



**CIN U67120GJ1994PLC023257**

## **24<sup>TH</sup> ANNUAL REPORT 2017-18**

### **MEMBER**

NATIONAL STOCK EXCHANGE OF INDIA LTD.  
BSE LTD. (Formerly known as BOMBAY STOCK EXCHANGE)  
METROPOLITAN STOCK EXCHANGE OF INDIA LTD.  
INDIAN COMMODITY EXCHANGE LTD.  
NATIONAL SECURITIES DEPOSITORY LTD.  
CENTRAL DEPOSITORY SERVICES (I) LTD.

### **REGISTERED OFFICE**

"SIHL HOUSE", OPP. AMBAWADI JAIN TEMPLE,  
NEHRUNAGAR CROSS ROADS,  
AHMEDABAD – 380 015  
PHONE: 079 – 4107 2222  
WEB: [www.sihl.in](http://www.sihl.in), EMAIL: [info@sihl.in](mailto:info@sihl.in)

## BRANCH OFFICES

### AHMEDABAD

F/144, SUMEL-11,  
OPP. NATIONAL HANDLOOM,  
NAMASTE CIRCLE, SHAHIBAUG,  
AHMEDABAD - 380 004.

103, SILICON TOWER,  
NR. ROCK REGENCY,  
OFF C.G. ROAD,  
AHMEDABAD - 380 006

1<sup>ST</sup> FLOOR MANGAL BHUVAN,  
OPP. ICHCHHABEN'S WADI,  
RAMBAUG ROAD, MANINAGAR,  
AHMEDABAD - 380 008

2<sup>ND</sup> FLOOR, 6, SHAILEY COMPLEX,  
OPP. SURDHARA BUNGLOW,  
SAL HOSPITAL ROAD, THALTEJ,  
AHMEDABAD - 380 054

F-19,20, SAMRUDDHI COMPLEX,  
OPP. SARJAN BUNGLOWS,  
NEW C.G.ROAD, CHANDKHEDA,  
AHMEDABD - 382 424

### JUNAGADH

104, PLATINUM-II, OPP. S T COLONY,  
COLLEGE ROAD, MOTI BAUGH,  
JUNAGADH - 362 001

### PETHAPUR

23, SHUBH BUSINESS PARK,  
GANDHINAGAR VIJAPUR ROAD,  
PETHAPUR, GANDHINAGAR - 382 041

### VADODARA

401-402, PROFIT CENTER,  
NR. KALAGHODA CIRCLE,  
SAYAJIGANJ,  
VADODARA - 390 005

### HYDERABAD

DOOR NO. 6-3-1093, SPACE NO. 101B,  
1<sup>ST</sup> FLOOR, V.V. VINTAGE,  
BOULEVARD, HYDERABAD,  
TELANGANA - 500 082

### MUMBAI

A-005, WESTERN EDGE-II,  
KANAKIA SPACE, W.E. HIGHWAY,  
B/H METRO, BORIVALI (E),  
MUMBAI - 400 066

PM2A, MEZZANINE FLOOR,  
ROTUNDA BUILDING,  
MUMBAI SAMACHAR MARG, FORT,  
MUMBAI - 400 001

## CORPORATE INFORMATION

**Chairman & Managing Director : Mr. UPENDRA T. SHAH**

**Whole-Time Directors**  
 Mrs. PURNIMA U. SHAH  
 Ms. PREETI U. SHAH  
 Mrs. TRUPTI U. SHAH  
 Mr. TANMAY U. SHAH  
 Mr. UTPAL P. SHAH

**Independent Directors**  
 Dr. BHUSHAN C. PUNANI  
 Dr. BHARAT M. SHAH  
 CA. JAGDISH B. SHAH  
**Directors in Group Companies**  
 Mrs. SANDHYA R. PUNJABI  
 Mr. RAJESH R. PUNJABI  
 Mr. JINAL SHAH

### Key Executives

Mr. BAIJU PATEL  
 Mr. CHIRAG SHAH  
 Mrs. DEVAL SHAH  
 Mr. DHARMIN FADIA  
 Mr. HEMANT ROY  
 Mr. HITESH PATEL

Mr. JAYESH PITTALIYA  
 Mr. JIGNESH SHUKLA  
 Ms. KAJAL SHAH  
 Mr. KARTIK CHOKSHI  
 Ms. KHUSHALI SHAH  
 Mr. MUKESH SHAH  
 Mr. NILESH MODI

Mr. RITESH MEHTA  
 Mr. RAKESH PANDIT  
 Mr. SANJAY MEHTA  
 Mr. TARANG PARMAR  
 Mr. VIRAL SHAH  
 Mr. VIPUL THAKKAR

## CONSTITUTION OF COMMITTEES OF BOARD OF DIRECTORS

<b>Management Committee</b>	Mr. UPENDRA T. SHAH (Chairman) Mrs. TRUPTI U. SHAH Ms. PREETI U. SHAH	<b>Remuneration Committee</b>	Dr. BHUSHAN C. PUNANI (Chairman) Dr. BHARAT M. SHAH CA. JAGDISH B. SHAH
<b>Audit Committee</b>	CA. JAGDISH B. SHAH (Chairman) Dr. BHARAT M SHAH Mr. UPENDRA T. SHAH	<b>Share Transfer Committee</b>	Ms. PREETI U. SHAH (Chairperson) Mr. TANMAY U. SHAH Dr. BHARAT M SHAH

### CSR Committee

Dr. BHUSHAN C. PUNANI (Chairman)  
 Mr. UPENDRA T. SHAH  
 Mr. UTPAL P. SHAH

<b>AUDITORS</b> SHAILESH SHAH & ASSOCIATES. Chartered Accountants Ahmedabad	<b>CHIEF FINANCIAL OFFICER</b> Mr. SHAMIK CHOKSHI Chief Financial Officer	<b>COMPANY SECRETARY</b> Ms. PREETI SHAH Company Secretary
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### BANKERS

HDFC Bank  
 Dena Bank

Yes Bank  
 Karur Vysya Bank

Axis Bank  
 Canara Bank

## BUSINESS PARTNERS

### AHMEDABAD

Ashwin Chinubhai Broking Pvt Ltd	Fortune Investors and Stock Brokers	Shree Paday Stock Broking Pvt Ltd
Bhavna Investments	M G Finstock Pvt Ltd	Shree Rang Advisors Pvt Ltd
Brijal Hasmukhlal Parikh	Naimesh M Patel	Shubh Finance
D R Stock Broking	Parth Securities	Stallion Finstock Pvt Ltd
Darshan Investment	Pin Point Trading	Superb Shares & Stocks
Dev Financial Services	Prime Capital Market	Utkarsh Investment

### OTHER CITIES

Aum Investments (Gandhidham)	Dilipbhai R Patel (Nadiad)
Ammar Enterprise (Patan)	Kothari Consultancy (Himmatnagar)
Bluechip Tradelink Pvt Ltd (Gandhinagar)	Nilanj Yogeshbhai Kothari (Rajkot)
Shiv Investments (Vijapur)	

## TOP BUSINESS ASSOCIATES

Aarif Y Khedawala	Falguni Sunilkumar Patel	P.C. Investment
Aashish A Chokshi	Gunjan Traders	Parshva Finstock
Aashish Corporation	Hardik Hemantbhai Shah	Praful A Shah
Abhashbhai Dhirubhai Mistry	Harsh Natvarlal Surti	Pratik Enterprises
Amit Dhirajlal Shah	Harsh N Panalal	Pratik S. Shah
Angana Pravinbhai Patel	Hasmukh Mithabhai Patel	Profit Point
Ankil Kamleshbhai Shah	Hetal Fin Stock	Radheshyam Enterprise
Anita Alpesh Shah	Hina Pinal Shah	Rajan Arvindbhai Patel
Arihant Finance	Jainik Dilipkumar Shah	Rajan S Jhaveri
Arvindbhai Mohanlal Patel	Jayprakash Investments	Riddhi Investment
Ashvin R Joshi	Jignesh Dineshchandra Shah	Riddhi Siddhi General Ins. Pvt Ltd
Atul Chandrakant Shah	Jitesh S. Shah	Screen Cosmos Consultants
Avadhoot Associate	Jyoti M Shah	Shiv Investment (Kalol)
Bhadra Manubhai Shah	Kantilal P Broker	Shiv Shakti Investment
Bhadresh B Chokshi	KSS Securities Services	Shree Balaji Enterprise
Bhakti Investment	Labh Investments	Shree Sai Shakti Consultancy
Bharat N Shah	Mahalaxmi Share Consultancy	Shruti Investment
Chimanlal J Dalal & Sons	Manan V Shah	Shwetal Alap Chudgar
Darpan Investment	Mandakini Shailesh Shah	Tushar N Shukla
Daxesh Jagdishchandra Shah	Manish Investment	Tushar Sudhakar Shah
Dharmesh R Shah	Monal Daivesh Shah	Urmilaben Kantibhai Varia
Dipalkumar Narendra Rawal	Nilkanth Investments	Vardhman Investment Consultant
Dipti Dhaval Kothari	Nitish Shivilal Nagar	Vijay J Jasani
Fairdeal Consultancy		Vinodbhai M Shah

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## DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting their 24<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended on March 31, 2018.

### FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The financial results for the year ended on 31<sup>st</sup> March, 2018 are as under:

Financial Result	2017-18	2016-17
Income from the Operation	34,16,54,300	28,33,18,692
Other Income	8,88,53,486	7,17,03,173
<b>Total Income</b>	<b>43,05,07,786</b>	<b>35,50,21,865</b>
Less: Total Expenditure	32,66,75,933	24,88,57,367
<b>Profit Before Interest, Depreciation &amp; Taxes</b>	<b>10,38,31,853</b>	<b>10,61,64,498</b>
Less: Interest Charges	34,94,096	70,30,181
<b>Profit Before Depreciation &amp; Taxes</b>	<b>10,03,37,757</b>	<b>9,91,34,317</b>
Less: Depreciation	71,43,912	70,83,366
<b>Profit Before Tax</b>	<b>9,31,93,845</b>	<b>9,20,50,951</b>
Less: Provision for Tax	1,81,00,000	2,15,00,000
Deferred Tax	(3,24,488)	4,16,936
<b>Profit After Tax</b>	<b>7,54,18,333</b>	<b>7,01,34,015</b>
Add: Balance of profit & loss a/c brought forward	3,95,77,395	2,66,47,400
<b>Profit Available for Appropriation</b>	<b>11,49,95,728</b>	<b>9,67,81,415</b>
<b>Appropriation</b>		
1. 1 <sup>st</sup> Interim Dividend	85,35,400	21,33,850
2. Proposed Final Dividend on Equity Shares	51,21,240	0
3. Corporate tax on Dividend	23,83,774	70,170
4. Transfer to General Reserve	5,55,00,000	5,50,00,000
5. Utilised for Bonus Payment	3,94,22,000	0
6. Profit Carried Forward	40,33,314	3,95,77,395

The company has reported income from operation during the year of ₹ 34,16,54,299/- as compared to previous year's income from operation of ₹ 28,33,18,692/-. The company has earned net profit of ₹ 7,54,18,330/- as compared to previous year's profit of ₹ 7,01,34,013/-.

### DIVIDEND

The Board has declared and paid Interim dividend of ₹ 0.50 per equity share on Face value of ₹ 10/- each during the year. The Board also recommended Final Dividend of ₹ 0.30 per equity share on Face value of Rs. 10/- each. The outflow on account of payment of Interim Dividend as well as Final Dividend, including dividend distribution tax and surcharge was 1,60,40,414/-. The dividend payout for the year works out to 21.27% of Profit After Tax.

## **RESERVES**

The company proposes to transfer ₹ 5,55,00,000/- to General Reserve out of the amount available for appropriations and an amount of ₹ 40,33,309/- are proposed to be retained in Profit and Loss Account.

## **BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR**

FY 2017-18 was another stellar year for Shah Investor's Home Ltd when the revenue from operations grew more than 20%, resulting in the profit after taxes growth of 7.53%. The company declared bonus of one share for each fully paid up equity share of ₹ 10/- during the year. The adjusted EPS stood at ₹ 4.42 for the year vs. that of ₹ 4.11 for the last fiscal. Consolidated EPS jumped to ₹ 5.63, a 12.43% rise over the previous fiscal.

Networth grew by 9.27% even after accounting for the rise in dividend payout from 1.25% in last fiscal to 8.00% this fiscal. The adjusted book value reached ₹ 41 per equity share.

Implementation of GST after initial hick-ups has started showing positive results in the form of reduced logistical overheads for the suppliers of goods as well as more predictable revenue stream for the government. The burden of overall taxes has increased on financial services industry, but we do not foresee any adverse impact on revenue as a result. Efforts by the RBI and the Finance Ministry are expected to clean up books of most national lenders and improve accountability for further credit extensions. Rural investment is on the rise, visible from increased sales of tractors, fertilizers and other commodities. These factors are improving investor sentiment and will result in expansion of financial markets in the longer run. The biggest uncertainty markets are facing is the general elections of 2019 in India. Also, SEBI has increased the margin requirements for F&O segment. These headwinds are resulting in a cautious outlook for the markets in FY19.

We opened three more branches this year – Pethapur, Junagadh and Hyderabad. The first two are part of our strategy to enter into under-served smaller cities of Gujarat, where we envisage good investment potential from the local and surrounding population. Hyderabad branch was started to enter into the South Indian market. We have developed our Mobile App, which will allow users to monitor their investments and place trades from their mobile and will enhance overall transaction experience for our clients. Brand new online account management and trading solution is also being launched along with this.

Our focus on long-term wealth building by investing systematically in financial markets (SIS) has resonated very well with our customers. We are planning to substantially scale this product through regular investor awareness programs as well as marketing campaigns.

Through our wholly owned subsidiary company - SIHL Global Investments (IFSC) Pvt Ltd - we have taken up memberships of the India International Exchange (INX) and NSE IFSC Exchange in GIFT City. We are planning to start operations in GIFT City this year, giving us an early mover advantage. Construction of building for our new ventures into investor education initiative and hospitality industry is almost complete and we expect to start these activities this fiscal.

SIHL is planning an IPO listing on BSE SME platform. For this, we have already filed a Draft Red Herring Prospectus (DRHP) with BSE SME. As part of the due diligence for this filing, we provided an exit offer to our existing shareholders. We are now in the final stages of getting necessary regulatory approvals before submitting the prospectus and open IPO.

Thanks to our dedicated and trustworthy team members and business associates, we have continued to provide delightful services to our customers. We have migrated majority of our trading terminals to new CTCL environment, enabling much better RMS and technical operations. This same CTCL environment is also going to cater to our new web-based trading as well as mobile trading platforms.

#### **DETAILS OF SUBSIDIARY / GROUP COMPANY**

<b><u>Subsidiary Companies</u></b>	SIHL Fincap Limited SIHL Global Investments (IFSC) Private Limited SIHL Consultancy Limited
<b><u>Associate Company</u></b>	SIHL Commodities Limited
<b><u>Group Company/Entity</u></b>	Sur Advisory Services Private Limited P & S Space Developers LLP Stock Book LLP Infinium Mines and Minerals Private Limited Trinity Edutech Private Limited SIHL Properties Junior's Club Playqid

The Consolidated Financial Statements are annexed herewith in part of this report.

#### **DEPOSITS**

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

#### **AUDITORS' REPORT**

The Directors are pleased to inform you that the Statutory Auditors of the Company have not made any adverse remarks in their Audit Report.

#### **EXTRACT OF ANNUAL REPORT**

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

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

##### **CONSERVATION OF ENERGY**

The information as required related to Conservation of Energy is not applicable to the company.

##### **TECHNOLOGY ABSORPTION**

The information as required related to Technology Absorption is not applicable to the company.

##### **FOREIGN EXCHANGE EARNINGS AND OUT GO**

There is no foreign exchange income and expenditures of the company during the year under the report.

**CORPORATE SOCIAL RESPONSIBILITY**

The brief outline of the corporate social responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure II of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report.

**DIRECTOR**

Pursuant to the provisions of section 149 of the Act, Dr. Bhushan Punani, Dr. Bharat M Shah, CA Jagdish Shah was appointed as independent directors at the annual general meeting of the Company held on September 27, 2014. They have submitted a declaration that each of them meets the criteria of independence as provided in section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

Mrs. Purnima U. Shah (DIN: 00023091), Director of the company retires by rotation and being eligible offers herself for reappointment. The Board recommends her reappointment.

**NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

During the year Seven Board Meetings, and the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

SR. NO.	DIRECTOR	BOARD MEETING HELD DURING THE YEAR	BOARD MEETING ATTENDED DURING THE YEAR	WHETHER ATTENDED LAST AGM HELD ON 09 <sup>TH</sup> SEPTEMBER, 2017
1	Mr. Upendra T. Shah	7	7	YES
2	Mrs. Purnima U. Shah	7	7	YES
3	Mr. Tanmay U. Shah	7	6	YES
4	Mrs. Ruchira T. Shah	2	1	NO
5	Mr. Utpal P. Shah	7	7	YES
6	Mrs. Trupti U. Shah	7	7	YES
7	Ms. Preeti U. Shah	7	2	YES
8	Dr. Bhushan C. Punani	7	3	YES
9	Dr. Bharat M. Shah	7	4	YES
10	CA Jagdish B. Shah	7	4	YES

**AUDIT COMMITTEE****Composition of Committee**

CA Jagdish B. Shah (Chairman of the Committee)

Independent Director

Mr. Upendra T. Shah

Managing Director

Mr. Bharat M. Shah

Independent Director

The committee shall have discussion with the auditors periodically about internal control system, the scope of audit including observations of the auditors and half yearly and annual financial statements before submission to the Board and also ensure compliance of internal control system. Members of the Audit Committee possess financial / accounting expertise / exposure.



### **NOMINATION AND REMUNERATION COMMITTEE**

#### **Composition of Committee**

Dr. Bhushan C. Punani(Chairman of the Committee)	Independent Director
CA Jagdish B. Shah	Independent Director
Dr. Bharat M. Shah	Independent Director

The remuneration committee to determine on behalf of the Board and on behalf of the shareholders with agreed terms of reference, the company's policy on specific remuneration packages for executive directors including any compensation payment if required and shall review the same from time to time if required.

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

#### **Composition of Committee**

Ms. Preeti U. Shah (Chairman of the Committee)	Director
Mr. Tanmay U. Shah	Director
Dr. Bharat M. Shah	Independent Director

The Stakeholder Relationship Committee on behalf of board acting according to the provision of Companies Act, 2013.

### **CSR COMMITTEE**

#### **Composition of Committee**

Dr. Bhushan C. Punani(Chairman of the Committee)	Independent Director
Mr. Upendra T. Shah	Managing Director
Mr. Utpal P. Shah	Whole Time Director

The Corporate Social Responsibility on behalf of board acting according to the provision of Companies Act, 2013.

### **INTERNAL FINANCIAL CONTROL SYSTEM & THEIR ADEQUACY**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and declaration of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Pursuant to Section 134(3)(g) of the Companies Act, 2013 particulars of loans, guarantees or investments under Section 186 of the Act as at end of the Financial Year 2017-18 are attached as 'Annexure- B' which forms part of this report.

### **PARTICULARS OF EMPLOYEE:**

Information required pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as AOC - 2 to this report.

There are no employees employed throughout the financial year, in receipt of remuneration of ₹ 60 lakhs or more, employees employed for part of the year and in receipt of ₹ 5 lakhs or more per month, pursuant to Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of Sec. 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto shall be disclosed in Form No. AOC -2.

#### **SECRETARIAL AUDIT REPORT**

As per the provision of section 204 of the Companies Act, 2013 and rule made thereunder the company is not required to appoint Secretarial Auditor to audit the Secretarial Compliances of Companies Act and all other act as applicable to the company.

#### **RISK MANAGEMENT POLICY**

Company is constantly monitoring risk posed by internal and external factors to business. Internal factors like risk management of trading exposure is constantly monitored and addressed with solid collection and further exposure policies. While the external risk posed by competition is mitigated with better services, transparent business practices and technological and operational improvements.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

On behalf of the Directors, I confirm that as required under clause (c) of sub-section (3) of section 134 of the Companies Act, 2013.

- a) Applicable accounting standards have been followed with explanation for any material departures;
- b) We have selected accounting policies have been applied consistently 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 and loss of the company for that period;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts are prepared on a going concern basis; and
- e) We had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively. This will ensure legal compliance in all area of companies operations.

#### **ACKNOWLEDGEMENTS**

The Directors take this opportunity to thank the customers, shareholders, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company. I am sure you will join our Directors in conveying our sincere appreciation to all employees of the Company for their hard work and commitment.

For and on behalf of the Board of Directors



**Upendra T. Shah**  
Chairman  
(DIN: 00023057)

Date : 06.07.2018  
Place : Ahmedabad

**Annexure A to Boards Report**  
**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on**  
**31<sup>st</sup> March, 2018**

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

**I. REGISTRATION AND OTHER DETAILS**

<b>CIN</b>	U67120GJ1994PLC023257
<b>Registration Date</b>	12/10/1994
<b>Name of the Company</b>	SHAH INVESTOR'S HOME LIMITED
<b>Category / Sub-Category of the Company</b>	Company limited by shares
<b>Address of the Registered office and contact details</b>	"SIHL House", Opp. Ambawadi Jain Temple, Nehrunagar Cross Road, Ahmedabad-380 015
<b>Whether listed company</b>	No
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any:</b>	<b>LINK INTIME PRIVATE LIMITED</b> 506 to 508, 5 <sup>th</sup> Floor, Amarnath Business Centre 1, H L College Road, Navrangpura, Ahmedabad – 380009

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

<b>S.N.</b>	<b>Name and Description of main Products / Services</b>	<b>NIC Code of the Product/Service</b>	<b>% to total turnover of the company</b>
1	Security Dealing Activity	67120	100

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

<b>Sr. No.</b>	<b>NAME OF THE COMPANY</b>	<b>CIN/GLN</b>	<b>SUBSIDIARY / ASSOCIATE</b>
1	SIHL FINCAP LIMITED	U65923GJ2006PLC049661	SUBSIDIARY
2	SIHL CONSULTANCY LIMITED	U74140GJ2006PLC049662	SUBSIDIARY
3	SIHL GLOBAL INVESTMENTS (IFSC) PVT. LTD.	U67190GJ2016PTC094444	SUBSIDIARY
4	SIHL COMMODITIES LIMITED	U45201GJ1995PLC025825	ASSOCIATE
5	SUR ADISORY SERVICES PRIVATE LIMITED	U74140GJ2010PTC059750	GROUP COMPANY
6	TRINITY EDUTECH PRIVATE LIMITED	U80903GJ2009PTC057869	GROUP COMPANY
7	INFINIUM MINES AND MINERALS PVT. LTD.	U13209GJ2012PTC068907	GROUP COMPANY
8	P & S SPACE DEVELOPERS LLP	AAC-3457	GROUP COMPANY
9	STOCK BOOK LLP	AAF-1364	GROUP COMPANY
10	SIHL PROPERTIES	PARTNERSHIP FIRM	GROUP COMPANY
11	PLAYQID	PARTNERSHIP FIRM	GROUP COMPANY
12	JUNIOR'S CLUB	PARTNERSHIP FIRM	GROUP COMPANY

SHARE HOLDING PATTERN as on 31<sup>st</sup> March, 2018

## i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>A Promoters</b>									
<b>1) Indian</b>									
a) Individual/HUF	8002000	--	8002000	93.75	16012800	--	16012800	93.80	0.05
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt.(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	--	--	--	--	--	--	--	--
e) Banks/FI	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--
F1) Trusts	--	--	--	--	--	--	--	--	--
<b>Sub Total (A)(1):-</b>	<b>8002000</b>	<b>--</b>	<b>8002000</b>	<b>93.75</b>	<b>16012800</b>	<b>--</b>	<b>16012800</b>	<b>93.80</b>	<b>0.05</b>
<b>2) Foreign</b>									
a) NRIs-Individuals	--	--	--	--	--	--	--	--	--
b) Other-Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp	--	--	--	--	--	--	--	--	--
d) Banks/FI	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--
<b>Sub-total (A)(2)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total Shareholding of promoter (A)= (A)(1)+(A)(2)</b>	<b>8002000</b>	<b>--</b>	<b>8002000</b>	<b>93.75</b>	<b>16012800</b>	<b>--</b>	<b>16012800</b>	<b>93.80</b>	<b>0.05</b>
<b>B Public Shareholding</b>									
<b>1. Institutions</b>									
a. Mutual Funds/UTI	--	--	--	--	--	--	--	--	--
b. Banks/FI	--	--	--	--	--	--	--	--	--
c. Central Govt.	--	--	--	--	--	--	--	--	--
d. State Govt.(s)	--	--	--	--	--	--	--	--	--
e. Venture Capital Funds	--	--	--	--	--	--	--	--	--
f. Insurance Companies	--	--	--	--	--	--	--	--	--
g. FIs	--	--	--	--	--	--	--	--	--
h. Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others									
a. Body Corporate	3000	1200	4200	0.05	15000	--	15000	0.09	0.04
<b>Sub-Total (B)(1)</b>	<b>3000</b>	<b>1200</b>	<b>4200</b>	<b>0.05</b>	<b>15000</b>	<b>--</b>	<b>15000</b>	<b>0.09</b>	<b>0.04</b>

<b>2. Non Institutions</b>									
<b>a. Bodies Corporate</b>									
i. Indian	--	--	--	--	--	--	--	--	--
ii. Overseas	--	--	--	--	--	--	--	--	--
<b>b. Individuals/HUF</b>									
i. Individual	302600	51000	353600	4.14	565300	79700	645000	3.78	(0.36)
Shareholders holding nominal share capital upto ₹ 1 lakh									
ii. Individual	142000	20000	162000	1.90	378000	--	378000	2.21	0.31
Shareholders holding nominal share capital in excess of ₹ 1 Lakh									
<b>c. Others (Specify)</b>	--	--	--	--	--	--	--	--	--
Non Resident Indians	--	13600	13600	0.16	20000	--	20000	0.12	(0.04)
Overseas Corporate Bodies	--	--	--	--	--	--	--	--	--
Foreign Nationals	--	--	--	--	--	--	--	--	--
Clearing Member	--	--	--	--	--	--	--	--	--
Trusts	--	--	--	--	--	--	--	--	--
Foreign Bodies - DR	--	--	--	--	--	--	--	--	--
(c1) Clearing Member	--	--	--	--	--	--	--	--	--
(c2) NRIs	--	--	--	--	--	--	--	--	--
<b>Sub Total (B)(2):</b>	<b>444600</b>	<b>84600</b>	<b>529200</b>	<b>6.20</b>	<b>963300</b>	<b>79700</b>	<b>1043000</b>	<b>6.11</b>	<b>(0.09)</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>447600</b>	<b>85800</b>	<b>533400</b>	<b>6.25</b>	<b>978300</b>	<b>79700</b>	<b>1058000</b>	<b>6.20</b>	<b>(0.05)</b>
<b>C Shares held by custodian for GDRs &amp; ADRs</b>	--	--	--	--	--	--	--	--	--
<b>Grand Total (A)+(B)+(C)</b>	<b>8449600</b>	<b>85800</b>	<b>8535400</b>	<b>100</b>	<b>16991100</b>	<b>79700</b>	<b>17070800</b>	<b>100</b>	<b>0.00</b>

**ii. Shareholding of Promoter-**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Upendra T Shah	2884900	33.79	0	5751800	33.69	0	0.10
2	Purnima U. Shah	2004800	23.49	0	4009600	23.49	0	No Movement
	<b>Total</b>	<b>4889700</b>	<b>57.28</b>	<b>0</b>	<b>9761400</b>	<b>57.18</b>	<b>0</b>	<b>0.10</b>

## iii. Change in Promoter's Shareholding (please specify, if there is no change)

Sr. No.	Name	Shareholding		Date	Increase/ (Decrease) in Share holding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company				No. of Shares	% of the Shares of the company
1	Upendra T Shah	2884900	33.79	01.04.2017	0	Transfer by gift Bonus	2884900	33.79
				27.07.2017	(9000)		2875900	33.69
				16.12.2017	2875900		5751800	33.69
		5751800	33.69	31.03.2018				
2	Purnima U. Shah	2004800	23.49	01.04.2018	0	Bonus	2004800	23.49
				16.12.2017	2004800		4009600	23.49
		4009600	23.49	31.03.2018				

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

Sr. No.	Name	Shareholding		Date	Increase/ (Decrease) in Share holding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017) /end of the year (31.03.2018)	% of total Shares of the company				No. of Shares	% of total Shares of the company
1.	Anila Rameshchandra Patel	40000	0.47	21.11.2017	40000	Bonus	80000	0.47
		80000	0.47	31.03.2018				
2.	Rameshchandra Motibhai Patel	40000	0.47	21.11.2017	40000	Bonus	80000	0.47
		80000	0.47	31.03.2018				
3	Maulik Rameshchandra Patel	20000	0.23	21.11.2017	20000	Bonus	40000	0.23
		40000	0.23	31.03.2018				
4	Pratik Rameshchandra Patel	20000	0.23	21.11.2017	20000	Bonus	40000	0.23
		40000	0.23	31.03.2018				
5	Sonalben Dipakbhai Shah	12000	0.14	21.11.2017	12000	Bonus	24000	0.14
		24000	0.14	31.03.2018				
6	Deepak Shah	10000	0.12	21.11.2017	10000	Bonus	20000	0.12
		20000	0.12	31.03.2018				
7	Akshaya Shah	10000	0.12	21.11.2017	10000	Bonus	20000	0.12
		20000	0.12	31.03.2018				
8	Harshad Bhogilal Bhimani – HUF	10000	0.12	21.11.2017	10000	Bonus	20000	0.12
		20000	0.12	31.03.2018				
9	Hema Jayesh Kamdar	10000	0.12	21.11.2017	10000	Bonus	20000	0.12
		20000	0.12	31.03.2018				
10	Bunty Hundraj	9000	0.11	21.11.2017	9000	Bonus	18000	0.11
		18000	0.11	31.03.2018				

## v.) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding		Date	Increase/ (Decrease) in Share holding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company				No. of Shares	% of the Shares of the company
1	Upendra T Shah	2884900	33.79	01.04.2017	0	Transfer by gift Bonus	2884900	33.79
				27.07.2017	(9000)		2875900	33.69
				16.12.2017	2875900		5751800	33.69
		5751800	33.69	31.03.2018				
2	Purnima U Shah	2004800	23.49	01.04.2017	0	Bonus	2004800	23.49
				16.12.2017	2004800		4009600	23.49
		4009600	23.49	31.03.2018				
3	Tanmay U Shah	574400	6.73	01.04.2017	0	Gift Bonus	574400	6.73
				27.07.2017	1500		575900	6.74
				16.12.2017	575900		1151800	6.75
		1151800	6.75	31.03.2018				
4	Preeti U Shah	279400	3.27	01.04.2017	0	Gift Demat Bonus	279400	3.27
				27.07.2017	1500		280900	3.29
				23.10.2017	322000		602900	7.06
				16.12.2017	602900		1205800	7.06
		1205800	7.06	31.03.2018				
5	Trupti U Shah	230800	2.70	01.04.2017	0	Gift Bonus	230800	2.70
				27.07.2017	1500		232300	2.72
				16.12.2017	232300		464600	2.72
		464600	2.72	31.03.2018				
6	Utpal P Shah	64450	0.76	01.04.2017	0	Gift Bonus Received through Exit Offer Transfer	64450	0.76
				27.07.2017	1500		65950	0.77
				16.12.2017	65950		131900	0.77
				06.02.2018	4000		135900	0.80
				06.02.2018	(600)		135300	0.79
		135300	0.79	31.03.2018				
7	Bharat M Shah	10000	0.12	01.04.2017	0	Bonus	10000	0.12
				16.12.2017	10000		20000	0.12
		20000	0.12	31.03.2018				

**IV. INDEBTEDNESS (in RS.):**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	<b>5,28,81,377</b>	----	----	<b>5,28,81,377</b>
i) Principal Amount	5,28,81,377	----	----	5,28,81,377
ii) Interest due but not paid	----	----	----	----
iii) Interest accrued but not due	----	----	----	----
<b>Total (i+ii+iii)</b>	<b>5,28,81,377</b>	----	----	<b>5,28,81,377</b>
<b>Change in Indebtedness during the financial year</b>	----	----	----	----
Addition	17,41,61,335	----	----	17,41,61,335
Reduction	----	----	----	----
<b>Net Change</b>	<b>17,41,61,335</b>	----	----	<b>17,41,61,335</b>
<b>Indebtedness at the end of the financial year</b>	<b>22,70,42,713</b>	----	----	<b>22,70,42,713</b>
i) Principal Amount	22,70,42,713	----	----	22,70,42,713
ii) Interest due but not paid	----	----	----	----
iii) Interest accrued but not due	----	----	----	----
<b>Total (i+ii+iii)</b>	<b>22,70,42,713</b>	----	----	<b>22,70,42,713</b>

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

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager					Total Amount
		Upendra T. Shah	Tanmay U. Shah	Ruchira T. Shah	Trupti U. Shah	Preeti U. Shah	
1	Basic	6,60,000	11,67,300	2,20,000	6,60,000	14,70,000	41,77,300
2	HRA	6,60,000	6,36,000	2,20,000	6,60,000	7,35,000	29,11,000
3	Conveyance	7,80,000	7,46,600	2,60,000	7,80,000	6,75,000	32,41,600
4	Trans. Allowance	19,200	19,200	6,400	19,200	19,200	83,200
5	Payable Reimbursement Medical Expenses	15,000	15,000	5,000	15,000	15,000	65,000
6	Special Allowance	3,04,800	3,11,500	2,21,200	11,54,400	4,16,850	24,08,750
7	Children Education Allowance	-	1,200	400	2,400	1,200	5,200
8	Attire Maintenance Allowance	9,000	9,000	3,000	9,000	11,250	41,250
9	Food Allowance	-	-	-	-	-	-
10	Petrol Allowance	-	-	-	-	-	-
11	Incentive	-	-	-	-	-	-
12	Reimbursement Domestic Helper Salary	1,32,000	24,200	44,000	1,80,000	1,36,500	5,16,700
13	Payable Gross	25,80,000	29,30,000	9,80,000	34,80,000	34,80,000	1,34,50,000

**B. Remuneration to other directors:**

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Bharat M. Shah Director	Bhushan C. Punani Director	Jagdish B. Shah Director	
1	<b>Independent Directors</b>				
	Fee for attending board / committee meetings	28,000	21,000	28,000	77,000
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
2	<b>Other Non-Executive Directors</b>				
	Fee for attending board / committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	<b>Total (2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>Total (B)=(1+2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	Total Managerial Remuneration	Nil	Nil	Nil	Nil
	Overall Ceiling as Per the Act	--	--	--	--

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTG:

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
1.	Mr. Shamik Chokshi (W.E.F. 01-12-2017)	--	--	3,00,000	3,00,000

\* Ms. Preeti U. Shah holds position as Whole Time Director as well as Company Secretary in the company. She avails remuneration as Whole Time Director of company.

**ANNEXURE-B****Particulars of Loan Given, investment made and Guarantee Given under Section 186**

<b>SR. NO.</b>	<b>NAME OF ENTITY</b>	<b>AMOUNT (Rs.)</b>
	<b>Investment in Equity</b>	
1	A K Capital Services Ltd	1,62,925
2	Aditya Birla Capital Ltd	1,00,11,150
3	Associated Alcohol Ltd	2,440
4	Avenue Supermarts Ltd	9,51,518
5	Bajaj Finance Ltd	1,65,98,750
6	Bombay Barma Ltd	4,985
7	Bombay Stock Exchange Ltd.	27,20,126
8	Borosil Glass Ltd	3,93,79,223
9	Cera Sanitaryware Ltd	46,73,513
10	Cyber Space Multimedia Ltd	3
11	Datar Swithchgear Ltd	6,400
12	Dravya Chemicals Ltd	11,000
13	Eicher Motors Ltd	76,79,396
14	Federal Bank	12,43,905
15	Havells India Ltd	2,03,99,128
16	Hdfc Bank Ltd	70,61,583
17	Hindustan Alloys Ltd	5,830
18	Hindustan Eng & Ind Ltd (Malanpur Steel Ltd)	10,892
19	Hindustan Petroleum Corporation Ltd	21,82,223
20	Indusind Bank	18,12,125
21	Itc Ltd.	1,33,416
22	Kansai Nerolac Paints Ltd.	54,49,667
23	Kotak Mahindra Bank Ltd	29,94,230
24	La Opala RG Ltd.	1,01,36,167
25	Lic Housing Finance Ltd	2,00,677
26	Manpasand Beverages Ltd.	25,04,762
27	Maple Circuits Ltd	402
28	Marico Industries Ltd	1,39,95,960
29	MMTC Ltd.	4,04,569
30	Motherson Sumi System Ltd	80,03,491
31	Pentafor Products Ltd	63,000
32	Pidilite Industries Ltd	2,97,336
33	Punjab Chemicals Ltd	28,951
34	Reliance Industries Ltd	52,20,668
35	Riba Textile Ltd	73,600
36	Supreme Industries Ltd.	1,50,58,815
37	Tamil Nadu Petro Ltd	5,15,953

38	Thyrocare Technologies Ltd	62,83,495
39	Tirupati Ind Ltd	503
40	Trans Freight Ltd	41,418
41	Tvs Motor Ltd	2,83,483
42	Ujjivan Finance Ltd	50,07,194
43	Vanasthali Textile Ltd	38,544
44	Vatsa Corporation Ltd	1,59,650
<b>Fully Paid Equity Shares (Unquoted)</b>		
1	Devmurti Association Ltd.	1,000
2	SIHL Commodities Ltd	47,00,000
3	SIHL Consultancy Ltd	2,16,00,000
4	SIHL Fincap Ltd	15,45,28,000
5	SIHL Global Investment (IFSC) Pvt Ltd	2,49,99,990
<b>Mutual Funds (Quoted)</b>		
1	Goldman Sach Mutual Fund - Nifty Bees	44,57,923
2	Reliance Liquied Fund - Growth	50,00,000
3	Reliance Mutual Fund ETF - Bank Bees	7,85,007
4	Reliance Mutual Fund ETF - Nifty Bees	1,60,443
<b>Loan Given</b>		
1	SIHL Fincap Limited	1,00,13,02,480

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

### Details of material contracts or arrangement or transactions at arm's length basis

#### 1. DIRECTOR AND THEIR RELATIVES REMUNERATION:

SR. No.	Name	Basic	HRA	Conveyance	Tran. Allowance	Payable Reimbursement Medical Expenses	Special Allowance	Children Edu. Allowance	Attire Maintenance Allowance	Food Allowance	Petrol Allowance	Incentive	Bonus	Reimbursement Domestic Helper Salary	Payable Gross
1	UPENDRA T SHAH	6,60,000	6,60,000	7,80,000	19,200	15,000	3,04,800	-	9,000	-	-	-	-	1,32,000	25,80,000
2	TRUPTI SHAH	6,60,000	6,60,000	7,80,000	19,200	15,000	11,54,400	2,400	9,000	-	-	-	-	1,80,000	34,80,000
3	TANMAY U SHAH	11,67,300	6,36,000	7,46,600	19,200	15,000	3,11,500	1,200	9,000	-	-	-	-	24,200	29,30,000
4	ARPITA SHAH	1,92,000	59,700	59,700	19,200	15,000	-	2,400	12,000	36,000	39,600	-	-	78,000	5,13,600
5	BHADRESH H. PUNJABI	92,000	25,000	25,000	16,000	12,500	-	-	7,500	30,000	12,000	4,000	22,000	80,000	3,26,000
6	JINAL SHAH	3,00,000	1,14,000	1,09,200	19,200	15,000	36,000	2,400	12,000	36,000	4,200	4,000	-	1,20,000	7,72,000
7	PREETI SHAH	14,70,000	7,35,000	6,75,000	19,200	15,000	4,16,850	1,200	11,250	-	-	-	-	1,36,500	34,80,000
8	RAJESH R PUNJABI	9,60,000	9,60,000	7,80,000	19,200	15,000	10,64,400	2,400	9,000	-	-	-	-	90,000	39,00,000
9	RUCHIRA T SHAH	2,20,000	2,20,000	2,60,000	6,400	5,000	2,21,200	400	3,000	-	-	-	-	44,000	9,80,000
10	SANDHYA R PUNJABI	6,00,000	6,00,000	1,41,000	19,200	15,000	3,35,400	2,400	9,000	-	-	-	-	78,000	18,00,000
11	SHAMIK CHOKSHI	1,20,000	80,000	20,000	6,400	5,000	20,200	400	24,000	-	-	-	-	24,000	3,00,000
	<b>Total</b>	<b>64,41,300</b>	<b>47,49,700</b>	<b>43,76,500</b>	<b>1,82,400</b>	<b>1,42,500</b>	<b>38,64,750</b>	<b>15,200</b>	<b>1,14,750</b>	<b>1,02,000</b>	<b>55,800</b>	<b>8,000</b>	<b>22,000</b>	<b>9,86,700</b>	<b>2,10,61,600</b>

**2. RENT PAID**

NAME OF DIRECTOR	AMOUNT PAID
RUCHIRA TANMAY SHAH	4,99,500
TANMAY UPENDRA SHAH	2,10,000
UPENDRA T SHAH (HUF)	1,56,000
TRUPTI UTPAL SHAH	3,48,000
UPENDRA T SHAH	1,32,000
<b>TOTAL</b>	<b>13,45,500</b>

**3. LOAN**

NAME	NATURE OF TRANSACTION	AMOUNT(In Rs.)
SIHL FINCAP LIMITED (SUBSIDIARY COMPANY)	LOAN GIVEN	1,00,13,02,480
SIHL FINCAP LIMITED (SUBSIDIARY COMPANY)	LOAN RECEIVED BACK	1,08,56,82,969

**4. INTEREST RECEIVED**

NAME	NATURE OF TRANSACTION	AMOUNT(In Rs.)
SIHL FINCAP LIMITED (SUBSIDIARY COMPANY)	INTEREST RECEIVED	46,87,674

## Annexure II

### Annual Report on CSR Activities.

**A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programmes:**

CSR policy is aimed at reducing Hunger, Poverty, malnutrition and healthcare, education & skill development, promotion of sports and environmental sustainability including biodiversity, energy & water conservation.

The projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013.

1. The composition of the CSR committee: The Company has a CSR committee of directors comprising of Mr. Bhushan C Punani, Chairman of the Committee, Mr. Upendra T. Shah and Mr. Utpal P. Shah. Non-Director Members of the committee is Mr. Jinal A. Shah.
2. Average net profit of the company for last three financial years for the purpose of computation of CSR: ₹ 5,22,47,211
3. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 10,44,944
4. Details of CSR spent during the financial year:
  - a. Total amount to be spent for the financial year: ₹ 10,49,611
  - b. Amount unspent : ₹ NIL.
  - c. Manner in which the amount spent during the financial year: Attached
5. **A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

SR. NO.	CSR Project or Activity identified	Sector in which the project is covered	Projects or programs (1) Local Area or other (2) Specify the State and District where projects or programs were undertaken	Amount outlay(budget) projects or programs wise	Amount spent on the projects or programs subheads: (1) Direct Expenditure (2) Overheads	Cumulative Expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Promotion of Education including Special Education and Other Initiatives	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Ahmedabad, Gujarat	4,60,000	4,60,000	4,60,000	Through implementing agency (Vimal Jyot Charitable Trust)
2	Promoting Animal Welfare	Promoting Animal Welfare	Gandhinagar, Gujarat	11,111	11,111	11,111	Direct
3	Setting Up Homes And Schools For Women And Orphans.	Setting Up Homes And Schools For Women And Orphans.	Ahmedabad, Gujarat	50,000	50,000	50,000	Direct
4	Promotion of Education including Special Education and Other Initiatives	Promoting Education	Ahmedabad, Gujarat	5,10,000	5,10,000	5,10,000	Direct
5	Promotion of Rural sports	Promotion of Rural sports	Ahmedabad, Gujarat	7,500	7,500	7,500	Direct
6	Comprehensive Rehabilitation, Medical and Human Resource Development	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.	Ahmedabad, Gujarat	11,000	11,000	11,000	Direct

## INDEPENDENT AUDITORS REPORT

To the Members of SHAH INVESTOR'S HOME LIMITED

### Report on the standalone Financial Statements

- (1) We have audited the accompanying standalone financial statements of Shah Investor's Home Limited, ("the company") which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

- (2) The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting standards specified under section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

- (3) Our responsibility is to express an opinion on these standalone financial statements based on our audit.
- (4) We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made there under.
- (5) We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- (6) An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An Audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by company's Directors, as well as evaluating the overall presentation of the financial statements.
- (7) We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on standalone financial statements.

### Opinion

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



generally accepted in India, of the state of affairs of the company as at 31<sup>ST</sup> March 2018, its profit and its cash flows for the year ended on that date.

#### Other Matters

- (9) Corresponding figures for the year ended March 31, 2017 have been audited by another auditor who expressed unmodified opinion dated July 28, 2017 on the standalone financial statement of the company for the year ended March 31, 2017.

#### Report on Other Legal and Regulatory Requirements

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

- (11) As required by section 143 of the Act, based on our audit, 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the companies (Accounts) rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we further report that:
  - (i) The company has disclosed the impact of pending litigations on its financial position in its financial statements – refer Note 27(b) to the financial statements
  - (ii) The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the investor education and protection Fund by the company.

For, **SHAILESH SHAH & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration no. : 109877W

  
**CA. SHAILESH A. SHAH**

Proprietor

Membership Number: 032205



Place: Ahmedabad

Date: 6<sup>th</sup> July, 2018

## ANNEXURE-A TO INDEPENDENT AUDITOR'S REPORT

**Referred to in Paragraph 10 of the Independent Auditor's Report of even date to the members of SHAH INVESTOR'S HOME LIMITED on the standalone financial statements as of and for the year ended 31<sup>st</sup> March 2018.**

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) The title deeds of immovable properties are held in the name of the company.
2. The company is a registered stock broker and depository participant with Securities and Exchange Board of India (SEBI). The nature of business of the Company does not require it to have any inventory. Hence, the requirement of clause 3(ii) of the Order is not applicable to it.
3. (a) According to the information and explanations given to us the company has granted loans, secured or unsecured to one firm covered in the register maintained under section 189 of the Act.
- (b) The parties have repaid the principal amounts as stipulated and have been regular in the payment of interest.
- (c) There is no overdue amount of loans granted to companies, firms or other parties listed in the registers maintained under section 189 of the Act.
4. According to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, wherever applicable, in respect of loans, investments, guarantees and securities given by the Company.
5. The Company has not accepted any deposits from the Company to which the directives issued by the Reserve Bank of India and the provision of Sec. 73 to 76 of the Act or any other relevant provisions of the Act and rules framed there under, apply.
6. The central government has not prescribed the maintenance of the cost records Under Section 148(1) of the Act, for any of the services rendered by the company hence paragraph 3(vi) of the Order is not applicable.
7. According to the information and explanations given to us and the records examined by us.
  - (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, Customs Duty, Excise Duty, Service Tax, Goods and Services Tax and other statutory dues applicable to it.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Value Added Tax, Service Tax, Goods and Services Tax, Customs Duty and Excise Duty, were outstanding as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date of become payable.
  - (c) Based on our audit procedures and on the information and explanation given to us, there are no dues out standing in respect of Sales Tax, Value Added Tax, Service Tax, Excise Duty, Customs Duty, Goods and Services Tax on account of any disputes.

Details of dues of Income tax and Service Tax which have not been deposited as on 31<sup>st</sup> March, 2018 on account of disputes are given below;



Name of Statute	Nature of dues	Amount (In Lacs)	Period to which Amounts relates	Forum where dispute is pending
Income Tax Act, 1961	Income-tax	Nil	A.Y. 2007-08	The High Court of Gujarat
Income Tax Act, 1961	Income-tax	Nil	A.Y. 2008-09	
Income Tax Act, 1961	Income-tax	Nil	A.Y. 2009-10	
Income Tax Act, 1961	Income-tax	Nil	A.Y. 2010-11	
Income Tax Act, 1961	Income-tax	Nil	A.Y. 2011-12	Income-tax Appellate Tribunal, Ahmedabad
Income Tax Act, 1961	Income-tax	Nil	A.Y. 2012-13	
Income Tax Act, 1961	Income-tax	Nil	A.Y. 2013-14	

- 8 Based on our audit procedures and on the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to the financial institution, banks or government as at the balance sheet date. The Company has not issued any debentures.
- 9 The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly the provisions of Clause 3(ix) of the order are not applicable to the company.
- 10 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 we been informed of any such case by the management.
- 11 According to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approval mandated by the provision of section 197 read with schedule V to the Act.
- 12 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, the provision of clause 3 (xii) of the order are not applicable to the Company.
- 13 According to the information and explanations given to us and based on the documents and records produced before us, the transaction with related parties are in compliance with the provision of section 177 and 188 of the Act and the details thereof such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 14 According to the information and explanations given to us and based on the documents and records produced before us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the order are not applicable to the Company.
- 15 According to the information and explanations given to us and based on the documents and records produced before us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, clause 3(xv) of the order is not applicable to the Company.
- 16 The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For, **SHAILESH SHAH & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration no. : 109877W

**CA. SHAILESH A. SHAH**

Proprietor

Membership Number: 032205

Place: Ahmedabad

Date: 6<sup>th</sup> July, 2018



## ANNEXURE-B TO INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 11(f) of the Independent Auditor's Report of even date to the members of SHAH INVESTOR'S HOME LIMITED on the standalone financial statements as of and for the year ended 31<sup>st</sup> March 2018.

### Report on the internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("The Act")

1. We have audited the internal financial controls over financial reporting of SHAH INVESTOR'S HOME LIMITED ("the Company") as of March 31, 2018 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

2. The Company's management is Responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of internal Financial Controls Over Financial Reporting issued by the institute of Chartered Accountants of India (the "Guidance Note"). 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 fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors Responsibility

3. 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 Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to and audit of internal Financial Controls and, both issued by the institute of Chartered Accountants of India. Those standards and 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.
4. 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, 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 procedure selected depends on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements. Whether due to fraud or error.
5. We believe that the audit evidence we have obtain 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

6. 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 purpose in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedure that (1) pertain to the maintenance of records that, in reasonable details, 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 in accordance with generally accepted accounting principles, and that



receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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**

7. 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 change in conditions, or that the degree of compliance with the policies or procedures may deteriorate.


#### **Opinion**

8. In our opinion, to the best of our information and according to the explanations give to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the 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, **SHAILESH SHAH & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration no. : 109877W

  
**CA. SHAILESH A. SHAH**  
Proprietor  
Membership Number: 032205



Place: Ahmedabad

Date: 6<sup>th</sup> July, 2018

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

(INR)

	Note	As at March 31, 2018	As at March 31, 2017
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
(a) Share Capital	3	170,708,000	85,354,000
(b) Reserves and Surplus	4	529,033,314	555,009,395
		699,741,314	640,363,395
<b>Non - current liabilities</b>			
(a) Long - term borrowings		-	-
(b) Deferred tax liabilities (net)	5(a)	576,528	872,939
(c) Other long - term liabilities		-	-
(d) Long - term provisions	6	385,135	304,187
		961,663	1,177,126
<b>Current liabilities</b>			
(a) Short-term Borrowings	7	227,042,713	52,881,377
(b) Trade payables		115,723,317	172,929,226
(c) Other current liabilities	8	12,570,549	13,212,481
(d) Short - term provisions	9	25,570,595	22,609,702
		380,907,174	261,632,786
<b>TOTAL</b>		<b>1,081,610,151</b>	<b>903,173,307</b>
<b>II. ASSETS</b>			
<b>Non - current assets</b>			
(a) Fixed assets	10		
(i) Tangible Assets		92,675,652	79,153,373
(ii) Intangible assets		277,192	498,287
(iii) Capital work-in-progress		24,252,440	13,488,080
		117,205,284	93,139,740
(b) Non - current investments	11	408,045,430	384,200,987
(c) Deferred tax assets (net)	5(b)	65,357	37,280
(d) Long - term loans and advances	12	51,384,302	149,866,827
(e) Other non - current assets		-	-
		459,495,089	534,105,094
<b>Current assets</b>			
(a) Unbilled revenues	13	-	2,517,368
(b) Trade receivables	14	25,162,876	19,356,796
(c) Cash and Cash Equivalents	15	177,488,634	232,186,516
(d) Short-term loans and advances	16	283,092,250	12,489,920
(e) Other current assets	17	19,166,018	9,377,873
		504,909,778	275,928,473
<b>TOTAL</b>		<b>1,081,610,151</b>	<b>903,173,307</b>

**III. See Significant accounting policies and accompanying notes forming part of the Financial Statements**

1-37

For and on behalf of the Board

For, **SHAILESH SHAH & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration no. 109877W

**CA. SHAILESH A. SHAH**

Proprietor

Membership Number: 032205

Place: Ahmedabad

Date: 6<sup>th</sup> July, 2018**Upendra T. Shah**

Chairman (DIN: 00023057)

**Tanmay U. Shah**

Director (DIN: 00023067)

**Utpal P. Shah**

Director (DIN: 02334369)

**Preeti U. Shah**

Director &amp; Company Secretary (DIN: 00023083)

**Shamik H. Chokshi**  
Chief Financial Officer

**Statement of Profit and Loss for the year ended March 31, 2018**

(INR)

	Note	As at March 31, 2018	As at March 31, 2017
I. Revenue from operations	18	341,654,300	283,318,692
II. Other income (net)	19	88,853,486	71,703,173
<b>Total Revenue</b>		<b>430,507,786</b>	<b>355,021,865</b>
III. Expenses:			
(a) Employee benefits expense	20	50,733,048	49,106,481
(b) Operation and other expenses	21	272,672,339	197,375,156
(c) Finance costs	22	6,764,642	9,405,911
(d) Depreciation and amortisation expense	10	7,143,912	7,083,366
<b>Total expenses</b>		<b>337,313,941</b>	<b>262,970,914</b>
IV. Profit before tax		<b>93,193,845</b>	<b>92,050,951</b>
V. Tax expense:			
(a) Current tax		18,100,000	21,500,000
(b) Deferred tax		-324,488	416,936
		17,775,512	21,916,936
VI. Profit for the year		<b>75,418,333</b>	<b>70,134,015</b>
VII. Earnings per equity share: - Basic (₹)	26	<b>4.42</b>	<b>8.22</b>
Earnings per equity share: - Diluted (₹)		<b>4.42</b>	<b>4.11</b>

III. See Significant accounting policies and accompanying notes forming part of the Financial Statements

For, **SHAILESH SHAH & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration no. : 109877W

**CA. SHAILESH A. SHAH**

Proprietor

Membership Number: 032205

Place: Ahmedabad

Date: 6<sup>th</sup> July, 2018



1-37

For and on behalf of the Board

**Upendra T. Shah**

Chairman (DIN: 00023057)

**Tanmay U. Shah**

Director (DIN: 00023067)

**Utpal P. Shah**

Director (DIN: 02334369)

**Preeti U. Shah**

Director & Company Secretary (DIN: 00023083)

**Shamik H. Chokshi**  
Chief Financial Officer



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

(INR)

	March 31, 2018	March 31, 2017
<b>[A] Cash Flow From Operating Activities :</b>		
Profit Before Taxes	93,193,845	92,050,951
Depreciation And Amortisation	7,143,912	7,083,366
Interest and Financial Income	-43,728,783	-24,119,320
<b>Operating Profit Before Working Capital Changes</b>	<b>56,608,974</b>	<b>75,014,997</b>
Increase/(Decrease) In Current Liability	113,191,526	11,478,441
(Increase)/Decrease In Trade Receivable	-5,806,080	19,713,112
(Increase)/Decrease In Other Receivable	-186,251,144	-52,286,382
<b>Cash Generated From Operations</b>	<b>-22,256,724</b>	<b>53,920,168</b>
Direct Taxes Paid (Net of Refunds)	-11,239,438	-11,167,367
<b>Net Cash Flow From Operating Activities (A)</b>	<b>-33,496,162</b>	<b>42,752,801</b>
<b>[B] Cash Flow From Investing Activities :</b>		
Purchase Of Fixed Assets	-31,290,484	-20,722,670
Dividend Received on Investments	4,961,460	5,344,266
(Increase)/Decrease In Investments	-23,844,443	-71,354,932
Profit / (Loss) on Sale of Investments	38,193,351	17,313,400
Proceeds From Sale of Fixed Assets	655,000	2,025,000
<b>Net Cash Flow From Investing Activities (B)</b>	<b>-11,325,116</b>	<b>-67,394,936</b>
<b>[C] Cash Flow From Financing Activities :</b>		
Dividend Paid	-8,535,400	-2,133,850
Tax on Dividend	-1,341,204	-70,170
<b>Net Cash Flow From Financing Activities (C)</b>	<b>-9,876,604</b>	<b>-2,204,020</b>
<b>Net Increase/(Decrease) In Cash And Cash Equivalents [ A+B+C ]</b>	<b>-54,697,882</b>	<b>-26,846,155</b>
<b>[D] Cash And Cash Equivalents as at the commencement of the year</b>	<b>232,186,516</b>	<b>259,032,671</b>
<b>Cash And Cash Equivalents as at The End Of The Year</b>	<b>177,488,634</b>	<b>232,186,516</b>

Components of Cash and Cash Equivalents	March 31, 2018	March 31, 2017
(a) Cash and cash equivalents		
(i) Balances with banks		
In current accounts	51,165,039	60,058,596
In deposit accounts with original maturity less than 3 months	-	-
(ii) Cheques on hand	-	-
(iii) Cash on hand	246,724	264,114
(iv) Remittances in transit	-	-
	51,411,763	60,322,710
(b) Other Bank balances		
(i) Earmarked balances with banks (Unclaimed Dividend)	62,288	122,513
(ii) Fixed Deposits with Banks*	126,014,583	171,741,293
	177,488,634	232,186,516

For, **SHAILESH SHAH & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration no. : 109877W

**CA. SHAILESH A. SHAH**

Proprietor

Membership Number: 032205

Place: Ahmedabad

Date: 6<sup>th</sup> July, 2018**Upendra T. Shah****Tanmay U. Shah****Utpal P. Shah****Preeti U. Shah**Director & Company  
Secretary (DIN: 00023083)

For and on behalf of the Board

Chairman (DIN: 00023057)

Director (DIN: 00023067)

Director (DIN: 02334369)

**Shamik H. Chokshi**  
Chief Financial Officer

## Notes forming part of the Financial Statements

### 1. Corporate Information

Shah Investor's Home Limited provides a wide range of financial services relating to retail, institutional broking and depository services.

The Company was incorporated on 12th October, 1994 under the Company Act, 1956 vide registration no. U67120GJ1994PLC023257

### 2. Significant Accounting Policies

#### (a) Basis of Preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Sec. 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 till the Standard of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing accounting standards notified under the Companies Act, 1956 shall continue to apply.

Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended], of the Companies Act, 1956 and the other relevant provisions of the Companies Act, 2013.

#### (b) Use of Estimate

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affects the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Example of such estimates includes provisions for doubtful debts, employee benefits, plans income taxes and intangible assets, the useful lives of depreciable fixed assets and etc.

#### (c) Tangible Fixed Assets

Fixed Assets are stated at their cost less accumulated depreciation except in the case of land which is stated at cost. Cost includes all expenses incurred to bring the assets to its present location and condition.

#### (d) Capital Work in Progress

Capital Work in Progress includes cost of assets at sites, construction expenditure, advances made for acquisition of capital assets and interest on the funds deployed.

#### (e) Intangible Fixed Assets

Intangible fixed assets in the nature of software are amortized over a period of 4 years and Intellectual Property Rights (IPR) are amortized over a period of 4 years from the date of addition. Amortization of an intangible asset commences when the asset is available for use and cease when the asset is retired from active use or is disposed of. Residual value for the purpose of amortization is taken as zero. At each balance sheet date, the Company reviews the amortization period and amortization method and the amortization period is revised to reflect the changed pattern, if any. Based on the international assessment carried out by the management, the salvage value and the useful lives as given above best represents the period over which management expects to use these assets.

#### (f) Depreciation/amortization

Depreciation is provided on the fixed assets except land under the written down value method at rates specified in Part "C" of Schedule II of the Companies Act, 2013. Assets costing less than ₹ 5,000/- individually are fully depreciated. The estimated useful life of the tangible and intangible assets is mentioned below:



Assets Category	Useful Life
<b>(a) Tangible Fixed Assets:</b>	
(i) Building	60 Years
(ii) Furniture & Fixture	10 Years
(iii) Vehicles	8 -10 Years
(iv) Office Equipement	5 Years
(v) Electrical Installations	10 Years
<b>(b) Intangible Fixed Assets:</b>	
(i) Computer Software	4 Years

Freehold land is not depreciated. Leasehold land, buildings and improvements are amortized over the period of the lease.

The useful lives, residual values of each part of the tangible and the depreciation method are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

The amortization period and the amortization method for an intangible asset with infinite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

#### De-recognition:

The carrying amount of an item of tangible or intangible assets is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the De-recognition of an item of tangible or intangible assets is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the statement of Profit and Loss when the item is derecognized.

#### **(g) Impairment**

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised immediately as income in the statement of profit and loss.

#### **(h) Investments**

Long-term investments are stated at cost, less provision for other than temporary diminution in value if any.

#### **(i) Employee Benefits**

- (i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- (ii) Post-employment and other long term employee benefits are recognised as expenses in the Profit and Loss account for the year in which the employee has rendered services. The expenses are recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss Account.

#### **(j) Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow and the revenue can be reliably measured. In addition, the following criteria must also be met before revenue is recognised:

- Brokerage is recognized on trade date basis and is net of all statutory dues.



- ✦ Depository Service Income is recognised on the basis of agreement entered into with clients when the right to receive the income is established and is exclusive of service tax/Goods and Services Tax.
- ✦ Interest and other dues are accounted on accrual basis.
- ✦ Income from trading in derivatives is recognised on final settlement or squaring up of the contract.
- ✦ Dividends are recorded as and when received.
- ✦ Profit / Loss earned on sale of Investment are recognised on trade date basis. Profit / Loss on sale of Investment are determined based on the First in First out (FIFO) cost for Short term and Long-term Investments.

#### (k) Taxation

Current tax is the amount of Income tax payable on the taxable income for the year as determined in accordance with the provision of the Income-tax Act, 1961.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of 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. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance taxes paid and income tax provisions arising in the same tax jurisdiction and where the Company intends to settle the asset and liability on a net basis.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

#### (l) Derivative instruments and hedge accounting

##### (i) Stock / Index futures

Stock / Index futures are marked to market on daily basis. The debit or credit balance in the Mark to Market margin - Stock/Index futures accounts disclosed under current assets or current liabilities represents the net paid or received on the basis of the movement in the prices of Stock/Index futures till the balance sheet date.

Credit balance in the Mark to Market margin Stock / Index future accounts in the nature of anticipated profit, is ignored and no credit is taken to the Statement of Profit and Loss. However, the debit balance in the Market to Market margin - Stock / Index futures account in the nature of anticipated loss is recognised in the Statement of Profit and Loss.

On final settlement or squaring up of the contracts for Stock / Index futures, the profit or loss is calculated as the difference between the settlement / squaring up price and the contract price. Accordingly debit or credit balance pertaining to the settled / squared up contract in Mark to Market margin - Stock / Index Futures account is recognised in the statement of Profit and Loss upon expiry of the contracts. When more than one contract in respect of the relevant series of Stock / Index future contracts, to which the squared up contract pertains, is outstanding at the time of the squaring up of the contract, the contract price of such contract is determined using the First In First Out method for calculating Profit / Loss on squaring up.

Initial margin account - Stock / Index futures, representing initial margin paid is disclosed under current assets.



(ii) **Stock / Index Options**

As on the balance sheet date, provision for loss on for open options, to the extent premium paid exceeds premium prevailing on the date is provided for.

(m) **Provisions, Contingent Liabilities and Contingent Assets**

Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

(n) **Cash and cash equivalents**

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

(o) **Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipt or payments. The cash flows from Operating, Investing and Financing activities of the Company are segregated based on the available information.

(p) **Borrowing Cost**

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

(q) **Prior Expenditure / Income**

Expenditure / Income relating to prior year are disclosed separately, if any.

(r) **Earnings Per Share**

Basic EPS

The earnings considered in ascertaining the Company's basic EPS comprise the net profit/ (loss) after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

Diluted EPS

The net profit/ (loss) after tax and the weighted average number of shares outstanding during the year are adjusted for all the effects of dilutive potential equity shares for calculating the diluted EPS.

**3. SHARE CAPITAL**

The Authorized, Issued, Subscribed and Fully paid-up share capital comprises of equity shares having a par value of ₹ 10/- each as follows:

	As at March 31, 2018	As at March 31, 2017
<b>Authorised</b>		
(I) 3,00,00,000 equity shares of ₹ 10/- each	300,000,000	200,000,000
(March 31, 2017, 2,00,00,000 equity shares of ₹ 10/- each)		
	<b>300,000,000</b>	<b>200,000,000</b>
<b>Issued, Subscribed and Paid up</b>		
(I) 1,70,70,800 equity shares of ₹ 10/- each	170,708,000	85,354,000
(March 31, 2017, 85,35,400 equity shares of ₹ 10/- each)		
	<b>170,708,000</b>	<b>85,354,000</b>



a) Reconciliation of number of shares	As at March 31, 2018	As at March 31, 2017
<b>Equity Shares</b>		
Opening Balance	8,535,400	8,535,400
Changes during the year (Bonus share issued)	8,535,400	-
Closing Balance	17,070,800	8,535,400

**b) Rights, preferences and restrictions attached to shares (Equity Shares)**

The company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**c) Buy-back of Equity shares (during 5 years preceding March 31, 2018)**

In accordance with Section 77 of the Companies Act, 1956 and Buy-back Regulations of SEBI, The Company during the Financial Year 2013-14 bought back and extinguished 7,31,600 number of equity shares of ₹ 10 each and created a Capital Redemption Reserve of ₹ 73,16,000 out of surplus in the Statement of Profit & Loss. The premium on Buy-back of ₹ 2,92,64,000 has been utilised from securities Premium Account.

**d) Bonus of Equity shares (during 5 years preceding March 31, 2018)**

The company has declared and issued bonus equity shares of ₹ 10 each in the ratio of 1:1 on 21<sup>st</sup> November, 2017 by utilizing the capital reduction reserve, security premium, general reserve and accumulated profits from the profit and loss accounts.

e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company	As at March 31, 2018 Number of shares	As at March 31, 2017 Number of shares
<b>Equity Shares</b>		
Upendra T. Shah	57,51,800 33.69%	28,84,900 33.80%
Purnima U. Shah	40,96,000 23.49%	20,04,800 23.49%
Preeti U. Shah	12,05,800 7.06%	6,01,400 7.05%
Tanmay U. Shah	11,51,800 6.75%	5,74,400 6.73%
Rajesh R. Punjabi	8,98,000 5.26%	4,47,200 5.24%



**4 RESERVES AND SURPLUS**

Reserves and surplus consist of the following reserves:

	As at March 31, 2018	As at March 31, 2017
(a) Securities Premium Account	8,116,000	8,116,000
(i) Utilised for Bonus Payment	<u>-8,116,000</u>	<u>-</u>
	-	8,116,000
(b) General Reserve		
(i) Opening balance	500,000,000	445,000,000
(ii) Transferred from Statement of Profit and Loss	55,500,000	55,000,000
(iii) Utilised for Bonus Payment	<u>-30,500,000</u>	<u>-</u>
	525,000,000	500,000,000
(c) Capital Redemption Reserve		
(i) Opening balance	7,316,000	7,316,000
(ii) Transferred from Statement of Profit and Loss	-	-
(iii) Utilised for Bonus Payment	<u>-7,316,000</u>	<u>-</u>
	-	7,316,000
(d) Surplus in Statement of Profit and Loss		
(i) Opening balance	39,577,395	26,647,400
(ii) Add : Profit for the year	<u>75,418,333</u>	<u>70,134,015</u>
	114,995,728	96,781,415
Less : Appropriations		
(a) Interim dividends on equity shares	8,535,400	2,133,850
(b) Proposed final dividend on equity shares	5,121,240	-
(c) Tax on dividend	2,383,774	70,170
(e) General Reserve	55,500,000	55,000,000
(f) Utilised for Bonus Payment	<u>39,422,000</u>	<u>-</u>
	4,033,314	39,577,395
	<u>529,033,314</u>	<u>555,009,395</u>

The Board of Directors at its meeting held on March 8<sup>th</sup>, 2018 has recommended interim dividend of ₹ 0.50 per equity share

**5 DEFERRED TAX LIABILITIES (Net)**

Major components of the deferred tax balances:

	As at March 31, 2018	As at March 31, 2017
(a) Deferred tax liabilities		
(i) Employee benefits	-	-
(ii) Depreciation and amortisation	<u>576,528</u>	<u>872,939</u>
	576,528	872,939
(b) Deferred tax assets (net)		
(i) Depreciation and amortisation	-	-
(ii) Employee benefits	65,357	37,280
(iv) Others	<u>-</u>	<u>-</u>
	65,357	37,280



**6 LONG - TERM PROVISIONS**

Long - term provisions consist of the following:

	As at March 31, 2018	As at March 31, 2017
Provision for employee benefits	385,135	304,187
	<u>385,135</u>	<u>304,187</u>

Provision for employee benefits include provision for gratuity and other retirement benefits.

**7 SHORT - TERM BORROWINGS**

Short - term Borrowing consist of the following:

	As at March 31, 2018	As at March 31, 2017
(a) Secured		
(i) Loan repayable on demand from Banks (Secured against Lien of Imovable Properties & Fixed Deposits and agaist the personal guarantee of the Directors except Independent Directors)	227,042,713	52,881,377
	<u>227,042,713</u>	<u>52,881,377</u>
(b) Unsecured	-	-
	<u>227,042,713</u>	<u>52,881,377</u>

**8 OTHER CURRENT LIABILITIES**

Other current liabilities consist of the following:

	As at March 31, 2018	As at March 31, 2017
(a) Current maturities of long-term debt	-	-
(b) Current maturities of finance lease obligations	-	-
(c) Interest accrued but not due on borrowings	-	-
(d) Income received in advance	-	-
(e) Unpaid dividends	62,288	122,513
(f) Equity share application monies refundable	-	-
(g) Advance received from customers	-	-
(h) Other payables	12,508,261	13,089,968
	<u>12,570,549</u>	<u>13,212,481</u>
<u>Other payables comprises of :</u>		
(i) Statutory liabilities	700,433	571,562
(ii) Turnover Charges	1,567,037	1,894,941
(iii) Others	10,240,791	10,623,465

**9 SHORT - TERM PROVISIONS**

Short - term provisions consist of the following:

	As at March 31, 2018	As at March 31, 2017
(a) Provision for employee benefits	1,306,785	1,109,702
(b) Others		
(i) Proposed final dividend on equity shares	5,121,240	-
(ii) Tax on dividend	1,042,570	-
(iii) Current income taxes	18,100,000	21,500,000
	<u>25,570,595</u>	<u>22,609,702</u>



**10 FIXED ASSETS**

Fixed Assets consist of the following :

	Description	Gross Block as at April 1, 2017	Additions	Deletions/ Adjustments	Gross Block as at March 31, 2018	Accumulated Depreciation / Amortisation as at April 1, 2017	Depreciation / Amortisation for the year	Deletions/ Adjustments	Accumulated Depreciation / Amortisation as at March 31, 2018	Net book value as at March 31, 2018	Net book value as at March 31, 2017
(i)	<b>TANGIBLE FIXED ASSETS</b>										
	FREEHOLD LAND	27,490,223	-	-	27,490,223	-	-	-	-	27,490,223	27,490,223
	FREEHOLD BUILDINGS	49,232,809	11,722,292	-	60,955,101	13,362,344	1,832,890	-	15,195,234	45,759,867	35,870,465
	FURNITURE AND FIXTURES	16,772,933	1,793,732	-	18,566,664	14,336,148	434,637	-	14,770,785	3,795,880	2,436,785
	VEHICLES	12,906,652	3,778,081	1,308,114	15,376,619	6,432,756	2,063,501	1,242,709	7,253,548	8,123,071	6,473,896
	OFFICE EQUIPMENT	40,150,778	2,837,329	312,900	42,675,208	34,021,761	2,187,696	297,277	35,912,180	6,763,027	6,129,017
	ELECTRICAL INSTALLATIONS	3,959,012	126,350	-	4,085,362	3,206,026	135,753	-	3,341,779	743,583	752,986
	<b>Total</b>	<b>150,512,407</b>	<b>20,257,784</b>	<b>1,621,014</b>	<b>169,149,177</b>	<b>71,359,035</b>	<b>6,654,477</b>	<b>1,539,986</b>	<b>76,473,526</b>	<b>92,675,652</b>	<b>79,153,373</b>
	Previous year	149,510,361	27,405,171	26,403,125	150,512,407	69,476,835	6,827,216	4,945,016	71,359,035	79,153,372	-
(ii)	<b>INTANGIBLE ASSETS</b>										
	RIGHTS UNDER LICENSING	6,548,595	268,341	-	6,816,935	6,050,308	489,435	-	6,539,743	277,192	498,287
	<b>Total</b>	<b>6,548,595</b>	<b>268,341</b>	<b>-</b>	<b>6,816,935</b>	<b>6,050,308</b>	<b>489,435</b>	<b>-</b>	<b>6,539,743</b>	<b>277,192</b>	<b>498,287</b>
	Previous year	5,798,913	749,682	-	6,548,595	5,794,158	256,150	-	6,050,308	498,287	-
(iii)	<b>CAPITAL WORK IN-PROGRESS</b>	<b>13,488,080</b>	<b>10,764,360</b>	<b>-</b>	<b>24,252,439</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,252,440</b>	<b>13,488,080</b>
	Previous year	25,500	13,462,579	-	13,488,079	-	-	-	-	13,488,079	-

11 NON - CURRENT INVESTMENTS Non - current investments consist of the following:	Face value per share	As at March 31, 2018		As at March 31, 2017	
		Number of shares	Amount	Number of shares	Amount
<b>Description</b>					
<b>(A) NON TRADE INVESTMENTS (at cost)</b>					
<b>(i) Subsidiary Companies</b>					
<b>(a) Fully Paid Equity Shares (Unquoted)</b>					
SIHL Consultancy Ltd	10	1,580,000	21,600,000	1,580,000	21,600,000
SIHL Fincap Ltd	10	7,156,800	154,528,000	7,156,800	154,528,000
SIHL Global Investment (IFSC) Pvt Ltd	10	2,499,999	24,999,990	2,499,999	24,999,990
			201,127,990		201,127,990
<b>(ii) Others</b>					
<b>(a) Fully Paid Equity Shares (Quoted)</b>					
A K Capital Services Ltd	10	931	162,925	1,361	238,175
Aditya Birla Capital Limited	10	55,555	10,011,150	-	-
Alkyl Amines Ch Ltd	5	-	-	17,893	447,325
Asian Paints Ltd	1	-	-	2,425	2,143,702
Associated Alcohol & Breweries Ltd	10	400	2,440	400	2,440
Avenue Supermarts Ltd (D'Mart)	10	1,000	951,518	10,000	6,362,415
Axis Bank Ltd	2	-	-	8,400	3,313,440
Bajaj Auto Ltd	10	-	-	5,425	14,889,601
Bajaj Finance Ltd	2	13,100	16,598,750	7,500	7,580,016
Bank Bees	10	-	-	500	785,007
Bank Of Baroda	2	-	-	4,500	634,229
Bata India Ltd	5	-	-	5,725	3,171,400
Bombay Burmah Trading Corporation Ltd	2	200	4,985	200	4,985
BSE Ltd.	2	29,419	2,720,126	29,419	2,720,126
Borosil Glass Ltd	1	43,550	39,379,223	-	-
Cadila Healthcare Ltd	5	-	-	15,830	5,537,585
Cera Sanitaryware Ltd	5	1,900	4,673,513	1,900	4,673,513
Continental Construction Ltd	10	600	-	600	-
Cyber Scape Multimedia Ltd	10	1	3	1	3
Datar Swithchgear Ltd	10	100	6,400	100	6,400
Divis Laboratories Ltd	2	-	-	3,235	1,997,156
Dravya Chemicals Ltd	10	5,500	11,000	5,500	11,000
Easun Reyrol	2	-	-	564	52,333
Eicher Motors Ltd	10	350	7,679,396	350	7,679,396
Federal Bank Ltd	2	19,400	1,243,905	19,400	1,243,905
Godrej Consumer Product Ltd	1	1,100	-	4,600	7,325,791
Gruh Finance Ltd	2	-	-	3,000	1,018,089
Havells India Ltd	1	40,000	20,399,128	-	-
Hcl Infosystem Ltd	2	-	-	35,000	1,613,127
Hdfc Bank Ltd	2	5,450	7,061,583	4,950	4,903,305
Hindustan Alloys Ltd	10	1,300	5,830	1,300	5,830
Hindustan Eng & Ind Ltd (Malanpur Steel Ltd)	10	15	10,892	15	10,892
Hindustan Petroleum Corporation Ltd	10	15,500	2,182,223	21,000	5,200,697
ICICI Bank Ltd	2	-	-	33,000	6,666,220
IDFC Bank Ltd	10	-	-	100,000	5,996,705
IFSL Ltd	10	-	-	200	10,390
Indusind Bank	10	2,100	1,812,125	2,100	1,812,125
Infomedia Press Ltd	10	-	-	76	2,402
ITC Ltd	1	457	133,416	26,857	6,169,910
James Waren Tea Ltd	10	-	-	2	-
Kansai Nerolac Paints Ltd.	1	14,728	5,449,667	14,408	5,300,891
Kotak Mahindra Bank Ltd	5	4,700	2,994,230	4,700	2,994,230
La Opala RG Ltd.	2	37,538	10,136,167	-	-
LIC Housing Finance Ltd	2	368	200,677	368	200,677
Manpasand Beverages Ltd.	10	7,000	2,504,762	-	-
Maple Circuits Ltd	10	100	402	100	402
Marico Industries Ltd	1	47,309	13,995,960	35,580	8,741,451
MMTC Ltd	1	2,500	404,569	2,500	404,569



Motherson Sumi System Ltd	1	49,775	8,003,491	38,250	9,909,509
Network 18 Media & Investment Ltd	5	-	-	110	3,000
Novartis India Ltd	5	-	-	4,025	3,140,713
Oracle Financial Services Software Ltd	5	-	-	1,835	6,196,587
Pentafour Products Ltd	10	4,000	63,000	4,000	63,000
Pidilite Industries Ltd	1	398	297,336	217	148,043
Precision Wire Ltd	10	-	-	130	1,686
Punjab Chemicals Ltd	10	209	28,951	209	28,951
RBL Bank Ltd	10	-	-	11,000	4,315,249
Reliance Industries Ltd	10	8,000	5,220,668	4,000	5,220,666
Riba Textile Ltd	10	2,300	73,600	2,300	73,600
Supreme Industries Ltd.	2	14,000	15,058,815	-	-
Sheela Foam Ltd	5	-	-	1,717	1,253,410
Siemens Ltd	2	-	-	4,800	4,802,376
Sree Rayalaseema Alkalies & Allied Chem. L.	10	-	-	400	-
State Bank Of India Ltd	1	-	-	18,500	3,096,970
Stone India Ltd	10	-	-	20,000	420,000
Sun Pharmaceutical Ltd	1	-	-	3,815	3,046,463
Tamil Nadu Petro Ltd	10	25,200	515,953	25,200	515,953
Thyrocare Technologies Ltd	10	9,000	6,283,495	-	-
Tirupati Ind Ltd	10	100	503	100	503
Trans Freight Ltd	10	1,593	41,418	1,593	41,418
Transgene Biotech Ltd	10	-	-	500	-
TVS Motor Ltd	1	1,000	283,483	16,800	4,818,451
Ujjivan Financial Services Ltd	10	15,000	5,007,194	683	343,689
Vanasthali Textile Ltd	10	3,000	38,544	3,000	38,544
Vatsa Corporation Ltd	10	10,900	159,650	10,900	159,650
Wipro Ltd	2	373	-	-	-
Yes Bank Ltd	10	-	-	1,500	1,074,772
Zydus Wellness Ltd	10	-	-	4,000	3,168,574
<b>(b) Fully Paid Equity Shares (Unquoted)</b>			191,813,067		173,753,632
Devmurthi Association Ltd.	100	10	1,000	10	1,000
SIHL Commodities Ltd	10	330,000	4,700,000	330,000	4,700,000
<b>(c) Fully Paid Preference Shares (Quoted)</b>			4,701,000		4,701,000
TGV SRACC Ltd 0.01 (01.01.2019)	10	400	-	400	-
<b>(d) Mutual Funds (Quoted)</b>			-		-
Goldman Sach Mutual Fund - Nifty Bees	10	6,100	4,457,923	6,291	4,618,366
Reliance Liquied Fund - Growth	10	-	5,000,000	-	-
Reliance Mutual Fund ETF - Bank Bees	10	500	785,007	-	-
Reliance Mutual Fund ETF - Nifty Bees	10	191	160,443	-	-
			10,403,373		4,618,366
			408,045,430		384,200,987
Aggregate Amount of quoted investments			202,216,440		178,371,997
Market value of quoted investments			256,465,013		252,650,345
Aggregate Amount of unquoted investments			205,828,990		205,828,990

## 12 LONG - TERM LOANS AND ADVANCES

Long - term loans and advances consist of the following:

	As at March 31, 2018	As at March 31, 2017
(a) Unsecured, considered good		
(i) Loans and advances to employees	-	-
(ii) Income-tax (net)	30,553,461	37,414,023
(iii) Deposits with Depositories & Exchanges	17,975,000	17,875,000
(iv) Other loans and advances	2,855,841	94,577,804
	<u>51,384,302</u>	<u>149,866,827</u>
Other Loans & Advances comprises of:		
To Subsidiary & Group Companies	-	79,692,815
To Related Parties	620,000	-
To Others	2,235,841	14,884,989

**13 UNBILLED REVENUES**

	As at March 31, 2018	As at March 31, 2017
(a) Unbilled Revenue	-	2,517,368
	-	2,517,368

Unbilled revenues at the end of the year primarily comprises of the revenue recognised in relation to trade dates of which settlement dates fall in the next accounting period.

**14 TRADE RECEIVABLES (Unsecured)**

Trade receivables consist of the following:	As at March 31, 2018	As at March 31, 2017
(a) Over six months from the date they were due for payment		
(i) Considered good	1,345,619	2,054,010
(ii) Considered doubtful	-	-
(b) Others		
(i) Considered good	23,817,257	17,302,786
(ii) Considered doubtful	-	-
	25,162,876	19,356,796
Less : Provision for doubtful receivable	-	-
	25,162,876	19,356,796

**15 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of the following:	As at March 31, 2018	As at March 31, 2017
(a) Cash and cash equivalents		
(i) Balances with banks		
In current accounts	51,165,039	60,058,596
In deposit accounts with original maturity less than 3 months	-	-
(ii) Cheques on hand	-	-
(iii) Cash on hand	246,724	264,114
(iv) Remittances in transit	-	-
	51,411,763	60,322,710
(b) Other Bank balances		
(i) Earmarked balances with banks (Unclaimed Dividend)	62,288	122,513
(ii) Fixed Deposits with Banks*	126,014,583	171,741,293
	177,488,634	232,186,516

\* Fixed Deposits with Banks include deposit of ₹ 126,014,583/- (previous year ₹ 171,741,293/-) with maturity of more than 12 months.

**16 SHORT - TERM LOANS AND ADVANCES**

Short - term loans and advances consist of the following:	As at March 31, 2018	As at March 31, 2017
(a) Unsecured, considered good		
(i) Loans and advances to employees	507,896	447,700
(ii) Other loans and advances	282,584,354	12,042,220
	283,092,250	12,489,920



**17 OTHER CURRENT ASSETS**

Other current assets consist of the following:

	As at March 31, 2018	As at March 31, 2017
(a) Other Current Assets	19,166,018	9,377,873
	<u>19,166,018</u>	<u>9,377,873</u>

**18 REVENUE FROM OPERATIONS**

Revenue income (net) consist of the following:

	As at March 31, 2018	As at March 31, 2017
(a) Brokerage Income	312,005,424	256,587,099
(b) Depository Service Income	29,648,876	26,731,593
	<u>341,654,300</u>	<u>283,318,692</u>

**19 OTHER INCOME (NET)**

Other income (net) consist of the following:

	As at March 31, 2018	As at March 31, 2017
(a) Interest income	43,145,482	46,742,228
(b) Dividend income	4,961,460	5,344,266
(c) Profit on Redemption / Sale of Investments (net)	38,193,351	17,313,400
(d) Profit / (loss) on sale of fixed assets (net)	573,972	1,461,654
(e) Miscellaneous income	1,979,221	841,625
	<u>88,853,486</u>	<u>71,703,173</u>

Interest income comprises of:

(i) Interest on bank deposits	9,298,704	14,240,074
(ii) Long Dues & Short Margin Interest Income	27,129,667	27,864,489
(iii) Interest Other	6,717,111	4,637,665

**20 EMPLOYEE BENEFITS EXPENSES**

Employee benefits expenses consist of the following:

	As at March 31, 2018	As at March 31, 2017
(a) Salaries and incentives	45,948,190	44,156,496
(b) Contributions to Provident Fund and Other Funds	1,442,946	1,564,029
(c) Staff welfare expenses	3,341,912	3,385,956
	<u>50,733,048</u>	<u>49,106,481</u>

**21 OPERATION AND OTHER EXPENSES**

Operation and other expenses consist of the following:

	As at March 31, 2018	As at March 31, 2017
(a) Stock Exchange Charges	25,407,491	21,695,704
(b) Depository Charges	4,910,204	5,826,029
(c) SEBI Fees and Charges	1,259,185	782,791
(d) Repairs Building	1,186,417	332,466
(e) Repairs Others	1,567,383	1,579,411
(f) Electricity Expense	3,015,251	2,704,981
(g) Rent	3,445,242	2,866,500
(h) Rates and Taxes	3,213,147	2,731,076
(i) Advertisement and Sales Promotion Exp.	3,707,637	4,992,246
(j) Insurance	298,778	155,305

(k) Stationery and Printing	1,539,128	1,445,256
(l) Postage, Telephone and Communication Exp	4,734,890	4,202,629
(m) Profit / (loss) on Derivative Transactions (net)	13,044,877	-3,878,275
(n) Legal and Professional Fee	5,006,168	1,690,360
(o) Payments to Auditors	200,000	175,000
(p) Brokerage and Commission Expense	169,706,780	135,468,827
(q) Office Management and Maint. Exps	16,712,943	6,010,000
(r) Donation	1,729,611	1,312,500
(s) Bad Debts Written Off	-	669,137
(t) Software Maintenance Charges	5,522,005	1,738,122
(u) Other Expenses	6,465,202	4,875,091
	<u>272,672,339</u>	<u>197,375,156</u>

Payment to Auditors comprises of:

(i) Statutory Audit Fees	185,000	85,000
(ii) Tax Audit Fees	-	60,000
(iii) Taxation Matters	-	15,000
(iv) Certificates etc.	15,000	15,000

## 22 FINANCE COSTS

Finance costs consist of the following:

	As at March 31, 2018	As at March 31, 2017
(a) Interest expense	3,494,096	7,030,181
(b) Other Financial Charges	3,270,546	2,375,730
	<u>6,764,642</u>	<u>9,405,911</u>

## 23 Retirement benefits plans

### a) Defined benefit plan

The Company makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for service, payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date.

The following tables sets out the funded status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31, 2018

	As at March 31, 2018	As at March 31, 2017
<b>i) Change in benefit obligations:</b>		
Projected benefit obligation, beginning of the year	4,184,964	3,415,132
Interest cost	301,317	275,943



Current Service Cost	422,967	354,292
Liability Transferred In / Acquisition	-	-
Benefits paid	-96,028	-68,308
Actuarial (gain) / loss	-248,558	207,905
Projected benefit obligation, end of the year	4,564,662	4,184,964
<b>ii) Change in plan assets:</b>		
Fair value of plan assets, beginning of the year	3,924,883	3,287,662
Expected return on plan assets	282,592	265,643
Employers' contributions	798,008	459,398
Benefits paid	-96,028	-68,308
Actuarial (gain) / loss	-15,174	19,512
Fair value of plan assets, end of the year	4,924,629	3,924,883
Total Actuarial (Gain) / Loss To Be Recognised	-263,732	227,417
<b>iii) Reconciliation of Present Value of Defined Benefit obligation and the fair value of</b>		
Present Value of Funded Obligation as at the end of the year	4,564,662	4,184,964
Fair Value of Plan Assets as at end of the year	4,924,629	3,924,883
Funded (Liability) / Assets recognised in the Balance-Sheet	359,967	-260,081
<b>iv) Amount Recognised in Balance Sheet:</b>		
Opening Net Liabilities	260,081	127,470
Expenses as above	177,960	592,009
Net Liability / (Assets) Transferred In	-	-
Net (Liability) / Assets Transferred Out	-	-
Employees Contribution Paid	-798,008	-459,398
Closing Net Liabilities / (Assets)	-359,967	260,081
<b>v) Expenses Recognised in the Income Statement:</b>		
Current Service Cost	422,967	354,292
Past Service Cost	-	-
Interest Cost	301,317	275,943
Expected Return on Plan Assets	-282,592	-265,643
Net Actuarial (Gain)/Loss To Be Recognised	-263,732	227,417
Expense Recognised in P&L	177,960	592,009
<b>vi) Actual Return on Plan Assets:</b>		
Expected Return on Plan Assets	282,592	265,643
Actuarial gain/(loss) on Plan Assets	15,174	-19,512
Actual Return on Plan Assets	297,766	246,131
<b>vii) Assumption used in accounting for gratuity plan:</b>		
	(%)	(%)
Discount rate (Previous Year)	7.20	8.08
Discount rate (Current Year)	7.78	7.20
Rate of Return on Plan Assets (Previous Year)	7.20	8.08
Rate of Return on Plan Assets (Current Year)	7.78	7.20
Salary Escalation (Previous Year)	6.00	6.00
Salary Escalation (Current Year)	6.00	6.00

The estimate of future salary increase considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risk of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.

**24 Related Party Disclosure****a) Party where control exists**

- SIHL Fincap Ltd - Subsidiary Company 98.49% (P.Y.98.49%) of whose equity share capital is held by the company as at 31<sup>st</sup> March, 2018.
- SIHL Consultancy Ltd - Subsidiary Company 61.96% (P.Y.79.00%) of whose equity share capital is held by the company as at 31<sup>st</sup> March, 2018.
- SIHL Global Investments (IFSC) Pvt Ltd. - Subsidiary Company 100.00% of whose equity share capital is held by the company as at 31<sup>st</sup> March, 2018.

**b) Other Related Parties**

- (i) Enterprise owned or significantly influenced by key management personnel or their relatives.

- SIHL Commodities Ltd. - Infinium Mines & Minerals Pvt Ltd - SIHL Properties
- Trinity Edutech Pvt. Ltd. - Sur Advisory Services Pvt. Ltd. - K. S. Chokshi & Co.
- Stock Book LLP - P & S Space Developers LLP

**(ii) Key Management Personnel and their Relatives.**

- Mr. Upendra T. Shah - Mr. Utpal P. Shah - Mrs. Ruchira T. Shah - Miss. Shruti R. Punjabi
- Mrs. Purnima U. Shah - Mrs. Trupti U. Shah - Miss. Kenisha T. Shah - Mr. Shamik H. Chokshi
- Ms. Preeti U. Shah - Mr. Rehaan U. Shah - Mr. Rajesh R. Punjabi - Mr. Jinal A. Shah
- Miss. Pearl T. Shah - Miss. Aashna U. Shah - Mrs. Sandhya R. Punjabi - Mrs. Arpita J. Shah
- Mr. Luv Kothari - Mr. Tanmay U. Shah - Mr. Sagar R. Punjabi - Mr. Bhadresh H. Punjabi

(₹ In '000)

<b>C) Details of Transaction</b>	<b>Subsidiaries</b>	<b>Controlling/ Associates</b>	<b>Key Management Personnel and their Relatives</b>	<b>Total</b>
(i) Purchase of Goods	-	-	-	-
	(-)	(-)	(-)	(-)
(ii) Sale of Goods -	-	-	-	-
	(-)	(-)	(-)	(-)
(iii) Purchase of Fixed Assets -	-	-	-	-
	(-)	(-)	(-)	(-)
(iv) Sale of Fixed Assets -	-	-	-	-
	(-)	(-)	(-)	(-)
(v) Remuneration Paid	-	-	21,061.60	21,061.60
	(-)	(-)	(17,562.40)	(17,562.40)
(vi) Rent Paid	-	-	1,345.50	1,345.50
	(-)	(-)	(924.00)	(924.00)
(vii) Consultancy Expenses Paid	-	-	143.00	143.00
	(-)	(-)	(-)	(-)
(viii) Interest Paid	-	-	-	-
	(-)	(-)	(-)	(-)
(ix) Interest Received	4,687.67	-	-	4,687.67
	(2,499.80)	(-)	(-)	(2,499.80)
(x) Loans Taken	-	-	-	-
	(81,073.62)	(-)	(-)	(81,073.62)



(xi) Loans repaid	-	-	-	-
	(81,073.62)	(-)	(-)	(81,073.62)
(xii) Loans Given	1,001,302.48	-	-	1,001,302.48
	(1,224,401.23)	(-)	(-)	(1,224,401.23)
(xiii) Loans received back	1,085,682.97	-	-	1,085,682.97
	(1,144,708.41)	(-)	(-)	(1,144,708.41)
(xiv) Investments made in	-	-	-	-
	(25,000.00)	(-)	(-)	(25,000.00)
(xv) Dividend Received on Equity Shares	1,947.20	-	-	1,947.20
	(1,789.20)	(-)	(-)	(1,789.20)
(xvi) Dividend paid on Equity Shares	-	-	8,006.40	8,006.40
	(-)	(-)	(1,997.43)	(1,997.43)
(xvii) Balances Outstanding				
-Debit	-	-	-	-
	(-)	(-)	(-)	(-)
-Credit	-	-	-	-
	(-)	(-)	(-)	(-)

- No amount in respect of the related parties have been written off during the year.

- Related parties relationship have been identified by the management and relied upon by the Auditors.

## 25 Segment Reporting

The company operates in only one business segment of security broking business in the secondary market. Accordingly no further, financial information for business segment is required to be furnished.

## 26 Earnings per share (EPS)

	As at March 31, 2018	As at March 31, 2017
Net profit for the year	75,418,333	70,134,015
Less : Preference share dividend (including tax)	-	-
Amount available for equity shareholders	75,418,333	70,134,015
Weighted average number of shares	17,070,800	8,535,400
Earning per share basic	4.42	8.22
Earning per share diluted (₹)	4.42	4.11
Face value per Equity share (₹)	10.00	10.00

## 27 Contingent Liabilities

a) Bank guarantee given by the banks of ₹ 39.00 Crore (P.Y. ₹ 29.00 Crore) in favour of National Stock Exchange of India Limited and ₹ 2.50 Crore (P.Y. ₹ 2.50 Crore) in favour of Bombay Stock Exchange Ltd.

b) Contingent liability in respect of Income tax disputed in appeal including departmental appeals in respect of cases in favour of the company but excluding interest thereon is ₹ 247.30 Lacs (P.Y. ₹ 668.24 Lacs).

c) Contingent liability in respect of compounding application filed with the NCLT, Ahmedabad under the Company Law and consent filed with the SEBI under SEBI (Settlement and Administrative) Regulations, 2014, the quantum of liability are not determinable hence not quantified.



**28 The Company has yet to obtain balance confirmations from various parties due adjustments will be made on receipt thereof, if necessary.**

**29 Outstanding dues to Micro, Small and Medium Enterprise**

There are no Micro and Small Enterprise to whom the Company owes dues, which are outstanding for more than forty five days as at 31<sup>st</sup> March, 2018. The identification of the Micro and Small Enterprises and the information as required to be disclosed under the Micro, Small and Medium Enterprises development Act, 2006 has been determined on the basis of Vendor information available with the Company.

**The Disclosure pursuant to the Said Act is as Under:**      **March 31, 2018**      **March 31, 2017**

(i) Principal amount (alongwith payment made to suppliers)	Nil	Nil
(ii) Interest paid beyond the appointed day during the year	Nil	Nil
(iii) Interest due and payable for delay in making the payment	Nil	Nil
(iv) Interest accrued and remaining unpaid at the end of the year	Nil	Nil
(v) Further interest remaining due and payable in succeeding years	Nil	Nil

**30. Corporate Social Responsibility Statement (CSR)**

**As at**      **As at**  
**March 31, 2018**      **March 31, 2017**

Gross Amount required to be spent by the company during the year	1,044,950	736,445
Amount spent and paid on CSR Activities included in the statement of Profit and Loss for the year	1,049,611	791,000

**31. Earnings in Foreign Currency**      **Nil**      **Nil**

**32. Expenditure in Foreign Currency**      **Nil**      **Nil**

**33. Remittances in Foreign Currency**      **Nil**      **24,999,990**

(PY: Remittance in Foreign Exchange on Account of purchase of equity shares in SIHL Global Investment (IFSC) Pvt Ltd. of 24,99,999 Equity Shares of ₹ 10/- Each

**34. Value of imports calculated on CIF basis**      **Nil**      **Nil**

**35. Dividend Remitted in Foreign Exchange**      **Nil**      **Nil**

**36. In the opinion of the management, current assets, loans and advances are approximately of the value stated in the balance sheet if realised in the ordinary course of business.**

**37. Previous year figures have been regrouped / reclassified where ever necessary to correspond with the current year's classification / disclosure.**

For, **SHAILESH SHAH & ASSOCIATES**  
Chartered Accountants  
ICAI Firm Registration no. : 109877W

**CA. SHAILESH A. SHAH**  
Proprietor  
Membership Number: 032205

Place: Ahmedabad  
Date: 6<sup>th</sup> July, 2018



For and on behalf of the Board

**Upendra T. Shah** Chairman (DIN: 00023057)

**Tanmay U. Shah** Director (DIN: 00023067)

**Utpal P. Shah** Director (DIN: 02334369)

**Preeti U. Shah**  
Director & Company  
Secretary (DIN: 00023083)

**Shamik H. Chokshi**  
Chief Financial Officer



# **CONSOLIDATED FINANCIAL STATEMENT**

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## **REGISTERED OFFICE**

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"SIHL HOUSE",  
OPP. AMBAWADI JAIN TEMPLE,  
NEHRUNAGAR CROSS ROADS,  
AHMEDABAD – 380 015  
CIN U67120GJ1994PLC023257  
PHONE: 079 – 4107 2222  
WEB: [www.sihl.in](http://www.sihl.in),  
EMAIL: [info@sihl.in](mailto:info@sihl.in)

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## INDEPENDENT AUDITORS REPORT

**To the Members of SHAH INVESTOR'S HOME LIMITED**

### Report on the consolidated Financial Statements

- (1) We have audited the accompanying Consolidated financial statements of Shah Investor's Home Limited, ("the company") which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

- (2) The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to preparation of these consolidated financial statements to give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

- (3) Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
- (4) We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made there under.
- (5) We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- (6) An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An Audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by company's Directors, as well as evaluating the overall presentation of the financial statements.
- (7) We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on consolidated financial statements.

### Opinion

- (8) In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles



generally accepted in India, of the state of affairs of the company as at 31st March 2018, its profit and its cash flows for the year ended on that date.

### Other Matters

- (9) Corresponding figures for the year ended March 31, 2017 have been audited by another auditor who expressed unmodified opinion dated July 28, 2017 on the standalone financial statement of the company for the year ended March 31, 2017.

### Report on Other Legal and Regulatory Requirements


- (10) As required by section 143 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms 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 A"; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The company has disclosed the impact of pending litigations on its financial position in its financial statements – refer Note 26(b) & 26(c) to the financial statements
  - (ii) The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the investor education and protection Fund by the company.

For, **SHAILESH SHAH & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration no. : 109877W

  
**CA. SHAILESH A. SHAH**  
 Proprietor  
 Membership Number: 032205



Place: Ahmedabad

Date: 6<sup>th</sup> July, 2018

## ANNEXURE-A TO INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 11(f) of the Independent Auditor's Report of even date to the members of SHAH INVESTOR'S HOME LIMITED on the consolidated financial statements as of and for the year ended 31st March 2018.

**Report on the internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("The Act")**

1. We have audited the internal financial controls over financial reporting of SHAH INVESTOR'S HOME LIMITED ("the Company") as of March 31, 2018 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

2. The Company's management is Responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). 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 fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors Responsibility

3. 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 Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to and audit of internal Financial Controls and, both issued by the institute of Chartered Accountants of India. Those standards and 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.
4. 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, 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 procedure selected depends on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements. Whether due to fraud or error.
5. We believe that the audit evidence we have obtain 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

6. 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 purpose in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedure that (1) pertain to the maintenance of records that, in reasonable details, 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 in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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**

7. 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 change in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the 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, **SHAILESH SHAH & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration no. : 109877W

  
**CA. SHAILESH A. SHAH**

Proprietor

Membership Number: 032205



Place: Ahmedabad

Date: 6<sup>th</sup> July, 2018

# Consolidated Balance Sheet as at March 31, 2018

(INR)

	Note	As at March 31, 2018	As at March 31, 2017
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
(a) Share Capital	3	170,708,000	85,354,000
(b) Reserves and Surplus	4	569,071,580	574,843,580
		739,779,580	660,197,580
Minority Interest		22,006,987	11,079,721
<b>Non - current liabilities</b>			
(a) Long - term borrowings		-	-
(b) Deferred tax liabilities (net)	5(a)	666,012	952,431
(c) Other long - term liabilities		-	-
(d) Long - term provisions	6	425,768	344,037
		1,091,780	1,296,468
<b>Current liabilities</b>			
(a) Short-term Borrowings	7	227,042,713	62,904,617
(b) Trade payables		115,723,322	172,929,228
(c) Other current liabilities	8	13,612,892	14,220,923
(d) Short - term provisions	9	31,725,981	27,800,387
		388,104,908	277,855,155
<b>TOTAL</b>		<b>1,150,983,255</b>	<b>950,428,924</b>
<b>II. ASSETS</b>			
<b>Non - current assets</b>			
(a) Fixed assets	10		
(i) Tangible Assets		119,832,112	80,451,302
(ii) Intangible assets		277,192	498,287
(iii) Capital work-in-progress		24,252,439	13,488,079
		144,361,743	94,437,668
(b) Goodwill on Consolidation		5,512,453	5,512,453
(c) Non - current investments	11	223,316,056	221,056,672
(d) Deferred tax assets (net)	5(b)	70,523	-
(e) Long - term loans and advances	12	163,315,551	181,500,913
		392,214,583	408,070,038
<b>Current assets</b>			
(a) Inventories		637,753	2,086,942
(b) Unbilled revenues	13	-	2,517,368
(c) Trade receivables	14	25,245,631	19,481,845
(d) Cash and Cash Equivalents	15	218,247,455	250,707,016
(e) Short-term loans and advances	16	347,230,229	162,477,625
(f) Other current assets	17	23,045,861	10,650,422
		614,406,929	447,921,218
<b>TOTAL</b>		<b>1,150,983,255</b>	<b>950,428,924</b>

III. See Significant accounting policies and accompanying notes forming part of the Consolidated Financial Statements  
For, **SHAILESH SHAH & ASSOCIATES**  
Chartered Accountants  
ICAI Firm Registration no. : 109877W

1-37

For and on behalf of the Board

**CA. SHAILESH A. SHAH**

Proprietor

Membership Number: 032205

Place: Ahmedabad

Date: 6<sup>th</sup> July, 2018

**Upendra T. Shah** Chairman (DIN: 00023057)

**Tanmay U. Shah** Director (DIN: 00023067)

**Utpal P. Shah** Director (DIN: 02334369)

**Preeti U. Shah**

Director &amp; Company Secretary (DIN: 00023083)

**Shamik H. Chokshi** Chief Financial Officer


**Consolidated Statement of Profit and Loss for the year ended March 31, 2018**

(INR)

	Note	As at March 31, 2018	As at March 31, 2017
I. Revenue from operations	18	378,466,859	305,623,276
II. Other income (net)	19	95,377,198	78,933,469
<b>Total Revenue</b>		<b>473,844,057</b>	<b>384,556,745</b>
<b>III. Expenses:</b>			
(a) Purchase		-	61,250
(b) Change in Inventory	20	1,449,189	-61,250
(c) Employee benefits expense	21	61,523,342	59,009,253
(d) Operation and other expenses	22	275,797,293	195,265,840
(e) Finance costs	23	7,343,515	8,667,452
(f) Depreciation and amortisation expense	10	7,671,726	7,692,130
Total expenses		353,785,065	270,634,675
<b>IV. Profit before Prior Period Items and tax</b>		<b>120,058,992</b>	<b>113,922,070</b>
<b>Add: Prior Period Items</b>		<b>-</b>	<b>1,180,574</b>
<b>V. Profit before tax</b>		<b>120,058,992</b>	<b>115,102,644</b>
<b>VI. Tax expense:</b>			
(a) Current tax		24,045,000	26,550,000
(b) Deferred tax		-356,942	394,263
		23,688,058	26,944,263
<b>VII. Profit after Taxation before Minority Interest</b>		<b>96,370,934</b>	<b>88,158,381</b>
<b>VIII. Minority Interest</b>		<b>202,266</b>	<b>2,623,325</b>
<b>IX Profit for the year</b>		<b>96,168,668</b>	<b>85,535,056</b>
<b>X Earnings per equity share: - Basic (₹)</b>	27	5.63	10.02
Earnings per equity share: - Diluted (₹)		5.63	5.01

III. See Significant accounting policies and accompanying notes forming part of the Consolidated Financial Statements

1-37

For and on behalf of the Board

For, **SHAILESH SHAH & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration no. : 109877W

**CA. SHAILESH A. SHAH**

Proprietor

Membership Number: 032205

Place: Ahmedabad

Date: 6<sup>th</sup> July, 2018**Upendra T. Shah** Chairman (DIN: 00023057)**Tanmay U. Shah** Director (DIN: 00023067)**Utpal P. Shah** Director (DIN: 02334369)

**Preeti U. Shah**  
Director & Company  
Secretary (DIN: 00023083)

**Shamik H. Chokshi**  
Chief Financial Officer



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

(INR)

	March 31, 2018	March 31, 2017
<b>[A] Cash Flow From Operating Activities :</b>		
Profit Before Taxes	120,058,992	115,102,644
Depreciation And Amortisation	7,823,509	7,692,130
Less : Income from Investing and Fianancial Activity	42,298,401	33,488,059
<b>Operating Profit Before Working Capital Changes</b>	<b>85,584,100</b>	<b>89,306,715</b>
Increase/(Decrease) In Trade Receivable	( 5,763,786)	19,682,780
(Increase)/Decrease In Inventories	1,449,189	(61,250)
Increase/(Decrease) In Current Liabilities	22,465,126	61,968,461
(Increase)/Decrease In Other Receivable	( 98,520,791)	(143,146,418)
<b>Cash Generated From Operations</b>	<b>5,213,838</b>	<b>27,750,288</b>
Direct Taxes Paid (Net Of Refunds)	( 20,418,757)	(18,358,562)
<b>Net Cash Flow From Operating Activities (A)</b>	<b>( 15,204,919)</b>	<b>9,391,726</b>
<b>[B] Cash Flow From Investing Activities :</b>		
Proceed of Fixed Assets	655,000	2,025,000
Purchase of Fixed Assets	( 57,676,832)	(20,722,668)
(Increase)/Decrease In Investments	( 2,259,384)	(34,551,494)
Rent Received	-	-
Dividend Received on Investments	3,349,998	4,047,686
Profit / (Loss) Sale of Investment	38,374,431	27,978,719
<b>Net Cash Flow From Investing Activities (B)</b>	<b>( 17,556,787)</b>	<b>(21,222,757)</b>
<b>[C] Cash Flow From Financing Activities :</b>		
Proceeds From Issue of Equity Share Capital	5,500,000	10
Security Premium on Issue of Equity Share Capital	5,225,000	-
Share application money refunded	-	-
Preliminary Expenses Paid	-	(607,132)
Payment of Dividend with Dividend Tax	( 10,422,856)	(2,601,360)
<b>Net Cash Flow From Financing Activities (C)</b>	<b>302,144</b>	<b>(3,208,482)</b>
<b>Net Increase/(Decrease) In Cash And Cash Equivalents [ A+B+C ]</b>	<b>( 32,459,562)</b>	<b>(15,039,513)</b>
Cash And Cash Equivalents As At The Commencement Of The Year	250,707,017	265,746,530
Cash And Cash Equivalents As At The End Of The Year	218,247,455	250,707,017

Components of Cash and Cash Equivalents	March 31, 2018	March 31, 2017
(a) Cash and cash equivalents		
(i) Balances with banks		
In current accounts	87,904,767	74,568,457
In deposit accounts with original maturity less than 3 months	-	-
(ii) Cheques on hand	-	-
(iii) Cash on hand	265,817	274,754
(iv) Remittances in transit	-	-
	88,170,584	74,843,211
(b) Other Bank balances		
(i) Earmarked balances with banks (Unclaimed Dividend)	62,288	122,513
(ii) Fixed Deposits with Banks	130,014,583	175,741,293
	218,247,455	250,707,017

For, **SHAILESH SHAH & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration no. : 109877W

**CA. SHAILESH A. SHAH**

Proprietor

Membership Number: 032205

Place: Ahmedabad

Date: 6<sup>th</sup> July, 2018



For and on behalf of the Board

**Upendra T. Shah** Chairman (DIN: 00023057)

**Tanmay U. Shah** Director (DIN: 00023067)

**Utpal P. Shah** Director (DIN: 02334369)

**Preeti U. Shah**

Director & Company

Secretary (DIN: 00023083)

**Shamik H. Chokshi**  
Chief Financial Officer



**Notes forming part of the Consolidated Financial Statements****1. Principles of Consolidation**

The consolidated financial statements relate to Shah Investor's Home Limited ('the Parent') and its Subsidiaries (Collectively referred to as 'the Group') as on 31st March, 2018 and for the year ended on that date. The consolidated financial statements have been prepared in accordance with the principles and procedures required for the preparation and presentation of financial statements as laid down under the Accounting Standard - 21 "Consolidated Financial Statements".

The consolidated financial statements have been prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

The financial statements of the company and its subsidiaries have been combined on line to line basis by adding together the book values of like assets, liabilities, income and expenses after fully eliminating intra-group balances and transactions and resulting unrealized gain / losses. Where the cost of the investment is higher / lower than the share of equity in the subsidiary at the time of acquisition the resulting difference is treated as Goodwill / Capital Reserve.

The list of subsidiaries companies, which are included in the Consolidation and the company's holding there in, are as under;

Sr. No.	Name of Subsidiary	Year ended March 31, 2018	Year ended March 31, 2017
		(% of shareholding)	
1	SIHL FINCAP LIMITED	98.49	98.49
2	SIHL CONSULTANCY LIMITED	61.96	79.00
3	SIHL GLOBAL INVESTMENTS (IFSC) PVT. LTD.	100.00	100.00

**2. Significant Accounting Policies****(a) Basis of Preparation**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Sec. 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 till the Standard of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing accounting standards notified under the Companies Act, 1956 shall continue to apply.

Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended], of the Companies Act, 1956 and the other relevant provisions of the Companies Act, 2013.

**(b) Use of estimates**

The preparation of consolidated financial statements requires the management of the Company to make estimates and assumptions that affects the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the consolidated financial statements and reported amounts of income and expenses during the year. Example of such estimates includes provisions for doubtful debts, employee benefits, provision for income taxes, and the useful lives of depreciable fixed assets.



**(c) Tangible Fixed Assets**

Fixed Assets are stated at their cost less accumulated depreciation except in the case of land which is stated at cost. Cost includes all expenses incurred to bring the assets to its present location and condition.

**(d) Capital Work in Progress**

Capital Work in Progress includes cost of assets at sites, construction expenditure, advances made for acquisition of capital assets and interest on the funds deployed.

**(e) Intangible Fixed Assets**

Intangible fixed assets in the nature of software are amortized over a period of 6 years and Intellectual Property Rights (IPR) are amortized over a period of 5 years from the date of addition. Amortization of an intangible asset commences when the asset is available for use and ceases when the asset is retired from active use or is disposed of. Residual value for the purpose of amortization is taken as zero. At each balance sheet date, the Company reviews the amortization period and amortization method and the amortization period is revised to reflect the changed pattern, if any. Based on the international assessment carried out by the management, the salvage value and the useful lives as given above best represents the period over which management expects to use these assets.

**(f) Depreciation/amortization**

Depreciation is provided on the fixed assets except land under the written down value method at rates specified in Part "C" of Schedule II of the Companies Act, 2013. Assets costing less than ₹ 5,000/- individually are fully depreciated. The estimated useful life of the tangible and intangible assets is mentioned below:

Assets Category	Useful Life
<b>(a) Tangible Fixed Assets:</b>	
(i) Building	60 Years
(ii) Furniture & Fixture	10 Years
(iii) Vehicles	8 - 10 Years
(iv) Office Equipment	5 Years
(v) Electrical Installations	10 Years
<b>(b) Intangible Fixed Assets:</b>	
(i) Computer Software	4 Years

Freehold land is not depreciated. Leasehold land, buildings and improvements are amortized over the period of the lease.

The useful lives, residual values of each part of the tangible and the depreciation method are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

The amortization period and the amortization method for an intangible asset with infinite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

**De-recognition:**

The carrying amount of an item of tangible or intangible assets is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the De-recognition of an item of tangible or intangible assets is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the statement of Profit and Loss when the item is derecognized.



**(g) Impairment**

At each consolidated balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised immediately as income in the consolidated statement of profit and loss.

**(h) Investments**

Long-term investments are stated at cost, less provision for other than temporary diminution in value.

**(i) Employee benefits**

(i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

(ii) Post-employment and other long term employee benefits are recognised as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expenses are recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Profit and Loss Account.

**(j) Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow and the revenue can be reliably be measured. In addition, the following criteria must also be met before revenue is recognised;

- i. Brokerage is recognised on trade date basis and is net of statutory payments.
- ii. Income from trading in derivatives is recognised on final settlement or squaring up of the contract.
- iii. Dividends are recorded as and when received.
- iv. Interest and other dues are accounted on accrual basis.
- v. Profit / Loss earned on sale of investment are recognised on trade date basis. Profit / Loss on sale of Investment are determined based on the First in First out (FIFO) cost for Short-term and Long-term Investments.

**(k) Taxation**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provision of the Income-tax Act, 1961.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realize such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.



Advance taxes and provisions for current income taxes are presented in the balance sheet after offsetting advance taxes paid and income tax provisions arising in the same tax jurisdiction and where the Company intends to settle the asset and liability on a net basis. The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

**(l) Derivative instruments and hedge accounting**

**i. Stock / Index Futures:**

Stock / Index futures are marked to market on daily basis. The debit or credit balance in the Mark to Market margin - stock/Index futures accounts disclosed under current assets or current liabilities represents the net paid or received on the basis of the movement in the prices of stock/index futures till the balance sheet date.

Credit balance in the Mark to Market margin Stock / Index future accounts in the nature of anticipated profit, is ignored and no credit is taken to the consolidated Statement of Profit and Loss. However, the debit balance in the Market to Market margin - Stock / Index futures account in the nature of anticipated loss is recognised in the Statement of Profit and Loss.

On final settlement or squaring up of the contracts for Stock / Index futures, the profit or loss is calculated as the difference between the settlement / squaring up price and the contract price. Accordingly debit or credit balance pertaining to the settled / squared up contract in Mark to Market margin - Stock / Index Futures account is recognised in the consolidated statement of Profit and Loss upon expiry of the contracts. When more than one contract in respect of the relevant series of Stock / Index future contracts, to which the squared up contract pertains, is outstanding at the time of the squaring up of the contract, the contract price of such contract is determined using the First In First Out method for calculating Profit / Loss on squaring up.

Initial margin account - Stock / Index futures, representing initial margin paid is disclosed under current assets.

**ii. Stock / Index Options:**

As on the balance sheet date, provision for loss on for open options, to the extent premium paid exceeds premium prevailing on the date is provided for.

**(m) Provisions, Contingent Liabilities and Contingent Assets**

Contingent liabilities are not recognised in the consolidated financial statements. A contingent asset is neither recognised nor disclosed in the consolidated financial statements.

**(n) Cash and cash equivalents**

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

**(o) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipt or payments. The cash flows from Operating, Investing and Financing activities of the companies are segregated based on the available information.



**(p) Leases (As a lessee)**

The determination of whether an arrangement is {or contains} a lease is based on the substance of the arrangement at the inception of the lease. Lease under which the company assumes potentially at the risk and rewards of ownership are classified as finance lease. When acquired, such assets are capitalized at fair value or present value of the minimum lease payment at the inception of the lease, whichever is lower. Lease payments under operating lease are recognized as an expenses on straight line basis in Net Profit in the statement of profit and loss over the lease term, unless the payments are structured to increase in line with expected general inflation to compensate lessor's expected inflationary cost increases.

**(q) Borrowing Cost**

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

**(r) Prior Expenditure / Income**

Expenditure / Income relating to prior year are disclosed separately, if any.

**(s) Earnings Per Share**

**Basic EPS**

The earnings considered in ascertaining the Company's basic EPS comprise the net profit/ (loss) after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

**Diluted EPS**

The net profit/ (loss) after tax and the weighted average number of shares outstanding during the year are adjusted for all the effects of dilutive potential equity shares for calculating the diluted EPS.

**3. SHARE CAPITAL**

The Authorised, Issued, Subscribed and Fully paid-up share capital comprises of equity shares having a par value of ₹ 10 each as follows:

	As at March 31, 2018	As at March 31, 2017
<b>Authorised</b>		
(I) 3,00,00,000 equity shares of ₹ 10 each	300,000,000	200,000,000
(March 31, 2017: 2,00,00,000 equity shares of ₹ 10 each)		
	<u>300,000,000</u>	<u>200,000,000</u>
<b>Issued, Subscribed and Paid up</b>		
(I) 1,70,70,800 equity shares of ₹ 10 each	170,708,000	85,354,000
(March 31, 2017: 85,35,400 equity shares of ₹ 10 each)		
	<u>170,708,000</u>	<u>85,354,000</u>



a) Reconciliation of number of shares	As at March 31, 2018	As at March 31, 2017
<b>Equity Shares</b>		
Opening Balance	8,535,400	8,535,400
Changes during the year (Bonus share issue)	8,535,400	-
Closing Balance	17,070,800	8,535,400

**b) Rights, preferences and restrictions attached to shares (Equity Shares)**

The company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

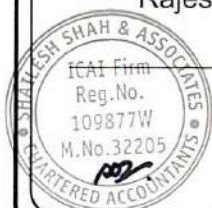
**c) Buy-back of Equity shares (during 5 years preceding March 31, 2018)**

In accordance with Section 77 of the Companies Act, 1956 and Buy-back Regulations of SEBI, The Company during the Financial Year 2013-14 bought back and extinguished 7,31,600 number of equity shares of ₹ 10 each and created a Capital Redemption Reserve of ₹ 73,16,000 out of surplus in the Statement of Profit & Loss. The premium on Buy-back of ₹ 2,92,64,000 has been utilised from securities Premium Account.

**d) Bonus of Equity shares (during 5 years preceding March 31, 2018)**

The company has declared and issued bonus equity shares of ₹ 10 each in the ratio of 1:1 on 21<sup>st</sup> November, 2017 by utilizing the capital reduction reserve, security premium, general reserve and accumulated profits from the profit and loss accounts.

e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company	As at March 31, 2018 Number of shares	As at March 31, 2017 Number of shares
<b>Equity Shares</b>		
Upendra T. Shah	57,51,800	28,84,900
	33.69%	33.80%
Purnima U. Shah	40,96,000	20,04,800
	23.49%	23.49%
Preeti U. Shah	12,05,800	601,400
	7.06%	7.05%
Tanmay U. Shah	11,51,800	574,400
	6.75%	6.73%
Rajesh R. Punjabi	8,98,000	447,200
	5.26%	5.24%



**4 RESERVES AND SURPLUS**

Reserves and surplus consist of the following reserves:

	As at March 31, 2018	As at March 31, 2017
(a) Securities Premium Account	8,116,000	8,116,000
Less: Utilised for Bonus Payment	<u>-8,116,000</u>	<u>-</u>
	-	8,116,000
(b) General Reserve		
(i) Opening balance	501,500,000	446,500,000
(ii) Transferred from Statement of Profit and Loss	55,500,000	55,000,000
(iii) Utilised for Bonus Payment	<u>-30,500,000</u>	<u>-</u>
	526,500,000	501,500,000
(c) Statutory Reserve Fund		
(i) Opening balance	8,309,850	6,347,530
(ii) Transferred from Statement of Profit and Loss	<u>5,443,650</u>	<u>1,962,320</u>
	13,753,500	8,309,850
(d) Capital Redemption Reserve		
(i) Opening balance	7,316,000	7,316,000
(ii) Utilised for Bonus Payment	<u>-7,316,000</u>	<u>-</u>
	-	7,316,000
(e) Surplus in Statement of Profit and Loss		
(i) Opening balance	49,601,730	23,630,353
(ii) Add : Profit for the year	<u>96,168,666</u>	<u>85,535,057</u>
	145,770,396	109,165,410
Less : Appropriations		
(a) Interim dividends on equity shares	8,659,900	2,161,350
(b) Proposed final dividend on equity shares	5,121,240	-
(c) Tax on dividend	2,805,526	440,010
(d) Transfer to Statutory Reserve	5,443,650	1,962,320
(e) Utilised for Bonus Payment	39,422,000	-
(f) General Reserve	<u>55,500,000</u>	<u>55,000,000</u>
	28,818,080	49,601,730
	<u>569,071,580</u>	<u>574,843,580</u>

The Board of Directors at its meeting held on March 08<sup>th</sup> 2018 has recommended interim dividend of ₹ 0.50 per equity share

**5 DEFERRED TAX LIABILITIES (Net)**

Major components of the deferred tax balances:

	As at March 31, 2018	As at March 31, 2017
(a) Deferred tax liabilities (Net)		
(i) Employee benefits	-	10,958
(ii) Depreciation and amortisation	666,012	941,473
	<u>666,012</u>	<u>952,431</u>
(b) Deferred tax assets (Net)		
(i) Employee benefits	70,523	-
(ii) Depreciation and amortisation	-	-
	<u>70,523</u>	<u>-</u>



**6 LONG - TERM PROVISIONS**

Long - term provisions consist of the following:

As at March 31, 2018	As at March 31, 2017
Provision for employee benefits	344,037
<u>425,768</u>	<u>344,037</u>

Provision for employee benefits include provision for gratuity and other retirement benefits.

**7 SHORT - TERM BORROWINGS**

Short - term Borrowing consist of the following:

As at March 31, 2018	As at March 31, 2017
(a) Secured	
(i) Loan repayable on demand from Banks (Secured against Lien of Fixed Deposits)	52,881,377
<u>227,042,713</u>	<u>52,881,377</u>
(b) Unsecured	
(i) Loan repayable on demand from Others	10,023,240
<u>-</u>	<u>10,023,240</u>
<u>227,042,713</u>	<u>62,904,617</u>

**8 OTHER CURRENT LIABILITIES**

Other current liabilities consist of the following:

As at March 31, 2018	As at March 31, 2017
(a) Current maturities of long-term debt	-
(b) Current maturities of finance lease obligations	-
(c) Interest accrued but not due on borrowings	-
(d) Income received in advance	-
(e) Unpaid dividends	122,513
(f) Equity share application monies refundable	-
(g) Advance received from customers	-
(h) Other payables	14,098,410
<u>13,550,604</u>	<u>14,220,923</u>
<u>13,612,892</u>	<u>14,220,923</u>
Other payables comprises of :	
(i) Statutory liabilities	1,272,844
(ii) Turnover Charges	1,894,941
(iii) Others	10,930,625

**9 SHORT - TERM PROVISIONS**

Short - term provisions consist of the following:

As at March 31, 2018	As at March 31, 2017
(a) Provision for employee benefits	1,250,387
(b) Others	
(i) Proposed final dividend on equity shares	-
(ii) Tax on dividend	-
(iii) Current income taxes	26,550,000
<u>24,045,000</u>	<u>27,800,387</u>
<u>31,725,981</u>	<u>27,800,387</u>





## 10 FIXED ASSETS

Fixed Assets consist of the following :

	Description	Gross Block as at April 1, 2017	Additions	Deletions/ Adjustments	Gross Block as at March 31, 2018	Accumulated Depreciation / Amortisation as at April 1, 2017	Depreciation / Amortisation for the year	Deletions/ Adjustments	Accumulated Depreciation / Amortisation as at March 31, 2018	Net book value as at March 31, 2018	Net book value as at March 31, 2017
(i)	<b>TANGIBLE FIXED ASSETS</b>										
	FREEHOLD LAND	27,490,223	-	-	27,490,223	-	-	-	-	27,490,223	27,490,223
	FREEHOLD BUILDINGS	49,232,809	23,947,997	-	73,180,806	13,362,344	1,932,332	-	15,294,676	57,886,130	35,870,465
	LEASEHOLD BUILDINGS	-	14,160,640	-	14,160,640	-	29,744	-	29,744	14,130,896	-
	FURNITURE AND FIXTURES	16,772,933	1,793,732	-	18,566,664	14,336,148	434,637	-	14,770,785	3,795,880	2,436,785
	VEHICLES	17,065,863	3,778,081	1,308,114	19,535,830	9,315,303	2,448,509	1,242,709	10,521,103	9,014,727	7,750,560
	OFFICE EQUIPMENT	40,290,178	2,837,329	312,900	42,814,608	34,139,895	2,201,316	297,277	36,043,934	6,770,673	6,150,283
	ELECTRICAL INSTALLATIONS	3,959,012	126,350	-	4,085,362	3,206,026	135,753	-	3,341,779	743,583	752,986
	<b>Total</b>	<b>154,811,018</b>	<b>46,644,129</b>	<b>1,621,014</b>	<b>199,834,133</b>	<b>74,359,716</b>	<b>7,182,291</b>	<b>1,539,986</b>	<b>80,002,021</b>	<b>119,832,112</b>	<b>80,451,302</b>
	Previous year	153,808,972	27,405,171	26,403,125	154,811,018	71,868,752	7,435,980	4,945,016	74,359,716	80,451,302	-
(ii)	<b>INTANGIBLE ASSETS</b>										
	RIGHTS UNDER LICENSING	6,548,595	268,341	-	6,816,935	6,050,308	489,435	-	6,539,743	277,192	498,287
	<b>Total</b>	<b>6,548,595</b>	<b>268,341</b>	<b>-</b>	<b>6,816,935</b>	<b>6,050,308</b>	<b>489,435</b>	<b>-</b>	<b>6,539,743</b>	<b>277,192</b>	<b>498,287</b>
	Previous year	5,798,913	749,682.00	-	6,548,595	5,794,158	256,150	-	6,050,308	498,287	-
(iii)	<b>CAPITAL WORK IN-PROGRESS</b>	<b>13,488,079</b>	<b>10,764,360</b>	<b>-</b>	<b>24,252,439</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,252,439</b>	<b>13,488,079</b>
	Previous year	25,500	13,462,579	-	13,488,079	-	-	-	-	13,488,079	-

**11 NON - CURRENT INVESTMENTS**

Non - current investments consist of the following:

11 NON - CURRENT INVESTMENTS		Face value per share	As at March 31, 2018		As at March 31, 2017	
Non - current investments consist of the following:			Number of shares	Amount	Number of shares	Amount
Description						
(A) NON TRADE INVESTMENTS (at cost)						
(a) Fully Paid Equity Shares (Quoted)						
A K Capital Services Ltd	10	931	162,925	1,408	260,500	
ABC India Ltd	10	-	-	66,340	9,285,226	
Aditya Birla Capital Limited	10	55,555	10,011,150	-	-	
Alkyl Amines Ch Ltd	5	-	-	17,893	447,325	
Asian Paints Ltd	1	-	-	7,425	6,947,500	
Associated Alcohol Ltd	10	400	2,440	400	2,440	
Avenue Supermarts Ltd (D'Mart)	10	1,000	951,518	10,000	6,362,415	
Axis Bank Ltd	2	-	-	8,400	3,313,440	
Bajaj Auto Ltd	10	-	-	6,925	19,064,395	
Bajaj Finance Ltd	2	13,100	16,598,750	7,500	7,580,016	
Bank Bees	10	-	-	500	785,007	
Bank of Baroda	2	-	-	4,500	634,229	
Bata India Ltd	5	-	-	5,725	3,171,400	
Bombay Barma Ltd	2	200	4,985	200	4,985	
Bombay Stock Exchange Ltd.	2	29,419	2,720,126	29,419	2,720,126	
Borosil Glass Ltd.	1	43,550	39,379,223	-	-	
Cadila Healthcare Ltd	5	-	-	15,830	5,537,585	
Camphor Allied Products Ltd	10	475	252,003	475	252,003	
Castex Technologies Ltd	2	30,000	156,356	30,000	156,356	
Cera Sanitaryware Ltd	5	1,900	4,673,513	1,900	4,673,513	
Continental Construction Ltd	10	600	-	600	-	
Cyber Space Multimedia Ltd	10	1	3	1	3	
Datar Swithchgear Ltd	10	100	6,400	100	6,400	
DCB Bank Ltd	10	-	-	20,000	2,385,780	
Divis Lab	2	-	-	3,235	1,997,156	
Dravya Chemicals Ltd	10	5,500	11,000	5,500	11,000	
Easun Reyrol	2	-	-	564	52,333	
Eicher Motors Ltd	10	350	7,679,396	350	7,679,396	
Federal Bank	2	19,400	1,243,905	19,400	1,243,905	
Gmdc Ltd	2	3,500	547,020	3,500	547,020	
Godrej Consumer Product Ltd	1	1,100	-	4,600	7,325,791	
Gruh Finance Ltd	2	-	-	3,000	1,018,089	
Gufic Bio Science Ltd	1	1,000	40,445	1,000	40,445	
Havells India Ltd	1	40,000	20,399,128	-	-	
Hcl Infosystem Ltd	2	-	-	35,000	1,613,127	
Hdfc Bank Ltd	2	6,450	8,348,762	7,950	8,764,842	
Hindustan Alloys Ltd	10	1,300	5,830	1,300	5,830	
Hindustan Eng & Ind Ltd (Malanpur Steel Ltd)	10	15	10,892	15	10,892	
Hindustan Petroleum Corporation Ltd	10	15,500	2,182,223	21,000	5,200,697	
ICICI Bank Ltd	2	-	-	33,000	6,666,220	
IDFC Bank Ltd	10	-	-	100,000	5,996,705	
IFSL Ltd	10	-	-	200	10,390	
Indusind Bank	10	2,100	1,812,125	2,100	1,812,125	
Infomedia 18 Ltd	10	-	-	76	2,402	
ITC Ltd.	1	457	133,416	26,857	6,169,910	
James Warren Tea Ltd	10	-	-	2	-	
Kansai Nerolac Paints Ltd.	1	14,728	5,449,667	14,408	5,300,891	
Kotak Mahindra Bank Ltd	5	4,700	2,994,230	4,700	2,994,230	
La Opala RG Ltd.	2	37,538	10,136,167	-	-	
LC Housing Finance Ltd	2	368	200,677	368	200,677	

SHAH & ASSOCIATES  
ICAI Firm  
Reg.No. 09877W  
No. 32205  
CHARTERED ACCOUNTANTS

Manpasand Beverages Ltd.	10	7,000	2,504,762	-	-
Maple Circuits Ltd	10	100	402	100	402
Marico Industries Ltd	1	62,409	17,856,314	50,680	12,601,806
MMTC	1	2,500	404,569	2,500	404,569
Motherson Sumi System Ltd	1	49,775	8,003,491	38,250	9,909,509
Motilal Oswal Fin.Ser.Ltd	1	2,000	2,538,419	-	-
Network 18 Media Ltd	5	-	-	110	3,000
Novartis India Ltd	5	-	-	4,025	3,140,713
Oil & Natural Gas Corporation Ltd	5	-	-	10,350	138,294
Oracle Financial Services Software Ltd	5	-	-	1,835	6,196,587
Pentafour Products Ltd	10	4,000	63,000	4,000	63,000
Pidilite Industries Ltd	1	398	297,336	217	148,043
Precision Wire Ltd	10	-	-	130	1,686
Punjab Chemicals Ltd	10	209	28,951	209	28,951
Pyramid Saimira Theatre Limited	10	9,598	180,833	9,598	180,833
RBL Bank Ltd	10	-	-	11,000	4,315,249
Reliance Industries Ltd	10	8,000	5,220,668	4,000	5,220,666
Riba Textile Ltd	10	2,300	73,600	2,300	73,600
Sheela Foam Ltd	5	-	-	1,717	1,253,410
Siemens Ltd	2	-	-	4,800	4,802,376
Sree Rayalaseema Alkalies & Allied Chem. L	10	-	-	400	-
State Bank Of India Ltd	1	-	-	18,500	3,096,970
Stone India Ltd	10	-	-	20,000	420,000
Sun Pharmaceutical Ltd	1	-	-	3,815	3,046,463
Suprem Industries Ltd.	2	18,500	20,087,362	-	-
Tamil Nadu Petro Ltd	10	25,200	515,953	25,200	515,953
Thyrocare Technologies Ltd		9,000	6,283,495	-	-
Tirupati Ind Ltd	10	100	503	100	503
Trans Freight Ltd	10	1,593	41,418	1,593	41,418
Transgene Biotech Ltd	10	-	-	500	-
TVS Motor Ltd	1	1,000	283,483	16,800	4,818,451
Ujjivan Finance Ltd	10	15,000	5,007,194	683	343,689
Vanasthali Textile Ltd	10	3,000	38,544	3,000	38,544
Vatsa Corporation Ltd	10	10,900	159,650	10,900	159,650
Welspun India Ltd	1	-	-	12,500	742,450
Wim Plast Ltd	10	2,070	2,507,460	2,070	2,507,460
Wipro Ltd	2	373	-	-	-
Yes Bank	10	-	-	1,500	1,074,772
Zydus Wellness Ltd	10	-	-	4,000	3,168,574
			208,211,683		206,712,306
<b>(b) Investment in Mutual Funds (Quoted)</b>					
Goldman Sach Mutual Fund - Nifty Bees	10	6,100	4,457,923	6,291	4,618,366
Reliance Liquied Fund - Growth	10	-	5,000,000	-	-
Reliance Mutual Fund ETF - Bank Bees	10	500	785,007	-	-
Reliance Mutual Fund ETF - Nifty Bees	10	191	160,443	-	-
			10,403,373		4,618,366
<b>(c) Investment in Bonds (Unquoted)</b>					
10.99% Andhrabank Bond	1,000,000	-	-	5	5,025,000
			-		5,025,000
<b>(d) Fully Paid Equity Shares (Unquoted)</b>					
Devmurti Association Ltd.	10	10	1,000	10	1,000
Sihl Commodities Ltd	10	330,000	4,700,000	330,000	4,700,000
			4,701,000		4,701,000
<b>(e) Fully Paid Preference Shares (Quoted)</b>					
TGV SRACC Ltd 0.01 (01.01.2019)	10	400.00	-	400.00	-
			-		-
Aggregate Amount of quoted investments			223,316,056		221,056,672
Market value of quoted investments			218,615,056		211,330,672
Aggregate Amount of unquoted investments			274,106,323		292,405,300
			4,701,000		9,726,000



**12 LONG - TERM LOANS AND ADVANCES**

Long - term loans and advances consist of the following:

	As at March 31, 2018	As at March 31, 2017
(a) Unsecured, considered good		
(i) Loans and advances to employees	-	-
(ii) Advance tax (net)	38,888,334	42,514,577
(iii) Deposits with Depositories & Exchanges	17,975,000	17,875,000
(iv) Other loans and advances	106,452,217	121,111,336
	<u>163,315,551</u>	<u>181,500,913</u>

**13 UNBILLED REVENUES**

	As at March 31, 2018	As at March 31, 2017
(a) Unbilled Revenue	-	2,517,368
	<u>-</u>	<u>2,517,368</u>

Unbilled revenues at the end of the year primarily comprises of the revenue recognised in relation to trade dates of which settlement dates fall in the next accounting period

**14 TRADE RECEIVABLES (Unsecured)**

Trade receivables consist of the following:

	As at March 31, 2018	As at March 31, 2017
(a) Over six months from the date they were due for payment		
(i) Considered good	1,345,619	2,054,010
(ii) Considered doubtful	-	-
(b) Others		
(i) Considered good	23,900,012	17,427,835
(ii) Considered doubtful	-	-
	<u>25,245,631</u>	<u>19,481,845</u>
Less : Provision for doubtful receivable	-	-
	<u>25,245,631</u>	<u>19,481,845</u>

**15 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of the following:

	As at March 31, 2018	As at March 31, 2017
(a) Cash and cash equivalents		
(i) Balances with banks		
In current accounts	87,904,767	74,568,457
In deposit accounts with original maturity less than 3 months	-	-
(ii) Cheques on hand	-	-
(iii) Cash on hand	265,817	274,754
(iv) Remittances in transit	-	-
	<u>88,170,584</u>	<u>74,843,210</u>
(b) Other Bank balances		
(i) Earmarked balances with banks (Unclaimed Dividend)	62,288	122,513
(ii) Fixed Deposits with Banks*	130,014,583	175,741,293
	<u>218,247,455</u>	<u>250,707,016</u>

\* Fixed Deposits with Banks include deposit of ₹ 130014582.90/- (previous year 175741293.20/-) with maturity of more than 12 months



**16 SHORT - TERM LOANS AND ADVANCES**

Short - term loans and advances consist of the following:

**As at  
March 31, 2018**

**As at  
March 31, 2017**

(a) Unsecured, considered good

(i) Loans and advances to employees

(ii) Other loans and advances

507,896

346,722,333

347,230,229

447,700

162,029,925

162,477,625

**17 OTHER CURRENT ASSETS**

Other current assets consist of the following:

**As at  
March 31, 2018**

**As at  
March 31, 2017**

(a) Other Current Assets

23,045,861

23,045,861

10,650,422

10,650,422

**18 REVENUE FROM OPERATIONS**

Revenue income (net) consist of the following:

**As at  
March 31, 2018**

**As at  
March 31, 2017**

(a) Brokerage Income

(b) Depository Service Income

(c) Consultancy Fees Income

(d) Sale of Share

(e) Income from NBFC Activity

314,487,874

29,648,876

148,954

2,115,489

32,065,666

378,466,859

257,555,062

26,731,593

45,000

-

21,291,621

305,623,276

**19 OTHER INCOME (NET)**

Other income (net) consist of the following:

**As at  
March 31, 2018**

**As at  
March 31, 2017**

(a) Interest income

(b) Dividend income

(c) Profit / (loss) on sale of Investments Activity (net)

(d) Bad Debt Recovery

(e) Profit on sale of Fixed Assets

(f) Miscellaneous income

38,685,505

3,349,998

38,374,431

12,500,000

573,972

1,893,292

95,377,198

44,825,221

4,047,686

27,978,719

-

1,461,654

620,189

78,933,469

**20 CHANGES IN INVENTORIES**

Change in value of Stock

**As at  
March 31, 2018**

**As at  
March 31, 2017**

Inventories at Close

Inventories at Commencement

637,753

2,086,942

1,449,189

2,086,942

2,025,692

- 61,250

**21 EMPLOYEE BENEFITS EXPENSES**

Employee benefits expenses consist of the following:

**As at  
March 31, 2018**

**As at  
March 31, 2017**

(a) Salaries and incentives

(b) Contributions to Provident fund and Other Funds

(c) Staff welfare expenses

56,668,617

1,500,883

3,353,842

61,523,342

53,997,610

1,592,819

3,418,824

59,009,253



**22 OPERATION AND OTHER EXPENSES**

Operation and other expenses consist of the following:

	As at March 31, 2018	As at March 31, 2017
(a) Stock Exchange Charges	25,407,491	21,695,704
(b) Depository Charges	4,910,204	5,826,029
(c) SEBI Fees and Other Registration Charges	1,325,852	990,542
(d) Repairs Building	1,338,802	332,466
(e) Repairs Others	1,613,091	1,608,336
(f) Electricity Expense	3,025,691	2,704,981
(g) Rent, Rates and Taxes	7,353,850	6,134,430
(h) Advertisements Exp.	3,713,811	4,992,246
(i) Insurance	375,771	233,809
(j) Stationery & Printing	1,539,128	1,450,506
(k) Postage, Telephone & Communication Exp	4,738,050	4,205,604
(l) Legal And Professional Fees	5,936,574	2,042,998
(m) Payments to Auditors	242,500	223,000
(n) Remisery-Subbrokerage, Commission Paid Expense	170,385,405	135,931,583
(o) Office Management And Maint. Exps	16,712,943	6,010,000
(p) Donation	1,729,611	1,412,500
(q) Bad Debts Written Off	-	669,137
(r) Software Maintenance Charges	5,522,005	1,738,122
(s) Profit / (loss) on Derivative Transactions (net)	13,051,673	-8,027,675
(t) Preliminary Expenses Written Off	151,783	151,783
(u) Other Expenses	6,723,058	4,939,739
	<u>275,797,293</u>	<u>195,265,840</u>

**23 FINANCE COSTS**

Finance costs consist of the following:

	As at March 31, 2018	As at March 31, 2017
(a) Interest expense	4,071,033	6,291,413
(b) Other Financial Charges	3,272,482	2,376,039
	<u>7,343,515</u>	<u>8,667,452</u>



**24 Retirement benefits plans****a) Defined benefit plan**

The Company makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for service, payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date.

The following tables sets out the funded status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31, 2018.

	As at March 31, 2018	As at March 31, 2017
<b>i) Change in benefit obligations:</b>		
Project benefit obligation, beginning of the year	4,285,644	3,489,675
Interest cost	309,036	281,967
Current Service Cost	452,635	377,364
Liability Transferred In / Acquisition	-	-
Benefits paid	-96,028	-78,404
Actuarial (gain) / loss	-247,977	215,042
Projected benefit obligation, end of the year	4,703,310	4,285,644
<b>ii) Change in plan assets:</b>		
Fair value of plan assets, beginning of the year	4,150,287	3,506,549
Expected return on plan assets	299,967	283,329
Employers' contributions	878,516	462,162
Benefits paid	-96,028	-78,404
Actuarial (gain) / loss	-13,333	23,350
Fair value of plan assets, end of the year	5,246,075	4,150,287
Total Actuarial (Gain) / Loss To Be Recognised	-261,310	238,392
<b>iii) Reconciliation of Present Value of Defined Benefit obligation and the fair value of Assets:</b>		
Present Value of Funded Obligation as at the end of the year	4,703,310	4,285,644
Fair Value of Plan Assets as at end of the year	5,246,075	4,150,287
Funded (Liability) / Assets recognised in the Balance-Sheet	177,169	-135,357
<b>iv) Amount Recognised in Balance Sheet:</b>		
Opening Net Liabilities	135,357	-16,875
Expenses as above	200,394	614,393
Net Liability / (Assets) Transferred In	-	-
Net (Liability) / Assets Transferred Out	-	-
Employees Contribution Paid	-878,516	-462,162



Closing Net Liabilities / (Assets)	-542,765	135,356
<b>v) Expenses Recognised in the Income Statement:</b>		
Current Service Cost	452,635	377,364
Past Service Cost	-	-
Interest Cost	309,036	281,966
Expected Return on Plan Assets	-299,967	-283,329
Net Actuarial (Gain)/Loss To Be Recognised	-261,310	238,392
Expense Recognised in P&L	200,394	614,393
<b>vi) Actual Return on Plan Assets:</b>		
Expected Return on Plan Assets	299,967	283,329
Actuarial gain/(loss) on Plan Assets	13,333	-23,350
Actual Return on Plan Assets	313,300	259,980
<b>vii) Assumption used in accounting for gratuity plan:</b>		
	(%)	(%)
Discount rate (Previous Year)	7.20	8.08
Discount rate (Current Year)	7.78	7.20
Rate of Return on Plan Assets (Previous Year)	7.20	8.08
Rate of Return on Plan Assets (Current Year)	7.78	7.20
Salary Escalation (Previous Year)	6.00	6.00
Salary Escalation (Current Year)	6.00	6.00

The estimate of future salary increase considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risk of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.

## 25 Related Party Disclosure

### a) Party where control exists

- SIHL Fincap Ltd - Subsidiary Company 98.49% (P.Y.98.49%) of whose equity share capital is held by the company as at 31<sup>st</sup> March, 2018.
- SIHL Consultancy Ltd - Subsidiary Company 61.96% (P.Y.79.00%) of whose equity share capital is held by the company as at 31<sup>st</sup> March, 2018.
- SIHL Global Investments (IFSC) Pvt Ltd. - Subsidiary Company 100.00% of whose equity share capital is held by the company as at 31<sup>st</sup> March, 2018.

### b) Other Related Parties

- (i) Enterprise owned or significantly influenced by key management personnel or their relatives.

- SIHL Commodities Ltd. - Infinium Mines & Minerals Pvt Ltd - SIHL Properties
- Trinity Edutech Pvt. Ltd. - Sur Advisory Services Pvt. Ltd. - P & S Space Developers LLP
- Stock Book LLP - K. S. Chokshi & Co.

### (ii) Key Management Personnel and their Relatives.

- Mr. Upendra T. Shah - Mr. Utpal P. Shah - Mr. Tanmay U. Shah - Mrs. Sandhya R. Punjabi
- Mrs. Purnima U. Shah - Mrs. Trupti U. Shah - Mrs. Ruchira T. Shah - Mr. Sagar R. Punjabi
- Ms. Preeti U. Shah - Mr. Rehaan U. Shah - Miss. Kenisha T. Shah - Miss. Shruti R. Punjabi
- Miss. Pearl T. Shah - Miss. Aashna U. Shah - Mr. Rajesh R. Punjabi - Mr. Bhadresh H. Punjabi



(₹ in '000)

C) Details of Transaction	Associates	Key Management Personnel and their Relatives	Total
(i) Purchase of Goods	- (-)	- (-)	- (-)
(ii) Sale of Goods	- (-)	- (-)	- (-)
(iii) Purchase of Fixed Assets	- (-)	- (-)	- (-)
(iv) Sale of Fixed Assets	- (-)	- (-)	- (-)
(v) Remuneration Paid	- (-)	28,469.37 ( 24,587.36)	28,469.37 (24,587.36)
(vi) Rent Paid	- (-)	1,705.50 ( 1,284.00)	1,705.50 (1,284.00)
(vii) Consultancy Expenses Paid	- (-)	- (-)	- (-)
(viii) Interest Received	9,472.63 (4,493.36)	4,975.95 (3,958.44)	14,448.58 (8,451.80)
(ix) Interest Paid	456.97 (-)	- (-)	456.97 (-)
(x) Loans Taken	116,809.04 (165,073.00)	- (-)	116,809.04 (165,073.00)
(xi) Loans repaid	127,289.25 (155,049.76)	- (-)	127,289.25 (155,049.76)
(xii) Loans Given	252,794.36 (183,976.81)	47,375.27 (65,991.22)	300,169.63 (249,968.03)
(xiii) Loans received back	328,440.62 (85,727.29)	47,678.04 (24,765.00)	376,118.66 (110,492.29)
(xiv) Dividend paid on Equity Shares	- (-)	8,031.40 ( 2,022.43)	8,031.40 (2,022.43)

- No amount in respect of the related parties have been written off during the year.
- Related parties relationship have been identified by the management and relied upon by the Auditors

## 26 Segment Reporting

The company operates in only one business segment of security broking business in the secondary market. Accordingly no further, financial information for business segment is required to be furnished.



27 Earnings per share (EPS)	As at March 31, 2018	As at March 31, 2017
Net profit for the year	96,168,668	85,535,056
Less : Preference share dividend (including tax)	-	-
Amount available for equity shareholders	96,168,668	85,535,056
Weighted average number of shares	17,070,800	8,535,400
Earning per share Basic (₹)	5.63	10.02
Earning per share Diluted (₹)	5.63	5.01
Face value per Equity share (₹)	10.00	10.00

**28 Contingent Liabilities**

a) Bank guarantee given by the banks of ₹ 39.00 Crore (P.Y. ₹ 29.00 Crore) infavour of National Stock Exchange of India Limited and ₹ 2.50 Crore (P.Y. 2.50 Crore) in favour of Bombay Stock Exchange Ltd.

b) Contingent liability in respect of Income tax disputed in appeal including departmental appeals in respect of cases won by the company but excluding interest there on is ₹ 247.30 Lacs (P.Y. ₹ 668.24 Lacs).

c) Contingent liability in respect of compounding application filed with the NCLT, Ahmedabad under the Company Law and consent filed with the SEBI under SEBI (Settlement and Administrative) Regulations, 2014, the quantum of liability are not determinable hence not quantified.

**29 The Company has yet to obtain balance confirmations from various parties due adjustments will be made on receipt there of if necessary.**

**30 Outstanding dues to Micro, Small and Medium Enterprise**

There are no Micro and Small Enterprise to whom the Company owes dues, which are outstanding for more than forty five days as at 31<sup>st</sup> March, 2018. The identification of the Micro and Small Enterprises and the information as required to be disclosed under the Micro, Small and Medium Enterprises development Act, 2006 has been determined on the basis of Vendor information available with the Company.


The Disclosure pursuant to the Said Act is as Under:	March 31, 2018	March 31, 2017
(i) Principal amount (alongwith payment made to suppliers)	Nil	Nil
(ii) Interest paid beyond the appointed day during the year	Nil	Nil
(iii) Interest due and payable for delay in making the payment	Nil	Nil
(iv) Interest accrued and remaining unpaid at the end of the year	Nil	Nil
(v) Further interest remaining due and payable in succeeding years	Nil	Nil

31. Corporate Social Responsibility Statement (CSR)	As at March 31, 2018	As at March 31, 2017
Gross Amount required to be spent by the company during the year	1,044,950	736,445
Amount spent and paid on CSR Activities included in the statement of Profit and Loss for the year	1,049,611	791,000

	As at March 31, 2018	As at March 31, 2017
32. Income in Foreign Currency	Nil	Nil
33. Expenditure in Foreign Currency	Nil	Nil
34. Value of imports calculated on CIF basis	Nil	Nil
35. Dividend Remitted in Foreign Exchange	Nil	Nil
36. In the opinion of the management, current assets, loans and advances are approximately of the value stated in the balance sheet if realised in the ordinary course of business.		
37. Previous year figures have been regrouped / reclassified where ever necessary to correspond with the current year's classification / disclosure.		

For and on behalf of the Board

For, **SHAILESH SHAH & ASSOCIATES**  
Chartered Accountants  
ICAI Firm Registration no. : 109877W

  
**CA. SHAILESH A. SHAH**  
Proprietor  
Membership Number: 032205



Place: Ahmedabad  
Date: 6<sup>th</sup> July, 2018

  
**Upendra T. Shah** Chairman (DIN: 00023057)  
**Tanmay U. Shah** Director (DIN: 00023067)  
**Utpal P. Shah** Director (DIN: 02334369)

  
**Preeti U. Shah**  
Director & Company  
Secretary (DIN: 00023083)

  
**Shamik H. Chokshi**  
Chief Financial Officer



## Form AOC - I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 Statement containing salient features of the financial statement of subsidiaries

(INR)

Sr. No.	1	2	3
Name of Subsidiary	SIHL Fincap Ltd	SIHL Consultancy Ltd	SIHL Global Investment (IFSC) Pvt Ltd
Share Capital	72,668,000	20,000,000	25,000,000
Reserve & Surplus	106,474,139	28,541,839	(523,182)
Total Assets	185,361,626	55,002,714	24,634,178
Total Liabilities	6,219,487	960,875	157,360
Investments	180,833	16,217,783	-
Turnover	34,181,155	2,631,404	-
Profit / (Loss) Before Taxation	27,328,825	1,708,838	(225,315)
Provision for Taxation	5,554,552	357,994	-
Profit / (Loss) After Taxation	21,774,273	1,350,844	(225,315)
Proposed Dividend	-	-	-
% of Share Holding	98.49%	61.96%	100.00%