consolidated Financial Statements for the year ended 31 March, 2020

- c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

- d) **Details of shareholders holding more than 5% shares in the company:**

Name of shareholders	31 March 2020		31 March 2019	
	No. of shares	% Holding	No. of shares	% Holding
Mr Mahendra V Doshi	91,61,700	12.39%	91,61,700	12.39%
Mr Mahendra V Doshi-Partner M/s L K Panday	1,30,89,354	17.70%	1,30,89,354	17.70%
Sea Glimpse Investments Private Limited	1,59,40,090	21.56%	1,52,85,090	20.67%
Bhavana Holdings Private Limited	87,22,030	11.80%	87,21,606	11.80%
Agrud Capital PTE Limited	43,64,934	5.90%	43,64,934	5.90%
	5,12,78,108	69.35%	5,06,22,684	68.47%

- e) **Employees Stock Option Scheme (ESOP)**

The Group had instituted an Employee Stock Option Plan ("ESOP 2017 or "the Scheme") as approved by Board of Directors and Shareholders of the Company. Under the scheme, 38,85,000 Stock Options were granted (including 1,85,000 options granted during the year) at a price of Rs. 7/- per option to the employees of the Company. As per the scheme, 33%, 33% and 34% of the total grant shall be vested at the end of every year from the original grant dates. The options vested would be exercisable at any time within a period of one year from the date of vesting and the equity shares arising on exercise of options shall not be subject to any lock in. There are 21,86,960 Options outstanding as at 31 March 2020 The said Scheme is administered by the Nomination and Remuneration Committee of the Board.

- f) **Summary of Options granted under the scheme**

	31 March 2020	31 March 2019
Options outstanding at the beginning of the year	25,96,200	37,00,000
Option issued during the year	1,85,000	-
Options exercised during the year	-	7,13,440
Options lapsed during the year	5,94,240	3,90,360
Option outstanding at the end of the year	21,86,960	25,96,200

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

Grant date	Expiry date	Exercise price (Rs.)	Share options	
			31 March 2020	31 March 2019
29 September 2017	29 September 2021	7.00	20,01,960	25,96,200
2 May 2019	2 May 2023	7.00	1,85,000	-

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

Scheme	Grant 2 May 2019	Grant 29 September 2017
Grant date	02-May-2019	29-Sep-2017
Weighted average fair value of options granted (Rs.)	5.76	8.21
Exercise price (Rs.)	7.00	7.00
Expected volatility	62.56%	54.20%
Risk free interest rate	6.74%	6.16%
Dividend yield	0.00%	0.00%

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

- i) **Expense arising from share based payment transactions**

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Gross Expense/ (reversal) arising from share based payments	1.81	119.32
Employee share based payment expense/ (reversal) recognised in statement of profit / loss (Refer note no 21)	1.81	119.32

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
20 Other Equity

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Preference shares redemption Reserve		
As per Last Balance Sheet	1,960.39	1,960.39
	1,960.39	1,960.39
Securities Premium		
As per Last Balance Sheet	89.54	-
Add : Premium on issue of ESOP	-	89.54
	89.54	89.54
Shares Based Payment Reserve		
As per Last Balance Sheet	160.07	94.61
Add : Share based payments	1.81	119.32
Less : Premium on issue of ESOP	-	(53.86)
	161.88	160.07
Retained Earnings		
Balance as per the last financial statements	301.81	252.83
Profit for the year	162.69	211.66
Gain/ (loss) on Remeasurement of Defined benefit plan	1.04	(103.09)
Income tax impact thereon	(0.29)	28.68
Dividend Paid (Including Tax)	-	(88.27)
	465.26	301.81
Other Comprehensive income - fair value on equity instruments		
As per last balance sheet	(126.00)	(117.95)
Gain/(loss) on fair value of financial asset through other comprehensive income	(11.79)	(11.16)
Income tax impact thereon	-	3.10
	(137.79)	(126.00)
Total Other Equity	2,539.27	2,385.80

21 Revenue from Operations

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
(i) Interest Income		
Interest- Loans	21.85	19.12
- Deposits with banks	200.57	235.74
- Others (including broking activities)	512.55	640.54
Total	734.97	895.39
(ii) Dividend Income on Investments		
Total	-	0.11
(iii) Fees and Commission Income		
Brokerage Income	6,204.92	8,004.40
Other fees	312.57	419.50
Total	6,517.49	8,423.90
(iv) Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss	-	4.44
Total	-	4.44
(v) Others		
Net gain on sale of securities	132.84	234.20
Total	132.84	234.20

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
22 Other Income

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Unwinding of discounting of deposits	-	2.77
Other non operating income	54.57	33.49
Profit on sale of property, plant and equipment	0.14	0.09
Total	54.70	36.35

Expenses
23 Finance Costs

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Interest- on borrowings	349.75	680.45
- on retirement benefits	11.87	10.01
- on leased liability	5.34	-
Other financial charges	98.83	67.65
Total	465.79	758.11

24 Fees and commission expense

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Commission and sub-brokerage	2,212.69	3,358.00
Total	2,212.69	3,358.00

25 Net loss on fair value changes

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Net loss on financial instruments at fair value through profit or loss	61.10	-
Total	61.10	-

26 Impairment on financial instruments

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
At amortised cost		
Loans		
Trade Receivables	53.85	39.23
Bad debts written off	0.48	-
Total	54.34	39.23

27 Employee benefits expense

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Salaries and wages	2,884.29	3,624.74
Contribution to provident and other funds	106.61	98.63
Shares based payment to employees	1.81	119.32
Staff welfare expenses	37.88	59.72
Gratuity expense	79.60	(80.17)
Total	3,110.20	3,822.24

28 Depreciation, amortisation and impairment

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Depreciation of tangible assets	73.51	70.90
Depreciation on leased premises	15.99	-
Amortization of intangible assets	26.35	17.42
Total	115.85	88.32

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
29 Other expenses

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Rent , Rates and taxes	316.07	349.10
Repairs and maintenance	44.92	66.64
Electricity Expenses	43.02	51.82
Communication expenses	127.48	160.22
Travelling and Conveyance Expenses	68.87	112.48
Printing and stationery	184.39	212.51
Legal and professional charges	182.37	263.34
Directors sitting fees	1.40	1.10
Subscription and Membership fees	30.94	26.91
Payments to auditors (refer note 35)	11.08	11.02
Corporate Social responsibility expenses (refer note 47)	-	8.50
Business Promotion expenses	88.57	98.75
Office Expenses	38.86	34.20
Sundry Balances Written off (Net)	24.71	-0.21
Miscellaneous expenses	34.80	23.90
Total	1,197.47	1,420.29

For transactions relating to related party refer note 40

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
(i) Payment to auditors		
As auditors:		
Audit fees	10.88	10.70
Tax audit fee	0.20	0.00
Other matters		0.32
	11.08	11.02

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

- i) Income tax related to items recognised directly in the statement of profit and loss

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Current tax		
Current tax on profits for the year- current year	86.71	41.00
- earlier year	(3.74)	-
Deferred tax (Credit) / Charge		
Relating to origination and reversal of temporary differences	(23.10)	(95.95)
MAT Credit entitlement- current year	-	(14.25)
MAT Credit entitlement- earlier years	-	(34.27)
Total	59.87	(103.47)
Effective tax rate #	26.90%	-95.64%

A reconciliation of income tax expense applicable to profit before income tax at statutory rate to the income tax expense at group's effective income tax rate for the year ended 31 March 2020

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

	31 March 2020	31 March 2019
Deferred tax on remeasurement (gains)/losses on defined benefit plan	(0.29)	31.78
Deferred tax charged to OCI	(0.29)	31.78

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate: (Rs. Lakhs)

	31 March 2020	31 March 2019
Accounting Profit/(Loss) before tax	222.56	108.19
Income tax expense calculated at corporate tax rate	61.92	30.10
Tax effect on non-deductible expenses	4.80	-
Effect of exempt income and income tax at Lower rates	0.00	(0.03)
Other temporary differences	-	(85.02)
Other permanent difference	(3.10)	-
Earlier year	(3.74)	-
MAT Credit adjustment (current + earlier year)	0.00	(48.52)
Tax expense recognized in the statement of profit and loss	59.87	(103.47)

The applicable tax rate is the standard effective corporate income tax rate in India. The tax rate is 27.82% for the year ended 31 March 2020.

Deferred tax assets and liabilities are offset where the Group has a legally enforceable right to do so. For analysis of the deferred tax balances (after offset) for financial reporting purposes refer note 9.

(c) Deferred tax relates to the following: (Rs. Lakhs)

Reconciliation of deferred tax assets / (liabilities) net:	31 March 2020	31 March 2019
Opening balance	475.96	299.70
Deferred tax (charge)/credit recognised in		
- Statement of profit and loss	23.10	144.48
- Recognised in other comprehensive income	(0.29)	31.78
MAT Credit availed	(38.76)	-
Total	460.01	475.96

Deferred tax recognized in statement of profit or loss

For the year ended	31 March 2020	31 March 2019
Depreciation and amortisation	(7.49)	103.59
Employee retirement benefits obligation	14.26	(11.58)
Allowance for credit losses	15.64	2.91
Other timing differences	0.69	1.04
MAT credit entitlement	-	48.52
Total	23.10	144.48

Deferred tax recognized in statement of Other Comprehensive Income

For the year ended	31 March 2020	31 March 2019
Employee retirement benefits obligation	-0.29	31.78
Total	-0.29	31.78

31 Operating Leases

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

-The initial tenure of the lease is generally ranging from 12 months to 84 months.

	(Rs .Lakhs)	
	31 March 2020	31 March 2019
Lease rental charges for the year	-	245.13
Future lease rental obligation Payable (under non-cancellable operating lease)		
Not later than one year	-	39.82
Later than one year but not later than five years	-	37.49

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
32 Disclosure under IND AS 116
Right of Use Asset

- a) ROU asset' comprises leased assets of office/branch premises that do not meet the definition of investment property.

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Opening Balance		
Additions	110.73	-
Depreciation / Amortisation	15.99	-
Closing Balance	94.74	-

The aggregate depreciation/ amortisation expense on right-of-use asset is included under depreciation and amortisation expense in the Statement of Profit and Loss.

Effective 1 April, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method on the date of initial application. Consequently, the Group recorded the lease liability and right of use at the present value of the lease payments discounted at the incremental borrowing rate.

On transition to Ind AS 116, the Group recognised Rs 110.73 Lakhs of right-of-use assets and Rs 110.73 Lakhs of lease liabilities.

When measuring lease liabilities, the Group discounted lease payments using its incremental borrowing rate at 1 April 2019. The weighted-average rate applied is 12.00%.

- b) The following is the break-up of current and non-current lease liabilities

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Current	16.93	-
Non Current Lease Liabilities	78.88	-
Total	95.81	-

- c) The following is the movement in lease liabilities

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Opening Balance		
Additions	110.73	-
Finance Cost incurred during the period	5.34	-
Payment of lease liabilities	20.27	-
Adjustments	-	0
Closing Balance	95.81	-

- d) Lease liabilities Maturity Analysis

	(Rs. Lakhs)
	31 March 2020
Maturity analysis - contractual undiscounted cash flows	
Less than one year	26.25
One to five years	96.27
More than five years	-
Total undiscounted lease liabilities at 31 March 2020	122.52

- e) Lease rentals of Rs. 70.58 lakhs pertaining to short term leases and low value asset has been charged to statement of profit and loss

- 33 (i) **Contingent Liabilities**

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
a) Bank Guarantee *	960.00	5,410.00
b) Disputed Direct Taxes	6.82	6.82
c) Legal cases against the Group #	126.51	130.20

* Bank guarantee issued by bank for and on behalf of Group to stock exchanges, clearing corporation towards base capital and margin (issued against 50% as a cash collateral in the form of fixed deposit) .

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

Notes to Consolidated Financial Statements for the year ended 31 March, 2020

(ii) Litigation

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

(iii) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) is Rs. 3.20 lakhs (8.00 lakhs)

34 Segment Informations

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

35 Payment to Auditors

	(Rs .Lakhs)	
	31 March 2020	31 March 2019
Holding Company		
Audit fees	10.00	10.00
Tax Audit & Other matters	-	0.32
Subsidiary Company		
Audit fees	0.88	0.70
Tax Audit & Other matters	0.20	-
Total	11.08	11.02

36 Micro, small and medium enterprises

Trade payables and other payables include amount payable to Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from 02 October , 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

	(Rs. Lakhs)	
	31 March 2020	31 March 2019
Principal amount remaining unpaid to any supplier as at the year end	0.66	7.91
Interest due thereon	-	-
Amount of interest paid by the group in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

37 Financial Instruments

i) Financial risk management objective and policies

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

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

a) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, other financial instruments.

1) Interest rate risk:

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

Notes to Consolidated Financial Statements for the year ended 31 March, 2020

interest rate risk is the risk that future cash flows of floating interest bearing investments will vary because of fluctuations in interest rates.

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

Interest rate risk exposure

(Rs. Lakhs)

	As at 31 March 2020	As at 31 March 2019
Variable rate borrowings	1,510.25	2,522.08

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

(Rs. Lakhs)

	Increase / decrease in basis points	Effect on Profit before tax
As on 31 March 2020	+ 50 / - 50	7.55
As on 31 March 2019	+ 50 / - 50	12.61

2) Foreign currency risk:

The company enters into transactions in currency other than its functional currency and is therefore exposed to foreign currency risk. The Company analyses currency risk as to which balances outstanding in currency other than the functional currency of that company. The management has taken a position not to hedge this currency risk.

The company undertakes transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are not hedged considering the insignificant impact and period involved on such exposure.

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

3) Credit Risk:

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

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

(Rs. Lakhs)

Trade Receivables	Year ended 31 March 2020	Year ended 31 March 2019
More than Six months	2,041.85	2,273.42
Others	779.81	3,277.66
Total	2,821.66	5,551.08

(Rs. Lakhs)

	As at 31 March 2020	As at 31 March 2019
Movement in allowance for credit loss during the year was as follows :		
Opening Balance	(415.99)	(415.35)
Add :- Provided during the year	(53.85)	(0.64)
Balance as at 31 March	(469.84)	(415.99)
Net Trade receivable	2,351.82	5,135.09

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

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
b) Liquidity Risk:

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

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

(Rs. Lakhs)

	Carrying Amount	31 March 2020			
		Less than 1 year	2-5 years	More than 5 years	Total
Financial Liabilities :					
Borrowings	1,510.25	1,510.25	-	-	1,510.25
Deposits *	265.94	-	-	265.94	265.94
Trade payables	5,077.57	5,077.57	-	-	5,077.57
Other payables	116.21	116.21	-	-	116.21
Other financial liabilities	3,066.76	2,987.88	78.88	-	3,066.76
	10,036.73	9,691.90	78.88	265.94	10,036.72

	Carrying Amount	31 March 2019			
		Less than 1 year	2-5 years	More than 5 years	Total
Financial Liabilities :					
Borrowings	2,532.08	2,532.08	-	-	2,532.08
Deposits *	274.07	-	-	274.07	274.07
Trade payables	5,051.86	5,051.86	-	-	5,051.86
Other payables	145.42	145.42	-	-	145.42
Other financial liabilities	1,940.74	1,940.74	-	-	1,940.74
	9,944.17	9,670.10	-	274.07	9,944.17

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

ii) Capital Management

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

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

(Rs. Lakhs)

	As at 31 March 2020	As at 31 March 2019
Gross debt (inclusive of long term and short term borrowing)	10,036.73	9,944.17
Less: Cash and bank balances	4,875.54	5,273.38
Net debt	5,161.18	4,670.79
Total equity	4,017.96	3,864.49
Total capital	9,179.14	8,535.28
Gearing ratio	56.23%	54.72%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
iii) Categories of financial instruments and fair value thereof

(Rs Lakhs)

	31 March 2020		31 March 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
A) Financial Assets :				
i) Measured at amortised cost				
Cash and cash equivalents	3,013.79	3,013.79	1,846.31	1,846.31
Bank Balances other than cash & cash equivalents	1,861.75	1,861.75	3,427.07	3,427.07
Trade receivables	2,351.82	2,351.82	5,135.09	5,135.09
Loans	26.22	26.22	293.04	293.04
Other Financial assets	4,166.04	4,166.04	774.05	774.05
ii) Measured at Fair value through other comprehensive income				
Investments	1.79	1.79	13.58	13.58
iii) Measured at Fair value through profit and loss account				
Investments	669.95	669.95	530.20	530.20
B) Financial liabilities				
i) Measured at amortised cost				
Borrowings	1,510.25	1,510.25	2,532.08	2,532.08
Trade payables	5,077.57	5,077.57	5,051.86	5,051.86
Other Financial Liabilities	3,448.91	3,448.91	2,360.23	2,360.23

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

38 Fair Value Hierarchy :

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

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

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

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

The Following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31 March 2020

(Rs. Lakhs)

Financial Assets	Assets as at		Fair Value Hierarchy	Valuation technique(s) & key inputs used
	31 March 2020	31 March 2019		
Investments in equity shares- Non-current Investments	1.79	4.73	Level 1	Quoted in an active market
Investments in equity shares- Current Investments	115.19	14.76	Level 1	Quoted in an active market
Investments in equity shares- Non-current Investments	-	8.85	Level 3	Unobservable inputs
Investments in Mutual Fund- Current Investments	63.59	0.51	Level 1	Quoted in an active market
Investments in Bonds- Current Investments	491.17	514.93	Level 2	Inputs other than quoted prices
	671.74	543.78		

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

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

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
Reconciliation of Level 3 category of financial assets

	(Rs Lakhs)	
	31 March 2020	31 March 2019
Opening Balance	8.85	8.85
Fund Invested	-	-
Net Gain/ (loss) recognised	(8.85)	-
Closing Balances	-	8.85

39 Gratuity and other post employment benefit plans

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

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

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

	(Rs Lakhs)	
	31 March 2020	31 March 2019
Current service cost	61.28	53.74
Interest cost (net)	11.87	17.38
Net expenses	73.15	71.12

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

	(Rs Lakhs)	
	31 March 2020	31 March 2019
Actuarial (gains)/ losses arising from changes in demographic assumptions	9.98	(35.75)
Actuarial (gains)/ losses arising from changes in financial assumptions	(9.35)	(4.53)
Actuarial (gains)/ losses arising from changes in experience assumptions	(1.68)	150.46
Recognised during the year	(1.04)	110.18

III Net liability recognised in the balance sheet

	(Rs Lakhs)	
	31 March 2020	31 March 2019
Fair value of plan assets	(246.80)	(214.28)
Present value of obligation	498.87	416.13
Liability recognized in balance sheet	252.07	201.85

IV Reconciliation of opening and closing balances of defined benefit obligation

	(Rs Lakhs)	
	31 March 2020	31 March 2019
Defined benefit obligation as at the beginning of the year	416.14	239.34
Current Service Costs	61.28	53.74
Interest Costs	25.67	17.38
Actuarial (gain)/ loss on obligation	(1.04)	110.18
Benefits paid	(3.17)	(4.51)
Past service costs	-	-
Defined benefit obligation at the end of the year	498.87	416.13

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

	(Rs Lakhs)	
	31 March 2020	31 March 2019
Fair value of plan assets at the beginning of the year	214.28	1.20
Interest income	13.80	7.37
Contributions paid	21.89	203.14
Benefits paid	(3.17)	(4.51)
Return on plan asset	-	7.08
Fair value of plan assets at year end	246.80	214.28

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
VI Actuarial Assumptions

	(Rs Lakhs)	
	31 March 2020	31 March 2019
Discount rate (Per annum)	6.25%	6.44%
Rate of escalation in salary (per annum)	7.00%	8.00%
Attrition rate	PS : 0 to 42 : 36% & 16.67%	PS : 0 to 42 : 35% & 10%
Mortality Table	Indian Assured Lives mortality (2012-14)Ultimate	Indian Assured Lives mortality (2012-14)Ultimate

VII Quantitative Sensitivity Analysis

	(Rs Lakhs)	
	31 March 2020	31 March 2019
Projected benefit obligation on current assumptions		
Increase by 1% in Discount rate	484.54	400.21
Decrease by 1% in Discount rate	513.95	433.72
Increase by 1% in Rate of salary increase	510.97	426.15
Decrease by 1% in Rate of salary increase	488.77	406.55

VIII Maturity analysis of projected benefit obligation : from the fund

	(Rs Lakhs)	
	31 March 2020	31 March 2019
Projected benefits payable in future years from the date of reporting		
1st Following Year	138.06	96.39
2nd Following Year	120.43	78.85
3rd Following Year	79.85	73.23
4th Following Year	59.18	46.74
5th Following Year	47.30	36.29
Sum of years 6 to 10	127.48	126.74

Notes:

- (a) The current service cost recognized as an expense is included in the Note 27 'Employee benefits expense' as gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.
- (b) The estimate of future salary increases considered in the actuarial valuation takes into account the rate of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

40 Related party transactions

Key Management Personnel	Nature of relationship
Mr Pratik Doshi	Managing Director

Other related parties with whom transactions have taken place during the year.

LKP Finance Limited
 Bhavna Holdings Private Limited
 Gayatri Cements and Chemicals Private Limited
 MKM Share & Stock Brokers Limited
 Peak Plastonics Private Limited
 Sea Glimpse Investments Private Limited
 Solar Ex PV Solutions Private Limited
 Alpha Commodity Private Limited
 M/s LK Panday
 M/s. Agrud Partners

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
Transactions with Related parties:

	(Rs Lakhs)	
	31 March 2020	31 March 2019
Remuneration to Key Management Personnel		
Key Management Personnel	66.14	64.22
Brokerage Income		
Other Related Parties	32.81	25.53
Interest Expenses		
Other related parties	67.04	33.70
Legal Professional Fees		
Other related parties	20.76	30.14
Purchase of Property, Plant and Equipments		
Other related parties	-	118.41
Loans Taken/ Repayment		
Other related parties	66,601	46,060

Balances as at 31 March 2020

	(Rs Lakhs)	
	31 March 2020	31 March 2019
Trade and other Payables*		
Other related parties	9.52	-
Other Advances		
Other related parties	924.10	924.10
Trade Receivables*		
Other related parties	134.87	139.76
Deposits		
Other related parties	300.00	300.00

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

41 Earnings per share

	(Rs Lakhs)	
	31 March 2020	31 March 2019
Profit/(Loss) after tax (Rs.)	162.69	211.66
Weighted average number of equity shares		
- for Basic Earnings per share	7,39,34,736	7,32,89,708
- for Diluted Earnings per share	7,39,34,736	7,43,53,686
Face value of equity share (Rs/ share)	2	2
Basic earnings per share (Rs/share)	0.22	0.29
Diluted Earnings per share (Rs/share)	0.22	0.28

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

	(Rs. Lakhs)					
	As at 31 March 2019	Cash Inflows	Cash outflows	Non Cash Changes		As at 31 March 2020
				Interest Accrued	Other Charges	
Long Term Borrowings (Including Current maturities)	9.67	-	(9.67)	-	-	-
Short Term Borrowings (From Bank, Financial Institution and intercorporate deposits etc.)	2,532.08	66,601.00	(67,622.83)	-	-	1,510.25

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
43 Disclosures as required by Ind AS 115
Revenue Consist of following

(Rs. Lakhs)

	31 March 2020	31 March 2019
Interest Income	734.97	895.39
Dividend Income	-	0.11
Fees and Commission Income	6,204.92	8,004.40
Net Gain/loss on sale of mutual fund & other investments	132.84	238.64
Other operating revenue	312.57	419.50
Total	7,385.30	9,558.03

Revenue Disaggregation by Industrial Vertical & Geography is as follows

Revenue by offerings	31 March 2020	31 March 2019
Financial Services/ India	7,385.30	9,558.03
Total	7,385.30	9,558.03

Timing of Revenue Recognition

	31 March 2019	31 March 2018
Services transferred at point in time	6,515.13	8,598.71
Services transferred over period in time	870.18	959.32
Total	7,385.30	9,558.03

44 There are no unclaimed dividend for a period of more than seven years. Further, there are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as on 31 March 2020

45 The Group, has no long-term contracts including derivative contracts having material foreseeable losses as at 31 March 2020.

46 Securities received from Clients as collateral for margin are held by the Group in its own name in fiduciary capacity.

47 As per section 135 of the Companies Act, 2013, no amount is required to be spend by the Group during the year ended March 31, 2020 on Corporate Social Responsibility (CSR). The Group incurred an amount of Rs. 8.50 lakhs during the year ended 31 March, 2019 towards CSR expenditure for purposes other than construction / acquisition of any asset.

48 Dividend

The Group has not declared any dividend during the current year and previous year.

49 Additional Information pursuant to Para 2 of General Instructions for the preparation of Consolidated Financial Statements

Name of the Entity	31 March 2020							
	Net Asset i.e total assets minus total liabilities		Share in Profit / (Loss)		Share in Other Comprehensive Income		Shares of Profit/(Loss)	
	% of Consolidated net assets	Amount	% of Consolidated profit/ loss	Amount	% of consolidated other comprehensive income	Amount	% of consolidated other comprehensive income	Amount
Parent								
LKP Securities Limited	99.51%	14426.21	96.35%	156.75	100.00%	(11.04)	96.08%	145.71
Subsidiary								
LKP Wealth Advisory Limited	1.01%	146.95	3.65%	5.94	-	-	3.92%	5.94
Inter Company elimination and consolidation adjustments	-0.52%	(76.00)	-		-	-	-	-
Total	100.00%	14497.16	100.00%	162.69	100.00%	(11.04)	100.00%	151.64

Notes to Consolidated Financial Statements for the year ended 31 March, 2020
50 Maturity Analysis of Assets and Liabilities

(Rs. Lakhs)

	As at 31 Mar 2020			As at 31 Mar 2019		
	Within 12 months	After 12 Months	Total	Within 12 months	After 12 Months	Total
I ASSETS						
(1) Financial Assets						
(a) Cash and cash equivalents	3,013.79	-	3,013.79	1,846.31	-	1,846.31
(b) Bank Balance other than (a) above	1,861.75	-	1,861.75	3,427.07	-	3,427.07
(c) Receivables						
(i) Trade receivables	2,351.82	-	2,351.82	5,135.09	-	5,135.09
(ii) Other receivables						
(d) Loans	26.22	-	26.22	-	-	293.04
(e) Investments	669.95	1.79	671.74	530.20	13.58	543.78
(f) Other financial assets	4,157.32	8.73	4,166.04	752.35	21.70	774.05
Total Financial Assets	12,080.85	10.52	12,091.37	10,938.67	35.28	12,019.35
(2) Non-Financial Assets						
(a) Current tax assets (net)	-	315.49	315.49	-	293.39	293.39
(b) Deferred Tax Asset	-	460.01	460.01	-	475.96	475.96
(c) Property, plant and Equipment	-	313.96	313.96	-	374.87	374.87
(d) Right to Use Asset	-	94.74	94.74	-	-	-
(e) Intangible assets under development	-	15.30	15.30	-	8.00	8.00
(f) Goodwill	-	125.59	125.59	-	125.59	125.59
(e) Other Intangible Assets	-	83.34	83.34	-	83.97	83.97
(f) Other non-financial assets	974.04	23.33	997.37	1,010.90	11.34	1,022.24
Total Non-Financial Assets	974.04	1,431.76	2,405.80	1,010.90	1,373.12	2,384.02
II LIABILITIES AND EQUITY						
LIABILITIES						
(1) Financial Liabilities						
(a) (I) Trade payable						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	5,077.57	-	5,077.57	5,051.86	-	5,051.86
(II) Other payable						
(i) total outstanding dues of micro enterprises and small enterprises	0.66	-	0.66	7.91	-	7.91
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	115.55	-	115.55	137.51	-	137.51
(b) Borrowings	1,510.25	-	1,510.25	2,532.08	-	2,532.08
(c) Deposits	-	265.94	265.94	-	274.07	274.07
(d) Other financial liabilities	2,987.88	78.88	3,066.76	1,940.74	-	1,940.74
Total Financial Liabilities	9,691.91	344.82	10,036.73	9,670.10	274.07	9,944.17
(2) Non-Financial Liabilities						
(a) Provisions	67.68	184.39	252.07	49.64	152.22	201.85
(b) Other non-financial liabilities	190.40	-	190.40	392.85	-	392.85
Total Non-financial liabilities	258.08	184.39	442.47	442.49	152.22	594.70

51 Amount of margin money received and outstanding is Rs. 2962.78 Lakhs (Rs.1931.07 lacs) from clients .

Notes to Consolidated Financial Statements for the year ended 31 March, 2020

52 The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian Financial Markets and a significant decrease in the economic activities. On 11 March 2020, the COVID-19 outbreak was declared as a global pandemic by the World Health Organisation. On 24 March 2020 the Indian Government had announced a strict 21 day lockdown which kept on getting extended across the country with gradual and modest relaxations. The Group believes that it has taken into account the impact of known events arising out of COVID 19 pandemic in the preparation of financial statements . However the impact assessment of COVID 19 is a continuing process given its nature and duration. The Group will continue to monitor for any material changes to future economic conditions

53 Prior Year Comparatives

Previous year's figures have been regrouped / reclassified/rearranged wherever necessary to correspond with the current year's classifications / disclosures. Figures in brackets pertain to previous year

FORM AOC - 1
Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

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

Part A: Subsidiary companies

(Rs. in lakh)

Particulars	Details
Name of the Subsidiaries	LKP Wealth Advisory Limited
Date of Acquisition / becoming subsidiary	August 08, 2014
Reporting period for the subsidiary	April 01, 2019 to March 31, 2020
Reporting currency	INR
Share Capital	76.00
Reserves & Surplus	62.09
Total Assets	146.95
Total Liabilities	146.95
Investments	63.06
Turnover	113.57
Profit before Taxation	2.95
Provision for Taxation	-2.99
Profit after Taxation	5.94
Proposed Dividend	Nil
% of Shareholding	100

Note:

The subsidiary has commenced its operations and is not under liquidation or sold during the year.

Part B: Associates and Joint Ventures – Not Applicable

 For **MGB & Co. LLP**
 Chartered Accountants
 Firm Registration No. 101169W/W-100035

 For and on behalf of the board
LKP Securities Limited
Sanjay Kothari
 Partner
 Membership No. 048215

Pratik Doshi
 Managing Director

S. S. Gulati
 Director

 Place : Mumbai
 Date : June 04 2020

Girish Majrekar
 Chief Financial Officer

Akshata Vengurlekar
 Company Secretary



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