SHCIL SERVICES LIMITED
BALANCE SHEET AS AT MARCH 31, 2016

	Note	March 31, 2016 ₹	March 31, 2015 ₹
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	60,897,030	76,562,500
Reserves and Surplus	3	402,205,887	326,404,409
		463,102,917	402,966,909
Non-Current Liabilities			
Long Term Provisions	4	1,696,003	1,291,918
		1,696,003	1,291,918
Current Liabilities			
Trade Payables	6	786,777,767	655,430,344
Other Current Liabilities	7	34,543,359	40,043,971
Short-Term Provisions	8	805,846	1,395,420
		822,126,972	696,869,735
TOTAL		**1,286,925,892**	**1,101,128,562**
ASSETS			
Non-current assets			
Fixed Assets	9		
Tangible Assets		7,824,732	9,550,821
Intangible Assets		1,213,293	1,449,568
		9,038,025	11,000,389
Deferred Tax Assets (Net)	5	4,771,070	4,525,736
Long-Term Loans and Advances	10	95,282,616	73,155,790
Other Non-Current Assets	11	16,000,000	25,100,001
		125,091,711	113,781,916
Current assets			
Current Investments	12	150,625,487	112,445,080
Trade Receivables	13	589,093,443	554,804,488
Cash and Bank Balances	14	328,154,055	174,483,984
Short-Term Loans and Advances	15	92,162,495	143,120,042
Other Current Assets	16	1,798,701	2,493,052
		1,161,834,181	987,346,647
TOTAL		**1,286,925,892**	**1,101,128,562**

Significant accounting policies and Notes to Financial Statements 1 to 36
The accompanying notes are an integral part of these financial statements.

As per our Report of even date attached

For and on behalf of
Chokshi and Chokshi LLP
Chartered Accountants
FRN : 101872W/W100045

Pooja Mehta
Partner
Membership No. 133578

For and on behalf of Board of Directors
SHCIL Services Limited

Manoj Kabra
Chief Financial Officer

Ramesh N.G.S.
Non – Executive Chairman

Nitin Jog
Managing Director & Chief Executive Officer

Mitul Palankar
Company Secretary

G. Anantharaman
Director

P.H.Kutumbe
Director

Vineet Potnis
Director

Kalpana Joshi
Director

Place: Mumbai
Date: April 20, 2016

SHCIL SERVICES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

	Note	March 31, 2016 ₹	March 31, 2015 ₹
REVENUE			
Revenue from operations	17	356,422,949	446,153,983
Other Income	18	28,311,407	26,570,032
TOTAL		**384,734,356**	**472,724,015**
EXPENSES			
Employee Benefits Expense	19	29,957,538	29,430,984
Sub - Brokerage Expenses		207,635,022	259,098,494
Depreciation & Amortisation	9	5,517,748	5,032,008
Other expenses	20	52,150,058	43,490,534
TOTAL		**295,260,366**	**337,052,020**
Profit before tax		**89,473,990**	**135,671,995**
Tax expense			
Current tax		29,500,000	44,650,000
Current tax Adjustment for earlier years		83,293	-
Deferred tax	33	(245,334)	878,417
Profit for the Period		**60,136,031**	**90,143,578**
Earnings per equity share (in ₹) (Basic and Diluted)	23	10.33	15.62

Significant accounting policies and Notes to Financial Statements 1 to 36
The accompanying notes are an integral part of these financial statements.

As per our Report of even date attached

For and on behalf of
Chokshi and Chokshi LLP
Chartered Accountants
FRN : 101872W/W100045

CHOKSHI & CHOKSHI LLP MUMBAI 400036

Puja P. Mehta

Pooja Mehta
Partner
Membership No. 133578

For and on behalf of Board of Directors
SHCIL Services Limited

Manoj Kabra Chief Financial Officer	**Ramesh N.G.S.** Non – Executive Chairman	**Nitin Jog** Managing Director & Chief Executive Officer
Mitul Palankar Company Secretary	**G. Anantharaman** Director	**P.H.Kutumbe** Director
	Vineet Potnis Director	**Kalpana Joshi** Director

Place: Mumbai
Date: April 20, 2016

SHCIL SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	March 31, 2016 ₹	March 31, 2015 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	89,473,990	135,671,995
Adjustments for:		
Depreciation	5,517,748	5,032,008
Dividend from Mutual Funds	(9,068,116)	(6,520,488)
Interest Income	(15,761,868)	(17,044,755)
(Profit)/ Loss on sale of Fixed Assets	(92,956)	(123,431)
Bad Debts Written off	-	1,651,510
Provision for Doubtful Debts	2,977,357	-
Operating profit before working capital changes	73,046,155	118,666,839
Adjustments for :		
(Increase)/ Decrease in Trade Receivables	(37,266,311)	39,084,908
(Increase)/Decrease in Short Term Loans and Advances & other Non Current Assets	60,057,551	(151,529,622)
(Increase)/Decrease in Other Current Assets	(547)	(7,901)
Increase/ (Decrease) in Trade payables and Other Current Liabilities	125,846,789	(212,875,970)
Increase/ (Decrease) in Short Term and Long Term Provisions	(268,782)	792,763
Cash generated from operations	221,414,855	(205,868,982)
Direct Taxes paid	(51,626,826)	(43,267,915)
Net cash from operating activities	**169,788,028**	**(249,136,897)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(3,555,389)	(9,823,968)
Sale of Fixed Assets	92,957	123,500
Purchase of Investments	(38,180,407)	(98,396,319)
Dividends from Mutual Funds	9,068,116	6,520,488
Interest Earned	16,456,767	17,346,371
Bank deposits not considered as cash & cash equivalents (net)	11,700,000	(1,499,998)
Net cash used in investing activities	**(4,417,956)**	**(85,729,926)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Shares	-	-
Net cash from financing activities	-	-
NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS	**165,370,072**	**(334,866,823)**
Cash and Cash equivalents at the beginning of the period	109,483,984	444,350,808
Cash and Cash equivalents at the end of the period	274,854,055	109,483,984
Notes		
1. Cash & Cash Equivalents		
Cash on Hand	11,537	29,019
Balances with Banks:		
- In Current Accounts	79,749,969	78,987,825
- In Fixed Deposits	195,092,549	30,467,140
Cash & Cash Equivalents considered for Cash flow	274,854,055	109,483,984
Other Bank Balances	53,300,000	65,000,000
Cash and Bank Balances as per Note 14	**328,154,055**	**174,483,984**
Significant accounting policies and Notes to Financial Statements	1 to 36	
The accompanying notes are an integral part of these financial statements.		

Note :- Above Cash Flow Statement is prepared under indirect method as per AS 3 - ' Cash Flow Statement'.
Figures in brackets indicate cash outflow.

As per our Report of even date attached

For and on behalf of
Chokshi and Chokshi LLP
Chartered Accountants
FRN : 101872W/W100045

Pooja Mehta
Partner
Membership No. 133578

For and on behalf of Board of Directors
SHCIL Services Limited

Manoj Kabra
Chief Financial Officer

Ramesh N.G.S.
Non – Executive Chairman

Nitin Jog
Managing Director & Chief Executive Officer

Mitul Palankar
Company Secretary

G. Anantharaman
Director

P.H.Kutumbe
Director

Vineet Potnis
Director

Kalpana Joshi
Director

Place: Mumbai
Date: April 20, 2016

1 **Corporate Information**

SHCIL Services Limited (formerly National Depository Corporation of India Ltd.) was incorporated on 14th February, 1995. It is engaged in the business of broking and advisory services from 14th March, 2006. The Company's registered office is at Mahape, Navi Mumbai.

With effect from 28th March, 2014 Stock Holding Corporation of India Ltd. (SHCIL)the Holding Company, has become a subsidiary of IFCI Ltd. & hence IFCI Ltd is the Ultimate Holding Company for SHCIL Services Ltd. from the said date.

Basis of Preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles (GAAP) in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply with all material aspects of the Accounting Standards as prescribed under section 133 of Companies Act, 2013 ('Act') read with Rule 7 of Companies (Accounts) Rules,2014 and the relevant provisions of the Act. Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services offered, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

The Central Government in consultation with National Advisory Committee on Accounting Standards has amended Companies (Accounting Standards) Rules, 2006 (`principal rules'), vide notification issued by Ministry of Corporate Affairs dated March 30, 2016.The Company believes, that the principal rules has not been withdrawn or replaced and accordingly, the Companies (Accounting Standards) (Amendment) Rules, 2016 will apply for the accounting periods commencing on or after March 30, 2016.

Significant Accounting Policies

(a) **Use of Estimates**

The presentation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

(b) **Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. following specific recognition criteria must also be met before revenue is recognized:

i) All transactions/income/expenses are accounted in the books on accrual basis except commission income on Initial Public Offer (IPO) and Follow on Public Offer (FPO) which are being booked on receipt basis.

ii) Dividend is recognized when the company's right to receive dividend is established by the reporting date.

iii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of profit and loss.

iv) Charges collected on cheques dishonored/bounced are recognized on actual basis.

(c) **Fixed Assets**

Fixed assets are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the statement of profit and loss.

(d) **Depreciation :**

With effect from 1st April, 2014 , depreciation on fixed assets is calculated on a straight line method basis using the rates arrived at based on the useful lives estimated by the management or those prescribed under the Schedule II to the Companies Act, 2013, whichever is higher. The company has used the following rates to provide depreciation on its fixed assets w.e.f.1st April, 2014.

Particulars	Useful life w.e.f. 01.04.2014	Useful life upto 31.03.2014
	Residual value	Residual value 5%
1. Plant & Machinery	15	20
2. Furniture & Fixtures	10	15
3. Electrical Installations and Equipment	10	20
4. Office Equipment	5	20
5. Motor Car	3	3
6. Mobiles	2	20
7. Computer Hardware :		
(a) Servers & Network	4	3
(b)End user devices such as Desktops, Laptops	3	3
8. Computer Software	3	3

Leasehold improvements are amortized on straight line basis over the period of lease, i.e. 3 years.
Depreciation rates applied by the company on Motor Car, Mobiles and Servers & Network are higher than those prescribed by the Companies Act, 2013 in view of higher wear and tear and rapid change in technology applicable to those

Residual value of the fixed assets at the end of their useful life has been considered as NIL.
Depreciation on assets acquired / disposed during the year is provided on pro rata basis from / up to the date of acquisition/ disposal.

(e) Asset Impairment

The Company reviews the carrying value of the tangible and intangible assets for any possible impairment at each balance sheet date. An impairment loss is recognized when carrying amount of an asset exceeds its recoverable amount. In assessing the recoverable amount, the estimated future cash flows are discounted to their present value based on appropriate discount rate.

(f) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long- term

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.
Current investments are carried in financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(g) Stock-in-trade

Securities held for trade and those devolved on the Company in the process of settlement of transactions are held as stock-in-trade. Securities are valued at lower of cost and net realizable value.

(h) Taxation

Provision for current income tax is made on the basis of the assessable income under the Income Tax Act, 1961. Deferred income tax is on account of timing difference between taxable income and accounting income.

Income for the year is accounted for by applying the tax rates and laws enacted or substantially enacted on the balance sheet date. Deferred tax assets, subject to the consideration of prudence, are recognised and carried forward only to the extent that there is reasonable certainty that sufficient taxable profits will be available in future against which the deferred tax assets can be realised. In the event of unabsorbed depreciation and carry forward losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such assets.
Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognizes MAT Credit as an asset in accordance with the Guidance Note on Accounting for Credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of Profit and Loss and shown as "MAT Credit Entitlement."The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the sufficient period.

(i) Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(i) Contingent Liabilities

A contingent liability is a possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The company does not recognize a contingent liability but discloses its existence in the financial statements.

(k) Securities held as collateral

Securities held as collateral and in the process of transfer to / from client / exchange are not recorded in the accompanying financial statements.

(l) Retirement and other Employee Benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

The Company operates a defined benefit plan for its employees, viz. gratuity. The costs of providing benefits under the plan is determined on the basis of actuarial valuation using the projected unit credit method at each year end. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss. Premium paid /payable to the insurer towards the gratuity scheme has been accounted in the financial statement .

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss are not deferred.

(m Earning per share

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

(n) Cash and cash equivalents

Cash and cash equivalents includes balance with banks, deposit accounts with less than three months maturity, cash & cheques in hand, short term highly liquid investments and money lent on collateralised lending & borrowing obligation transactions.

2 Share Capital

(A) Authorised, Issued , Subscribed & Paid up

	March 31, 2016		March 31,2015	
	Number	₹	Number	₹
Authorised				
Equity Shares of ₹ 10 each fully paid	18,000,000	180,000,000	18,000,000	180,000,000
7% Non-Cumulative Convertible Preference Shares of ₹ 10 each fully paid	2,000,000	20,000,000	2,000,000	20,000,000
	20,000,000	**200,000,000**	**20,000,000**	**200,000,000**
Issued, Subscribed and Paid up				
Equity Shares of ₹ 10 each fully paid	6,089,703	60,897,030	5,770,000	57,700,000
7% Non-Cumulative Convertible Preference Shares of ₹ 10 each fully paid	-	-	1,886,250	18,862,500
Total	**6,089,703**	**60,897,030**	**7,656,250**	**76,562,500**

(B) Reconciliation of shares outstanding at the beginning and end of the period

	March 31, 2016		March 31,2015	
	Number	₹	Number	₹
Equity Shares				
Shares outstanding at the beginning of the year	5,770,000	57,700,000	5,770,000	57,700,000
Add: Shares issued during the period	319,703	3,197,030	-	-
Shares outstanding at the end of the period	**6,089,703**	**60,897,030**	**5,770,000**	**57,700,000**
Preference Shares				
Shares outstanding at the beginning of the year	1,886,250	18,862,500	1,886,250	18,862,500
Less: Conversion in Equity Share Capital	1,886,250	18,862,500	-	-
Shares outstanding at the end of the period	-	-	**1,886,250**	**18,862,500**

(C) Terms/rights attached to shares

Terms/rights attached to equity shares

The company has only one class of equity shares having the par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share except in the case of voting by show of hands.The company has not declared any dividend for the Year ended March 2016.

(D) Details of shares held by holding company & shareholders holding more than 5%

Name of Shareholder	March 31, 2016		March 31,2015	
	Number	%	Number	%
Equity Shares				
SHCIL	6,089,696	99.99	5,769,993	99.99
Preference Shares				
SHCIL	-	-	1,886,250	100

(E) Information regarding issue of shares in the last five years

319,703 Equity shares of Rs. 10/- each (face value) has been allotted as fully paid up pursuant to conversion of 7% Non-cumulative preference shares without payment being received in cash.

The company has not issued any bonus shares.
The company has not undertaken any buyback of shares.

3 Reserves and Surplus

	March 31, 2016	March 31, 2015
	₹	₹
Securities Premium Account		
Opening balance	77,180,000	77,180,000
Add : Premium on conversion of shares on preference shares	15,665,447	-
Closing Balance	92,845,447	77,180,000
Surplus in Statement of Profit and Loss		
Opening balance	249,224,409	159,366,153
Less: Depreciation Adjustment(Refer Note 30)	-	285,322
	249,224,409	159,080,831
Add : Net Profit/(Loss) for the period	60,136,031	90,143,578
Closing Balance	309,360,440	249,224,409
Total	**402,205,887**	**326,404,409**

4 Long Term Provisions

	March 31, 2016	March 31, 2015
	₹	₹
Provision For Employee Benefits		
- Provision for compensated absenses	1,696,003	1,291,918
Total	**1,696,003**	**1,291,918**

5 Deferred Tax (Net)

	March 31, 2016	March 31, 2015
	₹	₹
Deferred Tax (Liability) / Asset		
Timing difference due to depreciation as per Income Tax and Companies Act	2,964,235	3,470,579
Provision for Retirement Benefits - Deputed Employees	105,684	461,271
Provision for Compensated Absenses/Leave Encashment	638,402	462,765
Provision for Doubtful Debts	984,404	131,121
Provision for gratuity	78,345	-
Total	**4,771,070**	**4,525,736**

6 Trade Payables

	March 31, 2016	March 31, 2015
	₹	₹
Due to Micro, Small and Medium Scale Enterprises (Refer Note 22)	-	-
Dues to holding company - sub brokerage	13,981,183	18,152,413
Dues to other Sub Brokers	114,470	563,320
Client Dues (Includes amount due on settlement to Clients & to Professional Clearing Member for F&O Segment - (Refer Note 29)	772,682,114	636,714,611
Total	**786,777,767**	**655,430,344**

7 Other Current Liabilities

	March 31, 2016	March 31, 2015
	₹	₹
Margin Deposits from holding company as sub broker	20,000,000	20,000,000
Dues to holding company - Others	1,340,014	5,072,250
Statutory Dues including PF & TDS (Includes amount due on settlement - Refer Note 29)	1,724,252	3,375,258
Employee Benefits payable	4,580,089	5,387,098
Retention Money	188,361	188,361
Other Liabilities		
-Provision for expenses	2,372,096	1,333,810
-Others	4,338,547	4,687,194
Total	**34,543,359**	**40,043,971**

8 Short Term Provisions

	March 31, 2016	March 31, 2015
	₹	₹
Provision for employee benefits		
- Provision for employee benefits for deputed employees	334,028	1,357,079
- Provision for gratuity	236,957	(31,216)
- Provision for compensated absenses	234,861	69,557
Total	**805,846**	**1,395,420**

SHCIL SERVICES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

9 Fixed Assets

	Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
		As at 01.04.15	Additions	Deletions	As at 31.03.16	Upto 31.03.15	For the Period	On Deletions	Upto 31.03.16	As at 31.03.16	As at 31.03.15
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
A	**Tangible Assets**										
	Leasehold Improvements	20,273,432	-	-	20,273,432	20,273,412	-	-	20,273,412	20	20
	Furniture & Fixtures	603,710	-	17,887	585,823	350,611	107,296	17,882	440,025	145,798	253,099
	Office Equipments	710,862	221,100	-	931,962	617,784	40,641	-	658,425	273,537	93,078
	Mobiles	74,918	49,350	-	124,268	69,207	9,655	-	78,862	45,406	5,711
	Motor Car	2,627,628	-	781,000	1,846,628	1,937,765	615,646	781,000	1,772,411	74,217	689,863
	Computer Hardware	8,666,327	205,223	-	8,871,550	5,866,609	1,498,230	-	7,364,839	1,506,711	2,799,718
	Servers & Network	31,024,690	2,165,033	-	33,189,723	25,315,358	2,095,322	-	27,410,680	5,779,043	5,709,332
	Total Tangible Assets	**63,981,567**	**2,640,706**	**798,887**	**65,823,386**	**54,430,746**	**4,366,790**	**798,882**	**57,998,654**	**7,824,732**	**9,550,821**
B	**Intangible Assets**										
	Computer Software	32,066,763	914,683	-	32,981,446	30,617,195	1,150,958	-	31,768,153	1,213,293	1,449,568
	Total Intangible Assets	**32,066,763**	**914,683**	**-**	**32,981,446**	**30,617,195**	**1,150,958**	**-**	**31,768,153**	**1,213,293**	**1,449,568**
	Grand Total	**96,048,330**	**3,555,389**	**798,887**	**98,804,832**	**85,047,941**	**5,517,748**	**798,882**	**89,766,807**	**9,038,025**	**11,000,389**
	As At March 31, 2015	*89,748,591*	*9,823,968*	*3,524,229*	*96,048,330*	*83,254,771*	*5,317,330*	*3,524,160*	*85,047,941*	*11,000,389*	*6,493,820*

10 Long Term Loans and Advances

	March 31, 2016	March 31, 2015
	₹	₹
Unsecured, considered good unless otherwise stated		
Security & Other Deposits		
Base capital deposit with Exchanges	14,625,000	14,625,000
Deposits with Professional Clearing Member	1,200,000	1,200,000
Security deposit - Others	174,295	174,295
Advance Tax (Net of Provision)	79,283,321	57,156,495
Total	**95,282,616**	**73,155,790**

11 Other Non current assets

	March 31, 2016	March 31, 2015
	₹	₹
Long Term deposits with banks with orginal maturity period more than 12 months	16,000,000	25,100,001
Long term deposits include fixed deposit aggregating to ₹ 1,100,0000 (As at Mar 15 ₹ 10,000,001) kept as margin deposits with the stock exchanges		
	16,000,000	**25,100,001**

12 Current Investments

	March 31, 2016	March 31, 2015
	₹	₹
Daily Dividend Plan of Liquid Schemes of Mutual Funds		
Unquoted		
24,061.176 Units at ₹ 1,001.8202 of IDBI Mutual Fund	24,104,972	-
94.214 Units at ₹ 1,098.00 of LIC Nomura Liquid Fund (March 15: 32,832.302 Units at ₹ 1,098.00)	103,447	36,049,868
25,806.815 Units at ₹ 1,001.6753 of Baroda Pioneer Mutual Fund (March 15: 503.843 Units at ₹ 1,001.12)	25,850,050	504,407
1,792.764 Units at ₹ 1,019.4457 of UTI Liquid Cash Plan	1.827.625	-
23,502.203 Units at ₹ 1,003.2500 of SBI Premier Liquid Fund (March 15: 25,421.84 Units at ₹ 1,003.25)	23,578,586	25,504,461
23,679.162 Units at ₹ 1,019.82 of HDFC Mutual Fund (March 15: 27,63,936.797 Units at ₹ 10.1982.00)	24,148,483	28,187,180
2,48,041.245 Units at ₹ 100.0685 of ICICI Mutual Fund (March 15: 2,21,866.286 Units at ₹ 100.0565)	24,821,116	22,199,164
2,40,653.289 Units at ₹ 100.195 of Birla Sunlife Cash Plus	24,112,256	-
925.528 Units at ` 1114.52 of Tata Liquid Fund	1,031,519	-
340.7339 Units at ₹ 3,074.0502 of Kotak Liquid Fund	1,047,433	-
Total	**150,625,487**	**112,445,080**

13 Trade Receivables (Unsecured)

	March 31, 2016	March 31, 2015
	₹	₹
Outstanding for a period exceeding six months		
Considered Good*	2,329,329	3,363,275
Considered Doubtful	2,193,090	1,651,510
Less: Provision For doubtful debts	(2,193,090)	(1,651,510)
	2,329,329	3,363,275
Other Debts		
Considered Good - Client Dues (Includes amount due on Settlement from clients & from exchanges - Refer Note 29)	586,764,113	551,441,213
Considered Doubtful	784,267	-
Less: Provision For doubtful debts	(784,267)	-
	586,764,113	551,441,213
Total	**589,093,443**	**554,804,488**

*In term of agreement with SHCIL, any amount not received from clients is to be borne by SHCIL. Accordingly this amount receivable from SHCIL.

14 Cash and Bank Balances

	March 31, 2016	March 31, 2015
	₹	₹
Cash & Cash Equivalents		
Cash in hand	11,537	29,019
Balances with banks		
- In Current Accounts	79,749,969	78,987,825
- In Fixed Deposits with original maturity less than 3 months	195,092,549	30,467,140
Other Bank Balances		
In Fixed Deposits (more than 3 months but less than 12 months maturity)	53,300,000	65,000,000
Other Bank Balances include fixed deposits aggregating ₹ 53,3000,00 (As at Mar 15 ₹ 65,000,000) kept as margin deposits with the stock exchanges		
Total	**328,154,055**	**174,483,984**

15 Short-term Loans and Advances

	March 31, 2016	March 31, 2015
	₹	₹
Secured, considered good		
Advances for Margin Trading	1,730,474	2,734,571
Unsecured, considered good unless otherwise stated		
Prepayments	4,349,786	3,996,106
Margin Deposit F&O - SHCIL	54,133,901	54,407,667
Margin Deposit with Exchanges	31,867,787	61,867,787
Margin Deposit with Professional Clearing Member	-	20,000,000
Other Advances	80,547	346,911
Less: Provision for doubtful advances	-	233,000
	80,547	113,911
Total	**92,162,495**	**143,120,042**

16 Other Current Assets

	March 31, 2016	March 31, 2015
	₹	₹
Accrued interest on fixed deposit	1,786,065	2,480,964
Other Assets		
Considered Good :-	12,636	12,088
Considered Doubtful	-	385,762
	12,636	397,850
Less: Provision for doubtful debts	-	385,762
	12,636	12,088
Total	**1,798,701**	**2,493,052**

17 Revenue from Operations

	March 31, 2016	March 31, 2015
	₹	₹
Brokerage	353,875,368	445,400,219
Other operating income	2,547,581	753,764
Total	**356,422,949**	**446,153,983**

18 Other Income

	March 31, 2016	March 31, 2015
	₹	₹
Dividend on Mutual Funds & Others	9,068,116	6,520,488
Interest on fixed deposits	15,761,868	17,044,755
Interest on Margin Trading	338,711	536,843
Profit on sale of assets	92,956	123,431
Profit on sale of shares	-	2,267,212
Old Balances Written back	3,011,780	-
Miscellaneous income	37,976	77,303
Total	**28,311,407**	**26,570,032**

19 Employee Benefits Expense

	March 31, 2016	March 31, 2015
	₹	₹
Salaries, allowances & bonus	27,356,199	27,299,442
Contribution to provident fund and other funds	1,107,377	984,786
Staff welfare expenses	1,493,962	1,146,756
Total	**29,957,538**	**29,430,984**

20 Other Expenses

	March 31, 2016	March 31, 2015
	`	`
Exchange expenses	715,512	334,069
Bank Charges	352,661	290,674
Connectivity charges	271,625	386,316
Depository charges	105,370	139,329
Electricity charges	1,697,565	1,977,149
Service Tax Expenses	867,798	342,075
Subcription Charges	1,056,127	771,292
Outsourcing expenses-Professional	1,895,156	1,665,791
Outsourcing expenses-Contractor	8,745,062	6,087,495
Postage & courier	2,834,824	1,581,969
Printing & stationery	2,439,202	3,077,445
Rent & taxes	2,820,000	3,086,774
Repairs & maintenance- Plant and Machinery	3,794,247	4,161,622
Repairs & maintenance- software	3,585,410	3,858,404
Repairs & maintenance -Others	3,432,003	3,500,848
Telephone & communication	517,424	487,641
Travelling & conveyance	916,835	950,107
Advertisement	42,307	119,629
Directors sitting fees	1,032,144	600,000
Insurance	1,262,844	1,514,251
Legal fees	1,696,500	80,000
Professional fees*	3,202,172	3,148,297
CSR Expenses **(refer note no-35)	1,800,000	1,100,000
Loss on sale of shares	38,732	-
Loss on trading activity	-	72,114
Old Balances Written off	529,154	1,651,510
Provision for doubtful debts	2,977,357	-
Prior Period Expenses	-	229,450
Miscellaneous expenses	3,522,028	2,276,284
Total	**52,150,058**	**43,490,534**

* Inclusive of Auditor remuneration Refer note 25

** Corporate social Responsibility (CSR) amount has been paid to M/s. SHCIL Foundation Trust. The CSR activities of the Trust include Eradicating hunger, Poverty; Promoting Healthcare, Education & Sanitation; Ensuring environmental sustainability, etc.

21 Contingent liabilities

A

Name of Statute	Nature of Dues	Amount ₹	Period (A.Y.)	Forum
Income Tax Act, 1961	Regular Assessment	36,01,960*	2010-11	ITAT
Income Tax Act, 1961	Regular Assessment	53,798,350	2012-13	CIT(A)
Income Tax Act, 1961	Regular Assessment	11,523,190	2013-14	CIT(A)

*The above amount is net off amount paid under protest Rs. 3,60,67,133/- for A.Y. 2010-11.

B Certain matters of applications for compounding are pending for disposal before the Company Law Board (CLB) in the matters pertaining to procedural lapses occurred prior to financial year 2007-08. The said applications are not yet disposed off pending hearing completion. Accordingly, the matters are contingent in nature and same is not quantifiable.

22 Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

Based on the information with the Company, the amount overdue to the suppliers as defined under the 'Micro, Small and Medium Enterprises Development Act, 2006' as on March 31, 2016 on account of principal amount together with interest is NIL.
The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

Particulars	31st March, 2016 ₹	31st March, 2015 ₹
Principal amount due and remaining unpaid -	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remain unpaid	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

23 Earnings per share

Particulars	March 31,2016 ₹	March 31, 2015 ₹
i) Net Profit as per Statement of Profit & Loss available for Equity Shareholders	60,136,031	90,143,578
ii) No. of Equity Shares :		
No. of shares as at April 1, 2015	5,770,000	5,770,000
Add: Shares Allotted during the period	319,703	-
No. of shares as at March 31, 2016	6,089,703	5,770,000
Weighted average no. of shares	5,823,284	5,770,000
iii) Basic & Diluted Earning Per Share	10.33	15.62

24 Leases (Cancelable)

The Company has entered into Operating Lease Agreement with SHCIL for Office Premises in :
i) Mahape, Navi Mumbai, whereby SHCIL has granted to the Company, the liberty to use and occupy the Demised Premises as a office space for a period of three years w. e. f. from April 1, 2015 purely as a License-cum-Allottee of office space, without having any right, title or interest upon the demised premises.
ii) UTI Building, Fort, Mumbai, whereby SHCIL had granted to the Company, the liberty to use and occupy the Demised Premises as a office spacefor a period of three years w. e. f. from March 1, 2014 purely as a License-cum-Allottee of office space, without having any right, title or interest upon the demised premises.

Particulars	March 31, 2016 Minimum payments	March 31, 2015 Minimum payments
Within one year	2,790,000	418,000
After one year but not more than five years	2,460,000	540,000
More than five years	-	-
Total minimum lease payments	5,250,000	958,000
Lease payments recognised in the Profit & Loss Account	2,820,000	3,086,774

25 Auditor's Remuneration (Excluding Service Tax)

Particulars	March 31, 2016 ₹	March 31, 2015 ₹
As auditor		
Audit Fees	800,000	*667,000
Tax Audit Fees	150,000	100,000
In other capacity		
Taxation matters	-	-
Out of pocket expenses	39,025	**29,264
Total	**989,025**	**796,264**

*1,00,000/- relates to previous Auditors **14,036/- relates to previous Auditors

26 Related Party Disclosures

A. The related parties for SSL as per the new Companies Act would inter-alia include the following

(a) **Ultimate Holding Company of SSL**
IFCI LIMITED

(b) **Holding Company of SSL**
Stock Holding Corporation of india limited (SHCIL)

(c) **Associate Company of SSL**
SHCIL Projects Limited (subsidiary of SHCIL)

(d) **Key Management Personnel of SSL**
1. Shri Nitin Jog - Managing Director and Chief Executive Officer
2. Shri Manoj Kabra - Chief Financial Officer
3. Shri Mitul Palankar - Company Secretary

B. Particulars of Transaction with Related Parties

March 31, 2016 (₹) *March 31, 2015 (₹)*	**Year Ended 31-Mar-16**		
Nature of Transaction	**Holding Company**	**Key Managerial Personnel and their Relatives**	**Fellow Subsidiaries**
Service charges received	**1,849,878**	-	-
Previous Year	*1,767,291*	-	-
Brokerage Income	**2,497,035**	-	-
Previous Year	*4,522,084*	-	-
Outsourcing Expenses	-	-	6,488,349
Previous Year	-	-	*4,369,751*
Sub- Brokerage Expenses	**207,160,824**	-	-
Previous Year	*258,593,920*	-	-
Reimbursement of Expenses (Net)	**10,561,732**	-	-
Previous Year	*10,592,060*	-	*1,454,579*
Capital Purchases	-	-	-
Previous Period	-	-	-
Advances given	-	-	-
Previous Year	-	-	-
Sitting Fees	-	-	-
Previous Year	***13,500*	-	-
Salary / Deputation Cost of Employees	**8,731,456**	*2,998,386	-
Previous Year	*7,277,781*	*2,615,326*	
Outstanding balances :			
Trade and other payable	**181,084,863**	-	649,074
Previous Year	*24,521,213*	-	*1,139,356*
Trade and other receivable	**2,290,423**	-	-
Previous Year	*1,296,550*		-
Deposits payable	**20,000,000**	-	-
Previous Year	*20,000,000*	-	-
Deposits receivable	**55,333,901**	-	-
Previous Year	*74,407,667*	-	-

Note: During the year Company has allotted 319,703 Equity shares of Rs. 10/- each (face value) as fully paid up pursuant to conversion of 7% Non-cumulative preference shares to Holding company.
There is no preferential issue or private placement of sharers or debentures made during the year in term of section 42 of Companies Act, 2013.

* Salary paid to the CFO & Company Secretary
** Payment made to IFCI Ltd.

27 Managerial Remuneration

Particulars	March 31, 2016	March 31, 2015
	₹	₹
Salary , Allowances & Incentives (Including Service tax : CY Rs. 426,639/- ; PY Rs. 325,198/-)	3,384,671	2,856,985
Contribution to Provident Fund	107,208	99,264
Contribution to Retirement Benefits	167,087	154,409
Total	**3,658,966**	**3,110,658**

28 Employee Benefits

A. The Company has recognized the following amounts in the statement of Profit & Loss for the year :

Particulars	March 31, 2016	March 31, 2015
	₹	₹
Contribution to Employees' Provident Fund	485,366	482,978
Contribution to Employees' Pension Scheme	464,248	350,449
Contribution to Employees' Superannuation Fund	58,579	57,542

B Defined Benefit Plans & other Long Term Employee Benefit valuations

Gratuity and Leave Encashment have been carried out by an independent actuary as at the Balance sheet date based on the following assumptions:

Actuarial Assumption	Gratuity March 31, 2016 (Funded)	Gratuity March 31, 2015 (Funded)	Leave Encashment March 31, 2016 (Unfunded)	Leave Encashment March 31, 2015 (Unfunded)
	(%)	(%)	(%)	(%)
Discount Rate	7.95	7.80	7.80	7.80
Rate of Return on plan Assets	7.95	8.70	-	-
Salary Escalation	5.00	5.00	5.00	5.00

i) Reconciliation of defined Benefit Obligation

Particulars	Gratuity March 31, 2016 (Funded)	Gratuity March 31, 2015 (Funded)	Leave Encashment March 31, 2016 (Unfunded)	Leave Encashment March 31, 2015 (Unfunded)
	(₹)	(₹)	(₹)	(₹)
Liability at the beginning of the year	1,219,620	769,088	990,721	688,436
Interest Cost	93,643	71,602	75,961	59,907
Current Service Cost	230,009	181,895	512,477	326,862
Benefit paid from the Fund	-	(72,787)	(770,333)	(698,437)
Actuarial (gain)/loss on obligations	77,893	269,822	583,891	613,953
Liability at the end of the year	1,621,165	1,219,620	1,392,717	990,721

ii) Reconciliation of Plan Assets

Particulars	Gratuity March 31, 2016 (Funded)	Gratuity March 31, 2015 (Funded)
	₹	₹
Fair Value of Plan Assets at the beginning of the year	1,250,836	628,924
Expected Return on Plan Assets	116,253	67,327
Contributions	17,119	616,338
Benefit Paid in the Normal Course	-	(72,787)
Actuarial Gain/(Loss) on Plan Assets	-	11,034
Fair Value of Plan Assets at the end of the year*	1,384,208	1,250,836

iii) Amount Recognized in the Balance Sheet

Particulars	Gratuity March 31, 2016 (Funded)	Gratuity March 31, 2015 (Funded)	Leave Encashment March 31, 2016 (Unfunded)	Leave Encashment March 31, 2015 (Unfunded)
	₹	₹	₹	₹
Net opening provision in books of accounts	(31,216)	140,164	990,721	688,436
Employee Benefit Expense	285,292	444,958	1,172,329	1,000,722
	254,076	**585,122**	**2,163,050**	**1,689,158**
Benefit Paid by the company	-	-	(770,333)	(698,437)
Amount transferred to 'payable account'	-	-	-	-
Contribution to Plan assets	(17,119)	(616,338)	-	-
Closing Provision in books of accounts	236,957	(31,216)	1,392,717	990,721

iv) Expenses Recognized in the Income Statement

Particulars	Gratuity March 31, 2016 (Funded)	Gratuity March 31, 2015 (Funded)	Leave Encashment March 31, 2016 (Unfunded)	Leave Encashment March 31, 2015 (Unfunded)
	₹	₹	₹	₹
Current Service Cost	230,009	181,895	512,477	326,862
Interest Cost	93,643	71,602	75,961	59,907
Expected Return on Plan Assets	(116,253)	(67,327)	-	-
Acturial Gain or Loss	77,893	258,788	583,891	613,953
Expense Recognised in P&L	285,292	444,958	1,172,329	1,000,722

v) Category of Assets at the end of the year

Particulars	Gratuity March 31, 2016 (Funded)	Gratuity March 31, 2015 (Funded)
	₹	₹
Insurer Managed Fund*	1,384,208	1,250,836

* Based on the data available with Company, individual Investment in Portfolio or investment structure of portfolio which are managed by LIC are not available as on the Balance sheet Date.

(vi) Bifurcation of Liability

Particulars	Gratuity March 31, 2016 (Funded)	Gratuity March 31, 2015 (Funded)	Leave Encashment March 31, 2016 (Unfunded)		Leave Encashment March 31, 2015 (Unfunded)	
	₹	₹	₹	₹	₹	₹
			Permanent Leave	Sick leave	Permanent Leave	Sick leave
Current Liability	236,957	(31,216)	181,942	52,919	33,733	35,824
Non-Current Liability	-	-	1,210,775	485,228	956,988	334,930
	236,957	(31,216)	**1,392,717**	**538,147**	**990,721**	**370,754**

vii) Experience Adjustment

Gratuity	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
	₹	₹	₹	₹	₹
Liability at the end of the year	1,621,165	1,219,620	769,088	851,349	792,766
Fair value of plan Assets	1,384,208	1,250,836	628,924	726,617	911,702
Surplus/(Deficit)	(236,957)	31,216	(140,164)	(124,732)	118,936
Experience adjustment on plan liability (gain)/loss	112,000	31,505	2,543	6,382	47,219
Experience adjustment on plan Assets (gain)/loss	-	(11,034)	10,558	(27,077)	(8,376)
Leave Encashment					
Defined Benefit Obligation	1,392,717	990,721	688,436	863,597	978,533
Experience Adjustment on Plan Liabilities[(Gain)/Loss]	(139,072)	427,280	Nil	Nil	Nil

29 Amounts due on settlement

Particulars	March 31, 2016	March 31, 2015
	(Due To) / Due From	(Due To) / Due From
	₹	₹
Amounts (Due to) / Due from :		
Clients	(412,965,716) 133,775,268	(327,387,314) 282,445,228
Exchange / Professional Clearing Member	(233,707,472) 312,050,403	(103,748,239) 98,878,271
Government - Taxes	(1,278,928)	(1,406,053)

30 Change in estimated useful life of fixed assets

Pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014 the Company has changed the estimated useful life of its fixed assets. Hitherto the Company was depreciating its assets as per rates / useful life provided in Schedule XIV to the Companies Act, 1956 on a Straight Line basis.

31 Capital Commitments

Estimated amount of contracts to be executed on capital account, not provided for - ₹ 9,191,844/- (Before Taxes) , Previous year - ₹ 1,100,000/-

32 The Company operates only in one segment i.e. stock broking and hence there are no reportable segments as defined in Accounting Standard (AS -17) on "Segment Reporting".

33 Deferred Tax (Asset) / Liability :-

Particulars	March 31, 2016	March 31, 2015
	₹	₹
Opening Balance	(4,525,736)	(5,404,153)
Adjustment due to timing difference	(245,334)	878,417
Closing Balance	(4,771,070)	(4,525,736)

34 During the year -

a) the Company has written off/ waived certain amounts due to non recovery towards old outstanding totaling Rs. 529,154 (Principal amount & Fees of various clients -Rs 215,213, Other Advances/receivable -Rs. 313,941)which were due but not received (Refer note 20). Further during the year the Company has also written back certain payables (other then fee based clients) for which no claim was received amounting to Rs. 3,011,780 (Refer note 18). The above has been done in line with policy as approved by the Board of Directors.

b) the Company has provided an amount of Rs. 2,977,357/- (Refer Note 20) towards Doubtful Debts for various clients that includes the principal amount & fees. The said amounts are under arbitration.

35 CSR amount has been paid for FY 2015-16 is Rs. 1,800,000(PY Rs. 1,100,000) which has been spent towards various scheme of Corporate Social Responsibility(CSR) as prescribed under Section 135 at the Companies Act, 2013. The Prescribed CSR expenditure required to be spent in for FY 2015-16 as per the Companies Act, 2013 is Rs.1,677,846 (PY Rs. 50,334,656)(2% of the Average net profit), in view of Average net profit of the being Rs.83,892,292/-(under section 198 of the Act) for last three financial years.

36 Figures for the corresponding previous year have been regrouped, recast and rearranged to confirm to those of current year.

As per our Report of even date attached

For and on behalf of
Chokshi and Chokshi LLP
Chartered Accountants
FRN : 101872W/W100045

Pooja Mehta
Partner
Membership No. 133578

Manoj Kabra
Chief Financial Officer

Mitul Palankar
Company Secretary

For and on behalf of Board of Directors
SHCIL Services Limited

Ramesh N.G.S.
Non – Executive Chairman

Nitin Jog
Managing Director & Chief Executive Officer

G. Anantharaman
Director

P.H.Kutumbe
Director

Vineet Potnis
Director

Kalpana Joshi
Director

Place: Mumbai
Date: April 20, 2016